

REVIEW

# THE WALL STREET JOURNAL.

# WSJ



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## What's News

### World-Wide

**S**essions fired former Deputy FBI Director McCabe, alleging he made an unauthorized disclosure to the media and "lacked candor" in speaking to an internal watchdog. A1

◆ Trump and Kelly have reached a truce to keep the chief of staff in place as the White House grapples with personnel changes. A4

◆ Hong Kong has become a hub for North Korean front companies that help Pyongyang defy sanctions. A1

◆ North Korea's export of power to China rose 91% last year, as sanctions shut off other sources of income. A6

◆ A project engineer called a Florida transportation official to report cracks in a pedestrian bridge two days before a deadly collapse. A3

◆ Trump's personal lawyer said a former adult-film star could be liable for damages of at least \$20 million for breaching a nondisclosure deal. A3

◆ Britain's top diplomat accused Putin or ordering the poisoning of an ex-spy, as police probed the death of another Russian exile. A8

◆ Died: Louise Slaughter, 88, Democratic lawmaker. A2

### Business & Finance

◆ Wells Fargo's wealth-management business is being investigated, as a federal probe of the bank's sales practices widens. A1

◆ Qualcomm removed former Chairman and CEO Jacobs from its board after he broached a long-shot bid for the chip maker. B1

◆ Billionaire Li Ka-shing said he will step down in May as chairman of CK Hutchison, marking the end of an era. B1

◆ Saudi Arabia's sovereign-wealth fund is moving to buy a stake in Endeavor, a firm that includes the world's largest talent agency. B1

◆ A second Nike executive is leaving after complaints about inappropriate workplace behavior. B3

◆ An appeals court ruled that federal regulators had overreached in their effort to curb telemarketing abuses. B2

◆ A Goldman filing shows that women working at the firm's main U.K. arm make 36% less than men. B10

◆ The Dow rose 72.85 points to 24946.51 Friday but declined 1.5% for the week. B11

◆ An obscure clause in a bond document is adding to Wynn Resorts' headaches. B11

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Deliverance  
From  
Hillary Clinton

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## Young Russians Back the Only Leader They Have Ever Known

Many say they are better off than their parents under President Vladimir Putin and intend to vote for him Sunday. A8



Anastasia Kuklina, age 20



Nikita Ivlev, age 18



Darya Yershova, age 18

Young people are the president's biggest supporters and have a more positive view of Russia's direction than older generations do.

**Do you approve the activities of Mr. Putin as the president/prime minister of Russia?**

■ Approve ■ Disapprove ■ No answer

18-24	86%	13%
25-39	81%	18%
40-54	78%	21%
55 and over	82%	17%

Source: Levada-Center poll of 1,605 adults conducted Dec. 1-5, 2017

**Is Russia moving in the right direction or this course is a dead end?**

■ In the right direction ■ On the wrong track ■ Difficult to answer

18-24	67%	19%	14%
25-39	55%	30%	16%
40-54	56%	26%	17%
55 and over	53%	32%	15%

Note: Figures may not total to 100 due to rounding.

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## FBI's McCabe Is Dismissed

By ARUNA VISWANATHA

Attorney General Jeff Sessions fired former Deputy FBI Director Andrew McCabe on Friday, alleging he made an unauthorized disclosure to the media and "lacked candor" in speaking to an internal watchdog.

The move comes two days before Mr. McCabe's expected retirement on Sunday. He was

removed from his deputy post in January.

Mr. Sessions said he terminated Mr. McCabe's employment "effective immediately," and said he came to that determination after an "extensive and fair investigation."

Both the inspector general and the FBI's Office of Professional Responsibility concluded that Mr. McCabe made an unauthorized disclosure and

lacked candor when he spoke under oath on "multiple occasions," Mr. Sessions said.

In a lengthy statement, Mr. McCabe strongly disputed the allegations, saying he had the authority to share the information with a reporter, and that he "answered questions truthfully and as accurately" as he could "amidst the chaos that surrounded" him. His lawyer said the disciplinary process

was rushed and completed "in a little over a week."

The move is a striking end to Mr. McCabe's decadeslong career at the Federal Bureau of Investigation after he became a lightning rod for criticism from President Donald Trump and other Republicans.

Please see MCCABE page A4

◆ President, chief of staff Kelly settle on a truce..... A4

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## Cracks Reported Before Florida Bridge Collapse



A project engineer called a Florida transportation official to report cracks in a new pedestrian bridge in Miami two days before it collapsed, killing at least six people, but the voice-mail message wasn't heard. A3

## North Korea Uses Hong Kong as Hub

In late February, Japan's government released photographs of a tanker it said it strongly suspects was trans-

By Niharika Mandhana  
in Hong Kong, James T.  
Arreddy in Xaoxing,  
China, and Michael R.  
Gordon in Washington

ferring oil to a North Korean ship in violation of international sanctions.

The tanker's owner, Ha Fa Trade International Co., is registered to an address in Hong Kong's Wan Chai district. But the company can't be found there. Instead, the cluttered

23rd-floor office belongs to an agency that helps businesses register with the authorities, with scant information on their ultimate owners.

This isn't an accident or an oversight: Hong Kong has positioned itself as one of the world's easiest places to do business, allowing companies to register with minimal documentation in as little as a day. U.S. and United Nations experts say this is making the city a hub for North Korean front companies—and the U.S.

Please see FRONT page A7

◆ Pyongyang pulls in money selling electricity to China... A6

## BlackBerry Loyalists Endure Odd Looks and Questions

Once-popular device still has devoted fan base; 'built like a tank'

By VIPAL MONGA  
AND KIM MACKRAEL

Magnus Jern was sitting around with some programmers at Google headquarters when he remembered he needed to answer an email. But when he pulled out his phone and started tapping, the room grew silent.

"What is that?" one woman asked.

The reaction was no surprise to Mr. Jern, part of a die-hard band devoted to a device that was once a status symbol, then

was ubiquitous, and now is almost an endangered species: the BlackBerry.

After he explained it to the group in Mountain View, Calif.—"the younger people truly didn't know what it was," he says—some of the older iPhone and Android users among them began to grow

nostalgic, admitting they kind of missed the BlackBerry and its physical keyboard.

"There was agreement that

Please see PHONE page A10

## Slowdown in HIV/AIDS Progress Puts Focus on Young Women

In sub-Saharan Africa, infection rates are high, triggering warnings

By BETSY MCKAY

VULINDLELA, South Africa—Public-health leaders in the fight against HIV/AIDS have come to an ominous realization: Progress in cutting new infections has slowed, in part because of a persistent cycle of transmission among young women in sub-Saharan Africa.

New HIV infections have been reduced around the world since the late 1990s by diligent efforts at education, the rollout of antiretroviral drugs and other factors. But declines have lost momentum, for the first time since infections began coming down. Today, the numbers are far from targets set by the United Nations, which call for them to fall to about a quarter of their current level by 2020.

Teenage girls and young women in parts of

sub-Saharan Africa, a growing and vulnerable population, continue to be infected at high rates. At the same time, the rapid expansion of the continent's youth population means greater numbers of young women are at risk every year.

The slowdown has alarmed public-health experts, who warn that infections could start rising again. A reversal would erase progress against one of the most significant infectious disease epidemics of modern times, costing lives, economic prosperity and billions more dollars than governments and organizations have already spent to fight it over decades.

More public-health officials and researchers say breaking the cycle of infection for young women is critical to keeping the virus in check.

Please see HIV page A10

# U.S. NEWS

THE NUMBERS | By Jo Craven McGinty

## Speed-Limit Boosts Show No Sign of Slowing



Nebraskans who want to put the pedal to the metal may soon be able to floor it—at least on some roads—with the blessing of the state legislature.

A bill introduced in January, and backed by Gov. Pete Ricketts, would raise the state's maximum speed limit to 80 mph, up from 75. Six other states have an 80-mph maximum. A seventh, Texas, has a top limit of 85.

Safety advocates warn that more people die when speed limits rise, but drivers covet faster travel times. In a battle of aphorisms, the Need for Speed seems to be trumping Speed Kills.

For the most part, speed limits in the U.S. have gone in a single direction—up. An exception is Montana, which had no daytime limit for cars for several years in the 1990s but later set the limit at 75.

Nebraska's proposed law would permit the speed limit on certain roadways to increase by 5 mph. In some cases, that would raise the

top speed to 65 or 70 mph. But on parts of Interstate 80, including a 50-mile stretch from Omaha to Lincoln, the limit could rise to 80 mph.

Although cutting down on travel time is the major reason given for supporting faster speeds, the savings don't amount to much on most daily trips.

Drivers who maintain a speed of 80 mph over 50 miles would arrive at their destination 2½ minutes sooner than if they drove 75 mph the whole way.

Those willing to break the limit and hurtle down the highway at, say, 89 mph without slowing down would shave around 6 minutes off the trip compared with someone driving 75.

In reality, the savings would likely be less.

Maintaining any rate of speed is harder than it sounds because faster and slower drivers must adjust to one another, and the mix is reflected in average highway speeds.

"For every 5 mph increase in the speed limit, operating

speed goes up 1 to 2 mph on average," said Ivan Cheung, a research analyst at the National Transportation Safety Board.

Saving a few minutes here and there could add up, but it's not as if the minutes accrue into a usable block of time, like deferred vacation days.

So, in the absence of substantial time savings, why raise the limit?

"One excuse is that people go that fast anyway," said Chuck Farmer, vice president of research for the Insurance Institute for Highway Safety.

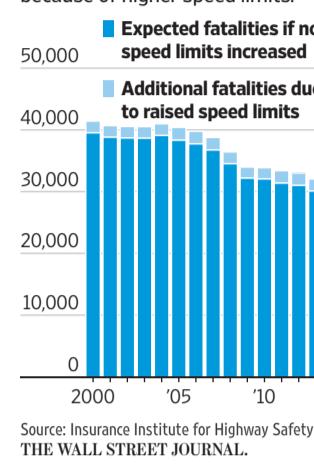
Traditionally, speed limits are set within 5 mph of the speed at which 85% of vehicles travel along a roadway in free-flowing traffic.

That guideline dates to the 1940s and is endorsed by the Federal Highway Administration, but the NTSB advocates requiring the use of crash statistics and other factors to set speed limits.

In part, that's because the operating speed of the 85th percentile is a moving target: It increases as speed limits climb.

### Warning Signs

While traffic fatalities have fallen, the Insurance Institute for Highway Safety estimates there were nearly 27,000 vehicle fatalities from 2000 to 2013 because of higher speed limits.



Source: Insurance Institute for Highway Safety  
THE WALL STREET JOURNAL.

In response, some states choose to go with the flow—again and again.

In 2011, Texas raised the speed limit on a segment of State Highway 130 to 75 mph. The next year, it raised it to 80 mph. Soon after, it lifted a portion of the road to 85 mph.

According to estimates by the IIHS, each 5 mph increase in speed limit results in an 8% increase in fatalities on interstates and other freeways.

The most convincing evidence is the 55 mph National Maximum Speed Limit set in 1973. Before that, speed limits on rural interstates typically ranged from 65 to 75 mph.

The lower speed limit was implemented to save fuel, not lives, but in the first year, the National Research Council found that 9,100 fewer people died in motor-vehicle accidents. The council attributed some of the decrease to economic factors that kept drivers off the road but concluded that 3,000 to 5,000 fewer highway deaths occurred because of the lower speed.

In later years, the trend hasn't been as easy to discern.

After the national limit was fully repealed in 1995, speed limits began to increase, but traffic fatalities did not. Comparing those before-and-after numbers has

led some analysts to conclude that higher speeds don't contribute to more traffic deaths—a finding the IIHS and NTSB reject.

"That's not the comparison you should make," Dr. Farmer said. "You need to compare states that raised the speed limit to states that did not."

Safety agencies say safer cars, improved roadways and stricter drunken-driving laws are behind the overall decrease in deaths and that even fewer people would have died if speed limits hadn't increased.

In its latest study, the IIHS compared the effect of all speed-limit increases from 1993 through 2013 in 41 states and found that 33,000 fewer fatalities would have occurred if there had been no increases.

Nationwide, about 10,000 people die annually in speed-related crashes, yet most drivers seem willing to risk it.

Maybe it's because, as Dan Rather once observed, Americans will put up with anything provided it doesn't block traffic.

## St. Patrick's Day Brings Out the Irish



ERIN GO BRAGH: Flag bearers prepared for the annual Our Lady of Lourdes Daycare St. Patrick's Day Parade in Owensboro, Ky., on Friday.

## 'Doors-Off' Helicopter Flights Curbed

BY PAUL BERGER

The Federal Aviation Administration has ordered helicopter operators to suspend "doors off" flights that require passengers to wear difficult-to-remove harnesses.

The order comes days after a crash in New York City when a helicopter on such a flight made an emergency landing on the East River and rolled over. The five passengers who

were wearing harnesses drowned. Only the pilot escaped.

"Operators, pilots, and consumers should be aware of the hazard presented by supplemental restraint devices in the event of an emergency evacuation during 'doors off' flights," the FAA said Friday.

The FAA said that helicopter operators must suspend the use of such harnesses until ways can be found to mitigate

risks posed by restraints that can't be released quickly in an emergency. The agency also said it would review its policies on such flights to see if there are other "safety gaps" for passengers.

Doors-off flights, which have gained in popularity, offer unencumbered views and are popular for photography, but they require the complicated safety harnesses.

The parents of one victim,

26-year-old Trevor Cadigan, have filed a suit against Liberty Helicopters, of Kearny, N.J., saying it was "grossly negligent" for placing him in a harness from which it was difficult to escape.

The National Transportation Safety Board is investigating the harnesses. It is also probing why the helicopter was forced to land on the river and why its pontoons didn't keep it from rolling over.

Other banks have previously run into problems related to proprietary products.

In 2015, JPMorgan Chase & Co. paid a \$307 million settlement to regulators, including the SEC and Commodity Futures Trading Commission, over charges two of its units failed to disclose conflicts of interest to wealth-management customers related in part to such products.

Wells Fargo's wealth and investment management business includes advisory, brokerage and financial services under Wells Fargo Advisers. Customers in that business include around three million mass-affluent households, while its private bank has around 80,000 clients typically investing more than \$2.5 million, according to the bank.

The bank has around 16,500 advisers, with the majority in its retail brokerage. Wells Fargo doesn't break out financial metrics for its brokerage division or the private bank, but the wealth and investment management unit brings in around 10% of overall bank profits, or \$659 million in the fourth quarter of 2017.

Continued from Page One pack." Some top executives from that region have since been fired by the bank.

Prosecutors' and regulators' inquiries have largely centered on Wells Fargo's retail-banking business, one of the largest in the U.S. by deposits. Late last year, though, the Justice Department told the bank to conduct an independent investigation into its wealth-management business after it received reports of problems there from whistleblowers. The Wall Street Journal reported earlier this month.

The investigation by the Justice Department and SEC is separate from the bank's own inquiry, one of the people familiar with the matter said. The bank now faces state and federal investigations into its practices in auto-lending, mortgages, wealth and investment management and foreign exchange.

The widening of the sales-practices investigation has occurred despite Wells Fargo's at-

tempts to put the problems behind it by restructuring different businesses, firing executives and refunding customers. Wells Fargo also has faced regulatory censure for failing to address risk-management issues that led to improper customer charges in its auto-lending and mortgage businesses.

In early February, the Federal Reserve sanctioned Wells Fargo for failing to put proper

risk controls in place, barring the bank from growing past the \$1.95 trillion in assets it had at the end of 2017. The Fed cited "widespread consumer abuses" in its unprecedented rebuke.

Earlier this month, Wells Fargo disclosed in a securities filing its independent review into the wealth-management business. At the time, the bank

said it is assessing "whether there have been inappropriate referrals or recommendations, including with respect to rollovers for 401(k) plan participants, certain alternative investments, or referrals of brokerage customers to the company's investment and fiduciary services business."

The bank's filing also disclosed that it is reviewing fee calculations with certain fiduciary and custody accounts. The bank has found instances of incorrect fees applied to certain assets and accounts that resulted in overcharging customers, according to the filing.

Chief Executive Timothy Sloan said at that time in a release that the bank is "committed to a thorough review of many processes" and reiterated "when we discover a problem, we are moving to find the root cause and fix it."

Issues flagged to the Justice Department by bank employees involved, among other things, proprietary bank investment products, the people familiar with the matter said. These tend to bring in more fees for the bank because they don't involve third parties.

The current investigation is separate from the bank's own inquiry

## U.S. WATCH

### CONGRESS

#### New York Democrat Slaughter Dies at 88

Rep. Louise Slaughter, a New York Democrat who advocated for women's rights and helped push her party's priorities through the House of Representatives as chairwoman of the Rules Committee from 2007 to 2011, died Friday. She was 88.

The 16-term congresswoman had suffered injuries from a fall in her home last week, her office said, and had been hospitalized at George Washington University Hospital since then.

The Rochester, N.Y., area lawmaker was the oldest member of the current Congress and one of the most senior women in the House.

In 2007, Ms. Slaughter became the first woman to chair the Rules panel, where she helped shepherd Democratic bills through the House, including the Affordable Care Act. She wrote an early version of the Stock Act, which banned members from trading stocks based on nonpublic, market-moving information they learned while serving in Congress.

"She made it her mission to help every man and woman chase their American Dream," House Minority Leader Nancy Pelosi (D, Calif.) said.

Ms. Slaughter was a champion for women's access to health care and abortion rights. She was a co-author of the Violence Against Women Act.

—Natalie Andrews

### HOUSING

#### Fresh Home Building Declined in February

U.S. housing starts declined in February, returning to a long-term trend of modest improvement in single-family construction and a slowdown in

apartment building.

Total housing starts fell 7% in February from the previous month to a seasonally adjusted annual rate of 1.236 million, the Commerce Department said Friday.

Multifamily construction plummeted 26.1% in February after increasing in January. Single-family starts, meanwhile, rose 2.9% compared with a month earlier.

Residential building permits, which can signal how much construction is in the pipeline, declined 5.7% to an annual pace of 1.298 million last month.

Housing-starts data are volatile from month to month and can be subject to large revisions. Friday's 7% fall for starts came with a margin of error of 16.7 percentage points.

—Laura Kusisto and Sarah Chaney

### MANUFACTURING

#### Factory Production Rose Last Month

American factories revved up in February, a sign of manufacturing-sector strength supported by businesses investing in new equipment.

Industrial production—a measure of total output at U.S. factories, mines and utilities—increased a seasonally adjusted 1.1% in February from the prior month, the Federal Reserve said Friday. The gain was the largest in four months, since production rebounded following several hurricanes last summer, and came after output declined 0.3% in January.

Rising factory production, including automotive and business-equipment manufacturing—and more oil and gas extraction—last month offset a weather-related decline in utilities output. Compared with a year earlier, total production rose 4.4% in February, the strongest annual growth in seven years.

—Ben Leubsdorf

## CORRECTIONS & AMPLIFICATIONS

**David Solomon**, the heir apparent to Goldman Sachs Group Inc. CEO Lloyd Blankfein, grew up in Hartsdale, N.Y.

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## U.S. NEWS

# Cracks Were Reported in Miami Bridge

Engineer left message about problems two days before collapse, but it wasn't heard

BY SCOTT CALVERT  
AND VALERIE BAUERLEIN

Two days before a new pedestrian bridge collapsed in Miami, killing at least six people, one of the project engineers called a Florida transportation official to report cracks in the structure.

The official didn't hear that call until after the bridge collapsed.

The Florida Department of Transportation released on Friday a transcript of a Tuesday voice-mail message from an engineer with FIGG Bridge Engineers Inc., the Tallahassee, Fla., company that designed the bridge for Florida International University over an eight-lane road.

"Calling to, uh, share with you some information about the FIU pedestrian bridge and

some cracking that's been observed on the north end of the span," the engineer said, according to a transcript of the call. "Obviously some repairs or whatever will have to be done but from a safety perspective we don't see that there's any issue there so we're not concerned about it from that perspective although obviously the cracking is not good."

The transportation agency said the state employee whom the engineer tried to reach was on assignment and didn't hear the message until he returned to the office Friday, a day after the bridge collapsed.

"The responsibility to identify and address life-safety issues and properly communicate them is the sole responsibility of the FIU design build team," Florida Department of Transportation said in a statement, adding that at no point was the department alerted to any life-safety issues.

FIGG said in a statement that "the evaluation was based on the best available information at that time and indicated



Officials investigated on Friday how a new pedestrian bridge in Miami crumbled just five days after it was lowered into place.

that there were no safety issues."

The \$14.2 million bridge suddenly collapsed Thursday afternoon crushing eight cars underneath more than 900 tons of concrete. Its main 174-foot span had been lifted into place on March 10 in a matter of hours, after being built alongside the thoroughfare over the course of months.

Florida's Transportation De-

partment said one of its consultants met with members of the bridge engineering team Thursday midday at which point no concerns were raised about life-safety issues, the need for additional road closures or requests for any other assistance.

Lawmakers have provided differing accounts of what was happening on the bridge when it collapsed. U.S. Sen. Marco

Rubio (R., Fla.) wrote on Twitter that the engineering firm building the bridge at Florida International University ordered on Thursday that the cables be tightened. "They were being tightened when it collapsed," he wrote late Thursday.

Other elected officials, including the Miami-Dade County mayor, said they had been informed that a stress test was

being conducted at the time of the collapse. University officials didn't respond to a request to comment.

The state Transportation Department said it never received a request to close the entire road. The department said it also wasn't made aware by the FIU design build team of any scheduled "stress testing" of the bridge following installation.

## U.S. Issues Guidelines On Tariff Exclusions

BY WILLIAM MAULDIN

U.S. companies looking to bypass President Donald Trump's import tariffs on steel and aluminum will have a limited chance to win exclusions for their products under a set of guidelines issued Friday.

Mr. Trump said this month he would impose tariffs of 25% on steel products and 10% on aluminum, citing national-security considerations.

Domestic steel and aluminum producers applauded the tariffs, but users of the metals have complained the duties will raise prices. Foreign governments have threatened to retaliate against other U.S. industries and challenge the tariffs at the World Trade Organization.

Canada and Mexico are exempted from the tariffs for now, and other U.S. allies and trading partners are seeking to gain exemptions before the tariffs are imposed in as little as a week.

Meanwhile, companies that buy imported steel and aluminum are looking for exceptions for the products they use, too. Mr. Trump's trade advisers have signaled they want to limit the amount of metal products excluded from the tariffs in hopes of persuading U.S. firms to ramp up production of those goods. (Related article on page A4.)

The Commerce Department said Friday only U.S.-based individuals and organizations could apply for the exclusions, in a process that will take 90 days or longer.

"An exclusion will only be granted if an article is not produced in the United States in a sufficient and reasonably available amount, is not produced in the United States in a satisfactory quality, or for a specific national security consideration," the Commerce Department said in rules set to be published in the Federal Register on Monday.

After metal-consuming firms apply for exclusions, other companies—including domestic steel and aluminum producers—have 30 days to post an objection to the original request. Companies including auto-parts producers worried about rising steel costs and brewers concerned about aluminum for cans are expected to seek exclusions.

Tariff exclusions, if granted, would last only one year. Supporters of Mr. Trump's tariffs say a required renewal on a set schedule allows domestic producers the chance to start making a largely imported type of steel or aluminum in sufficient quantities to supply domestic users.

Emre Peker in Brussels contributed to this article.

## President's Lawyer Says Actress Broke Deal

BY JOE PALAZZOLO  
AND MICHAEL ROTHFIELD

President Donald Trump's personal lawyer said former adult-film actress Stephanie Clifford could be liable for damages of at least \$20 million for breaching a nondisclosure agreement that barred her from discussing an alleged extramarital affair with Mr. Trump.

The allegation came in a filing Friday in federal court in Los Angeles that accused Ms. Clifford of at least 20 violations of a 2016 contract reached between Ms. Clifford, known professionally as Stormy Daniels, and Michael Cohen, Mr. Trump's personal attorney.

Mr. Cohen paid Ms. Clifford \$130,000 weeks before the 2016 presidential election in return for keeping silent about the alleged affair between her and Mr. Trump in 2006.

The contract was signed between Mr. Cohen and Ms. Clifford in October 2016 and used pseudonyms to mask the identities of those involved. It states that she would be obligated to pay Mr. Trump directly—not Essential Consultants LLC, the limited liability company Mr. Cohen used as a conduit to pay her—for damages if she breached the contract.

Meanwhile, companies that buy imported steel and aluminum are looking for exceptions for the products they use, too. Mr. Trump's trade advisers have signaled they want to limit the amount of metal products excluded from the tariffs in hopes of persuading U.S. firms to ramp up production of those goods. (Related article on page A4.)

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Emre Peker in Brussels contributed to this article.

Ms. Clifford sued Mr. Trump and Essential Consultants in Los Angeles County Superior Court earlier this month in an attempt to invalidate the agreement.

Her complaint asked a California judge to declare the contract "null and void" because Mr. Trump didn't sign it. The lawsuit also alleged that Mr. Cohen breached the agreement when he publicly acknowledged the payment to Ms. Clifford in a Feb. 13 statement provided to news media.

The federal filing Friday, by a lawyer for Mr. Cohen and Essential Consultants, moved the dispute from state court to the federal court in Los Angeles. The notice didn't provide specific instances of alleged violations.

The filing said Ms. Clifford could owe damages either to Mr. Trump or Essential Consultants. The nondisclosure agreement signed by Ms. Clifford gave only Mr. Trump the right to pursue damages of \$1 million per violation.

"The fact that a sitting president is pursuing over \$20 million in bogus 'damages' against a private citizen, who is only trying to tell the public what really happened, is truly remarkable," Ms. Clifford's lawyer, Michael Avenatti, said

in a statement. "We are not going away and we will not be intimidated by these threats."

Mr. Cohen's attorney, Brent Blakely, filed the notice of removal on behalf of Essential Consultants. Another attorney, Charles Harder, who has represented Melania Trump in the past, was listed on the federal docket as a lawyer for Mr. Trump.

"Mr. Trump intends to pursue his rights to the fullest extent permitted by law," Mr. Harder wrote in an accompa-

nying filing Friday in U.S. District Court for the Central District of California.

The dispute over the nondisclosure agreement arose after The Wall Street Journal reported in January that Mr. Cohen had paid Ms. Clifford and signed the contract preventing her from discussing her allegations of a sexual encounter with Mr. Trump a decade earlier.

After that report, Ms. Clifford issued two public statements denying she had had a sexual encounter with Mr. Trump. But she reversed course in her lawsuit against Mr. Trump and Essential Consultants, in which she said she had been "forced" by Mr. Cohen into denying the encounter.

The lawsuit followed a Feb. 27 emergency order from an arbitrator temporarily restraining Ms. Clifford from discussing her relationship with Mr. Trump or the nondisclosure agreement she reached with Mr. Cohen, Mr. Trump's longtime fixer.

Mr. Cohen, with the help of an assistant general counsel for the Trump Organization, had asked the arbitrator for the order under a provision in the agreement with Ms. Clifford.

Lawyers for Mr. Trump and Essential Consultants said in court filings Friday that they intended to ask a federal judge to move the entire dispute into arbitration.

Ms. Clifford's attorney, Mr. Avenatti, has disputed the legitimacy of the arbitration order, saying the underlying nondisclosure agreement isn't valid.

Mr. Avenatti called the move to federal court "bullying tactics from the president and Mr. Cohen."

Messrs. Blakely, Harder and Cohen didn't immediately respond to requests for comment.



Stephanie Clifford, known professionally as Stormy Daniels

## Targeting China, Trump Could Hit Big U.S. Export

BY JOSH MITCHELL  
AND MELISSA KORN

WASHINGTON—The Trump administration's proposed crackdown on China's trade practices could hit one sector where the U.S. runs a big trade surplus: higher education.

The White House is considering limiting visas to Chinese students as part of a broad package of measures targeting Beijing, which the U.S. accuses of violating intellectual-property laws and other misdeeds. A White House official said the

package, including tariffs, could be unveiled this month.

The U.S. has long run a large trade deficit in goods and services with China and the rest of the world. In the education industry, the U.S. runs a global trade surplus—in no small part due to China.

China sends more students to the U.S. than any other nation, accounting for roughly one-third of the 1.1 million international students enrolled at U.S. universities in the 2016-17 academic year. China has long valued access to U.S.

colleges, which consistently rank among the world's best.

When international students and their families spend money at American colleges, it is considered an export for the U.S. because money flows from a foreign country to the U.S.

Foreign students attending U.S. educational institutions accounted for \$39.4 billion in U.S. exports in 2016, Commerce Department data show.

That figure mainly reflects the tuition students pay and excludes spending on many other goods and services, such as

rent, clothing or food.

By contrast, Americans studying abroad bought \$7.6 billion in education imports that year. That means the U.S. ran a trade surplus of nearly \$32 billion in education, one of the largest of any industry. It is close to the U.S. civilian aircraft industry's \$43 billion surplus in trade last year.

The anti-China package is part of a broader push by President Donald Trump to reduce the nation's overall trade deficit, which reached \$568.4 billion in 2017. Some economists

say the effort to crack down on China—along with a separate U.S. push to reduce immigration—could inadvertently hurt the U.S. where it has a comparative trade advantage.

"I'm mind-boggled," said Dick Startz, an economics professor at the University of California, Santa Barbara. "Higher education is a place where we have a major trade surplus with the world. Doing something to hurt that is obviously going to make our trade balance worse."

Reducing student visas would also likely hurt American students. International students have become a big source of cash for U.S. colleges, since they generally pay full tuition, with no discounts, Mr. Startz said.

They often pay two or three times what American students pay at many public colleges. If colleges lose that income, they could be tempted to offset losses by raising prices on American students, he said.

The threat of limiting visas to Chinese students could be a negotiating tactic—a way to apply political pressure on Beijing to change its trade practices, said David Dollar of the nonprofit Brookings Institution. Many Chinese students come from influential families, Mr. Dollar said. The daughter of China's President Xi Jinping, Xi Mingze, graduated from Harvard University in 2015.

Josh Zumbrun contributed to this article.

### Trade Tally

Foreign students paying U.S. tuition have made schools one of America's most successful export industries, with the largest share of international students coming from China.

### U.S. education exports and imports

\$40 billion

Exports

Imports

2000 2005 2010 2015

### Students studying in the U.S. by country

400,000

300,000

200,000

100,000

0

2006 2010 2015

China

India

South Korea

Saudi Arabia

Canada

Note: Enrollment data is for school years.  
Sources: Commerce Department (imports, exports); Institute of International Education (students)

THE WALL STREET JOURNAL.

### Higher Education Racks Up a Surplus

Higher education has been an especially successful U.S. export. Since 2008, inflation-adjusted exports have grown 26%, while education exports have risen about 80%.

Dick Startz, an economics professor at the University of California, Santa Barbara, estimates overall annual spending from international students—including room and board and other areas—is near \$50 billion. That estimate puts higher education on par with some of America's biggest traditional manufacturing industries.

In 2017, the U.S. exported \$52 billion of cars, \$56 billion

of civilian aircraft and \$48 billion of semiconductors.

While some international students have their education paid for as teaching assistants working on federal grants, about 60% primarily pay for their education themselves, according to the nonprofit Institute of International Education.

The number of visas awarded to foreign students fell 17% in the year through September and were down 40% from a fiscal 2015 peak, State Department data show.

Visas for Chinese students fell 24% in the past fiscal year, but much of that can be traced to a change in visa terms. Their visas are now good for five years, instead of one, meaning there are fewer renewals but not necessarily fewer students.

## U.S. NEWS

# President, Chief of Staff Reach a Truce

By MICHAEL C. BENDER  
AND REBECCA BALLHAUS

**WASHINGTON**—President Donald Trump and John Kelly have settled on a truce, at least temporarily, to keep the chief of staff in place as the White House grapples with the turbulence of several senior departures and the prospect of further changes to come.

In a rare move, White House officials said there would be no major personnel changes Friday after a week when staff was distracted by reports that other senior officials, including national security adviser Lt. Gen. H.R. McMaster, may soon be heading for the exit.

But officials cautioned that the president will continue to make changes as his priorities evolve. Mr. Trump is dealing

with several controversies among his cabinet members, and the West Wing's political operation has come under fresh scrutiny following the apparent Republican loss Tuesday in a Pennsylvania House special election.

West Wing departures have punctuated the administration's policy priorities almost since the beginning of President Trump's term, with the departure of Mike Flynn, his first national security adviser. The latest tumult began this week when Mr. Trump announced he had replaced Secretary of State Rex Tillerson with Central Intelligence Agency Director Mike Pompeo.

Soon after, Mr. Kelly left the impression with colleagues that he may be the next to be pushed out. Mr. Kelly's cryptic

comments left several White House aides thinking that the chief of staff would force the issue with the president, and that they should start looking for new jobs, too.

Mr. Kelly flew with the president to California on Tuesday, but returned alone and was working in his West Wing office Wednesday morning, prompting further departure speculation, although Mr. Kelly's allies said he had always planned on making a bi-coastal day trip.

On Thursday, Messrs. Trump and Kelly had a productive meeting that left both men reassured, according to White House officials. Mr. Trump told advisers afterward that Mr. Kelly was "100% safe." Mr. Kelly told his associates that, at least for the moment, he and the

president had patched things up. "I'm in," Mr. Kelly told staff.

Asked about Mr. Kelly's comments earlier in the week, and the meeting between the president and his staff chief on Thursday, White House

**Officials said Trump will continue to make changes as his priorities evolve.**

press secretary Sarah Huckabee Sanders issued a five-word statement: "Kelly is not going anywhere."

The back-and-forth between Mr. Trump and the chief of staff suggested that the easing

of tensions may be more of a temporary detente than an ironclad peace agreement.

The president and Mr. Kelly are well known around the White House for engaging in tense arguments, and Mr. Trump has repeatedly made public comments that manage to underscore his satisfaction with Mr. Kelly, while also raising doubts about how long the two will continue to work together.

"He likes what you do better than what he does," Mr. Trump told a group of Marines in San Diego about Mr. Kelly, a retired four-star general in the Marines. "But he's doing a great job. He misses you."

Jared Kushner and Ivanka Trump, the president's son-in-law and daughter, who serve as senior White House advisers,

have continued to clash with Mr. Kelly and have sought to undercut him in recent weeks.

At the root of the tension between the president's family members and the staff chief is Mr. Kelly's monthslong efforts to reorganize the West Wing, which has restricted the couple's access to Mr. Trump.

The recent exchange between the chief of staff and the prime-time TV star-turned president was just one story line playing out in a particularly trying week.

The president has also told his team that he wants to replace Gen. McMaster as his national security adviser. But the timing of that departure was unclear, with one official saying it could happen "imminently" and another saying it could be weeks, even months.

## Trump Advisers Have Close Ties To Steel Industry

By NICK TIMIRAO  
AND REBECCA BALLHAUS

**WASHINGTON**—When Peter Navarro needed financing in 2011 for a documentary film on the dangers to the U.S. of China's trade policy, he sought out American steel company **Nucor Corp.**

Nucor made payments to fund the film through a San Diego nonprofit then led by a friend of Mr. Navarro. The arrangement was examined as part of a broader 2012 FBI investigation of the nonprofit's finances, according to three former employees of the nonprofit. No charges were filed.

Mr. Navarro is now a top White House trade adviser, with a growing public profile for his get-tough views on trade. His connection with Nucor underscores the wide-ranging, historic ties between President Donald Trump's top trade advisers and the U.S. steel industry, which stands to benefit from the Trump administration's recently imposed tariffs.

Commerce Secretary Wilbur Ross, a Wall Street veteran, paid more than \$1 billion for distressed steel firms and assembled them into **International Steel Group Inc.**, which he sold for \$4.5 billion to the London-based Mittal family in 2004. He served on ArcelorMittal's board until becoming commerce secretary last year.

Gilbert Kaplan, Mr. Trump's nominee as undersecretary for international trade, is a former steel-industry lobbyist. U.S. Trade Representative Robert Lighthizer represented American steel companies as a lawyer in private practice before becoming the government's top trade negotiator. The USTR's nominated deputy, Jeffrey Gerrish, and his general counsel, Stephen Vaughn, lobbied on trade laws for **U.S. Steel Corp.**

Legal experts said the presence of U.S. officials with industry ties doesn't on its face violate federal ethics rules, but some experts questioned the appearance.

Compared with previous administrations, "the Trump administration seems to have far more individuals in key government positions regulating industries that those individuals got rich working in," said Paul Ryan, vice president for policy and litigation at Common Cause, an advocacy group that supports greater transparency in politics.

A White House spokeswoman said Mr. Trump's position on trade has been clear for decades.

Nucor paid \$1 million in 2011 to the Utility Consumers' Action Network, a nonprofit that advocates on behalf of utility customers in San Diego County, Calif., which in turn paid Mr. Navarro's production company to make the film, according to documents reviewed by The Wall Street Journal.

Mr. McCabe's wife, Dr. Jill McCabe, had run for state office in Virginia the prior year as a Democrat with the financial help of then-Virginia Gov. Terry McAuliffe, an ally of the Clintons, leading to criticism that he should have recused himself from the probes.

The FBI has said Mr. McCabe played no role in his wife's campaign, and Mr. McCabe received clearance from the FBI's ethics office to oversee the investigation into Mrs. Clinton.

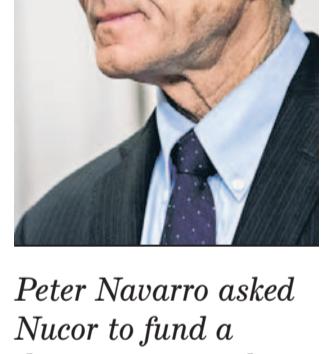
quiries about the investigation.

Nucor's funding helped Mr. Navarro produce the documentary, "Death by China." The movie chronicles the erosion of the U.S. manufacturing base and China's rise as an industrial power since the 1990s. Mr. Navarro co-wrote a book by the same name that was published in 2011. In the movie, Tom Danczak, then-president of the Steel Manufacturers Association, points to the problem of Chinese steel overproduction due to government subsidies.

Dan DiMicco, chief executive of Nucor from 2000 to 2012, said the company paid for the film through the San Diego nonprofit at Mr. Navarro's request.

"Peter asked and we agreed. Peter directed us where to make payment," said Mr. DiMicco. "We had no part in that decision nor did we try to camouflage our support."

Nucor entered into a contract with the Southern California utility watchdog, according to the documents, which was led by Michael Shames, a friend



Peter Navarro asked Nucor to fund a documentary earlier in this decade.

of Mr. Navarro.

Mr. Navarro said the financial arrangement helped ensure his independence and that he never took steps to hide it.

"It was important for me personally and for the integrity of the film project that I have complete creative control over the process," Mr. Navarro said in a statement to the Journal. "This financing arrangement was done in a completely transparent way."

The payments became public after one of the nonprofit's attorneys alleged in a 2011 letter to the board improper financial behavior by UCAN. Many of the allegations were unrelated to the Nucor payment, such as improper bonus payments and a failure to conduct timely audits.

The allegations in 2012 led UCAN to file for court-supervised dissolution—the equivalent of bankruptcy protection—in the Superior Court for the County of San Diego.

A whistleblower suit filed by two then-employees of the nonprofit was settled out of court and the dissolution petition was withdrawn, but an FBI investigation resulted from the allegations.

The nonprofit said no charges were issued in that investigation. UCAN's executive director didn't respond to requests for comment.



Democratic Rep. Dan Lipinski, left, campaigning for re-election at a commuter-rail station in Chicago Ridge, Ill., in late January.

## Democrats Tussle in Illinois

**Veteran Rep. Lipinski faces a challenge from the left, while the party eyes gains elsewhere**

By NATALIE ANDREWS

**OAK LAWN, Ill.**—Fissures in the Democratic Party will play out in Tuesday's primary in this Chicago suburb where seven-term Rep. Dan Lipinski is facing a primary challenger backed by liberal activists and prominent lawmakers from his own party.

Mr. Lipinski, who has the support of numerous labor unions and local mayors, is highlighting his constituent services, including projects he has pushed through Congress to improve commutes to Chicago. But his opposition to abortion rights and his vote against the Affordable Care Act has run afoul of liberals, and his opponent in the primary, Marie Newman, has won the backing of national groups and fellow Reps. Jan Schakowsky and Luis Gutierrez, from nearby districts.

"It's a safe Democratic district where there's a real choice this time among the

two candidates," Ms. Schakowsky said. Mr. Lipinski faced no primary or general-election challenge in the safe Democratic district in 2016.

Other more centrist Democrats see the Lipinski challenge as a sign the party's ascendant left wing risks turning off other voters.

"This is a test of whether we have a big tent or if the tent is narrowing on us," said Wisconsin Rep. Ron Kind, who represents a district that President Donald Trump won by 4.5 points.

Polling is scarce, though both campaigns acknowledge it will be close. "It is a highly competitive race and either candidate could win," said David Wasserman, who analyzes House races for the Cook Political Report.

It is Mr. Lipinski's toughest race since he was elected to the seat formerly held by his father. The district in the 2016 Democratic presidential primary backed Sen. Bernie Sanders of Vermont, who has endorsed Ms. Newman.

"We need a voice, we need someone who will represent us in a way that's aligned with our values," Ms. Newman said, sipping coffee in Chicago's im-

migrant-founded Back of the Yards neighborhood. "I'm running with the district because we're in alignment. Lipinski is completely out of alignment with the district."

Mr. Lipinski sees a party that left people like him behind for an emphasis on social issues instead of talking about how Democrats could help the economy.

"We didn't focus on those bread and butter issues," Mr. Lipinski said about Hillary Clinton's unsuccessful 2016 campaign. Pausing while passing out campaign fliers outside the Metra Station in the Village of Worth, he added: "In states and across the Midwest, people felt that the Democratic Party was not addressing their needs."

Democrat Conor Lamb's upset victory in a special House race in Pennsylvania this past week has the party hopeful it can win the net 23 Republican-held seats in November to take the House majority. Mr. Lamb took a centrist tone on some issues, and Democrats are banking on similar candidates to emerge from Illinois primaries on Tuesday to take on Republicans in other parts of the state.

The Cook Political Report, a nonpartisan group that analyzes House races, rates districts held by GOP Reps. Mike Bost and Peter Roskam as toss-ups, and those held by GOP Reps. Randy Hultgren and Rodney Davis as "likely Republican," meaning the race could be competitive depending on the challenger.

Just north of Mr. Lipinski's Chicago district, Democratic candidate Kelly Mazeski, a breast-cancer survivor and former executive, is endorsed by several Midwest lawmakers as the best candidate to take on Mr. Roskam in the fall. "People are paying attention to elections at an unprecedented level right now," she said.

Mr. Bost could face St. Clair County State's Attorney Brenna Kelly, a candidate who promotes a more centrist position and who has outfunded two other Democratic challengers. The president's proposed metal tariffs are resonating in the district, which is home to an idle steel mill.

Though Mr. Bost is chairman of the bipartisan Congressional Steel Caucus, United Steelworkers endorsed Mr. Kelly, citing Mr. Bost's past voting record on trade.

deputy director, putting him at the center of highly charged investigations into Mrs. Clinton and Mr. Trump. Investigators have been looking into alleged Russian meddling in the 2016 election, including whether associates of Mr. Trump colluded with Moscow, an allegation both Mr. Trump and the Russian government have denied.

Mr. McCabe's wife, Dr. Jill McCabe, had run for state office in Virginia the prior year as a Democrat with the financial help of then-Virginia Gov. Terry McAuliffe, an ally of the Clintons, leading to criticism that he should have recused himself from the probes.

The FBI has said Mr. McCabe played no role in his wife's campaign, and Mr. McCabe received clearance from the FBI's ethics office to oversee the investigation into Mrs. Clinton.

displeasure that the FBI was continuing to pursue the investigation.

Mr. Sessions' statement doesn't describe the alleged wrongdoing in detail.

The initial allegations stem from a review by the Justice Department's inspector general, an internal watchdog, of the FBI's handling of the investigation into Democrat Hillary Clinton's email server and other matters. That report isn't yet public, but a section dealing with Mr. McCabe was shared with the FBI and prompted a separate internal review that led to his dismissal.

Mr. McCabe's firing comes as the FBI faces an array of criticisms, most recently from Republicans, for its handling of investigations into the 2016 presidential candidates. The inspector general is expected to issue within weeks a hard-hitting report on the FBI's pre-

election handling of those investigations, a document that is likely to criticize other officials and cause further turmoil in the Bureau.

"The FBI was portrayed as caving under [political] pressure, and making decisions for

political rather than law enforcement purposes. Nothing was further from the truth," Mr. McCabe said.

Mr. McCabe rose swiftly through the ranks at the agency and was tapped by former FBI Director James Comey in January 2016 to serve as his

**Andrew McCabe disputes the claims, saying there has been a steady assault on his reputation.**

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**MCCABE**

Continued from Page One

"For the last year and a half, my family and I have been the targets of an unrelenting assault on our reputation and my service to this country," Mr. McCabe said. "The president's tweets have amplified and exacerbated it....all along we have said nothing, never wanting to distract from the mission of the FBI by addressing the lies told and repeated about us."

The findings into Mr. McCabe's alleged misconduct deal with an October 30, 2016, Wall Street Journal report about an investigation into the Clinton Foundation, the Journal previously reported.

The 2016 report, citing a person close to Mr. McCabe, showed Mr. McCabe pushing back on Justice Department



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## WORLD NEWS

# North Korea Nets Income From Electricity

Pyongyang's exports of power to China rise as Beijing tightens sanctions enforcement

By JEREMY PAGE

**BEIJING**—North Korea almost doubled its electricity exports to China last year despite its own chronic power shortages, drawing in more revenue as other sources of income were shut off by international sanctions.

At the same time, China has been helping to boost North Korea's power supplies by building two new joint-venture hydropower plants on the Yalu River that forms their common border, according to notices on Chinese government and procurement websites.

United Nations sanctions on North Korea don't ban electricity trade. Beijing already operates at least four joint-venture hydropower plants with Pyongyang, power from which is usually split between the countries, with the bulk going to China.

But the balance shifted dramatically last year, when North Korea's power-trade surplus with China grew to \$10.8 million from \$2.6 million in 2016, Chinese customs figures show.

China's imports of North Korean power rose 91% to 319,681 megawatt-hours, or \$11 million, the highest since relevant records began in 2000, the customs figures show. Chinese electricity exports to North Korea dropped around 96% to 942 megawatt-hours, or \$132,000, the lowest since 2005. That means North Korea earned more hard currency but had less power for its people, potentially exacerbating shortages.

The two new plants, to be completed in 2019, will "benefit both China and North Korea," said a notice posted last year on the local government



Portraits of late leaders Kim Il Sung and Kim Jong Il were illuminated in Pyongyang in 2016. North Korea experiences chronic power shortages.

## U.S. to Coordinate With Seoul on Talks

**SEOUL**—South Korean President Moon Jae-in and President Donald Trump agreed to closely coordinate policies "at every stage" of the coming denuclearization talks with North Korea during a 35-minute phone conversation, Seoul's presidential office said.

The phone call, conducted

late Friday evening in Seoul and early Friday morning in Washington, comes just weeks before Mr. Moon is expected to meet North Korean leader Kim Jong Un in the first inter-Korean summit since 2007, to discuss North Korea's possible dismantling of its nuclear arms.

Mr. Trump has agreed to meet Mr. Kim, after the inter-Korean summit, at an undetermined place "by the end of May."

"President Moon told President Trump that South Korea

would create a favorable atmosphere at the summit with North Korea, so that the following summit between the U.S. and North Korea could succeed," said Seoul's presidential spokesman Yoon Young-chan.

The White House said both Messrs. Trump and Moon expressed cautious optimism about their coming engagements with Pyongyang, but vowed to maintain economic and diplomatic pressure on North Korea.

"The two leaders agreed that

concrete actions, not words, will be the key to achieving permanent denuclearization of the Korean Peninsula," the White House statement said.

The leaders' conversation comes as the two allies have struggled to iron out muted disagreements over North Korea policy, with Seoul pursuing a strategy stressing engagement with the North, while Washington has appeared to agree to talks only reluctantly.

—Andrew Jeong

website of Ji'an, a Chinese border city. In January, a tender was issued online for work on transmission lines, to be done by October.

Local and central government officials declined to comment.

The trade data and construction work show how Bei-

jing continues to support Pyongyang in key ways even as it steps up enforcement of U.N. sanctions on its border, leading to a steep decline in overall bilateral trade last year.

North Korea's electricity supplies are closely watched by the U.S. and other coun-

tries as they try to gauge the impact of sanctions that they hope will prompt its leader, Kim Jong Un, to give ground ahead of or during his planned talks with President Donald Trump in May.

Beijing has also been alarmed by Mr. Kim's nuclear and missile tests since 2016,

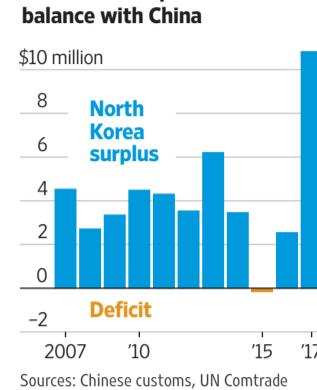
but is wary that collapse of his regime through economic crisis or U.S. military action could bring U.S. troops up to the Chinese border, trigger a flood of refugees into northeast China, and create a unified, democratic, pro-Western Korea.

When a ban on joint ventures with North Korea was

## Balance of Power

North Korea earns hard currency from its electricity trade surplus with China but has less power for its own people.

### North Korea's power trade balance with China



Sources: Chinese customs, UN Comtrade

THE WALL STREET JOURNAL.

added to U.N. sanctions in September, China negotiated inclusion of a line saying the provision wouldn't apply to existing China-North Korea hydroelectric power infrastructure projects.

No other country officially trades electricity with North Korea, according to U.N. trade data.

North Korea, which appears in nighttime satellite photos as shrouded almost entirely in darkness, can ill afford to lose the power from its joint-venture plants with China.

Regular visitors to North Korea say power supplies improved in recent years, but brownouts have become more regular since U.N. bans on coal and other major North Korean exports were introduced last year.

As those sanctions bite, Pyongyang may be "looking into any ways it can find to boost revenues, including selling electricity that it might otherwise find a way to use locally," said David von Hippel, a senior associate at the Nautilus Institute for Security and Sustainability.

—Xiao Xiao contributed to this article.

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## WORLD NEWS

# EU Will Explore Bid to Save Iran Deal

By LAURENCE NORMAN

BRUSSELS—European foreign ministers, anxious to salvage the nuclear deal with Iran, on Monday plan to sketch out new measures to increase pressure on the country over its ballistic missile program and regional actions, European Union officials said.

The talks come as time shrinks for the EU and the U.S. to agree on steps aimed at meeting President Donald Trump's demands to strengthen the 2015 nuclear deal and crack down on Iran's other activities.

Some diplomats believe the EU could move quickly after Monday to draw up concrete measures against Iran, although differences remain within the bloc, diplomats said. All 28 EU countries must agree on any new sanctions.

On Friday, the U.K., France and Germany circulated a letter calling for work to start on drawing up specific sanctions targets over Iran's ballistic weapons and senior people and entities involved in fighting in Syria, according to a person familiar with the issue.

Mr. Trump has threatened not to sign an extension of sanctions waivers on May 12, a move that could lead to the unraveling of the deal. The agreement saw most international sanctions on Iran lifted in exchange for strict but temporary restraints on its nuclear work.

Talks among Britain, France, Germany and the U.S. on joint steps to pressure Iran are continuing, most recently in Berlin on Thursday. Senior European and U.S. officials, including the State Department's point person, Brian Hook, also met in Vienna on Friday for broader talks with Iran, Russia and China on the nuclear deal.

—Julian E. Barnes contributed to this article.

# Japan Central Banker Faces Test on Rates

By MEGUMI FUJIKAWA

TOKYO—Haruhiko Kuroda, confirmed Friday for a new five-year term as Bank of Japan governor, faces pressure to end his experiment with radical monetary easing even though he says the nation isn't ready yet.

The Japanese economy has changed considerably since Mr. Kuroda took over the central bank five years ago as the key player in Prime Minister Shinzo

Abe's revival plan. Growth has continued for the past eight quarters, the longest streak in 28 years; the Nikkei Stock Average has risen more than 70% during Mr. Kuroda's term; and the job market is tight.

Many economists give some of the credit to Mr. Kuroda's core policy of keeping interest rates low—or negative in the case of one BOJ rate—and flooding the banking system with cash by buying govern-

ment bonds and stocks. But the governor has yet to achieve the one goal he advertised most loudly at the start of his term: 2% inflation. Core inflation remains less than 1%. That is why Mr. Kuroda has repeatedly told parliament that he will "persistently continue current powerful monetary easing."

With few signs of an overheating economy, there would seem little reason for Mr. Kuroda to abandon his main

policy benchmark, a zero target for the yield on 10-year Japanese government bonds. Yet concerns persist among commercial bankers and some politicians about the side effects of ultralow rates.

"The past year has been tougher for the banking industry due to the cumulative effects of prolonged low rates," Nobuyuki Hirano, chairman of the Japanese Bankers Association and president of Mitsubishi UFJ Financial Group Inc., said Thursday.

Mr. Kuroda himself has wavered recently: sometimes acknowledging the concerns and suggesting he was ready to accommodate them and other times declaring that his current policy needed to stay.

Opposition parties largely voted against Mr. Kuroda on Friday, with parliament's upper house confirming him by a 161-73 vote.

# Syria Assault Creates New Dilemma for Civilians

By RAJA ABDULRAHIM

The Syrian regime's assault on a rebel-held enclave near the capital has left civilians with the stark choice of joining thousands who are fleeing across frontlines or hunkering down in basements with little food and uncertainty about their fate.

Airstrikes on Friday killed at least 57 people, including nine children, in Kafar Batna, a town in Eastern Ghouta, as Syrian regime forces advanced deeper into the Damascus suburb, according to local doctors and activists. The ground advance spurred an unplanned exodus of at least 10,000 people on foot a day earlier. On Friday, hundreds more followed, according to United Nations and Syrian Observatory for Human Rights estimates.

"People just want to get out of this hell," said Amer Almohibany, a local activist in Ghouta.

Despite the largest displacement of civilians since the Syrian government and its allied forces first laid siege to Ghouta in 2013, nearly 400,000 people are still left inside the enclave amid a worsening humanitarian crisis.

People escaping their homes fear being forced as part of a rebel surrender deal to be displaced to other parts of the country. But staying behind could mean being arrested and tortured, many of those left behind worry.



People evacuated from Eastern Ghouta were transported to shelters Friday, as the regime pressed its strikes on the rebel-held enclave.

For the regime of President Bashar al-Assad, which is backed by Russia and Iran, capturing Ghouta would eliminate one of the last opposition strongholds. Mr. Assad has long said these offensives are a battle against terrorists—a term

the regime uses to describe much of the opposition—and an attempt to re-establish stability and security. It has characterized past surrender deals as reconciliations.

"We have prepared 100 buses that on a daily basis are

transporting those leaving Eastern Ghouta from the crossing point to the shelters that have been provided by the state," Damascus Gov. Alaa Ibrahim told Russia's Sputnik news agency.

Despite those assurances,

people in cities under siege remain worried. "They are fleeing from death to the unknown," said Faiz Orabi, spokesman for Ghouta's health directorate.

—Nour Alakraa and Nazih Osseiran contributed to this article.



Japan says the Xin Yuan 18, owned by a Hong Kong-registered firm, transferred goods to North Korea.

# FRONT

Continued from Page One

wants Hong Kong to crack down. A U.N. Panel of Experts report made public on Friday describes registration middlemen like Hong Kong's as a "key vulnerability" allowing North Koreans to defy sanctions intended to starve the country's nuclear and missile programs of funds.

Of the nine companies outside North Korea that the U.S. sanctioned in February for working on Pyongyang's behalf, two are based in China, one each in Panama and Singapore—and five in Hong Kong. Attempts to track down three of those five firms led to a maze of secretarial agencies.

Experts say front companies allow North Koreans and their agents, many of whom are in China, to obfuscate their identities and operate without revealing their Pyongyang ties.

"Those who start front companies are very skilled at taking advantage of Hong Kong's business-friendly regulatory and financial environment," said Wendy Wysong, who heads law firm Clifford Chance's anticorruption and trade-controls practice in Asia.

Hong Kong put new regulations into effect this month that aim to make money laundering more difficult, including stricter client-verification guidelines.

The city "has a robust and efficient supervision system in place," a Hong Kong government spokesman said, and was "looking into cases in which Hong Kong-registered companies are alleged to be involved" in evading sanctions.

Lawyers in Hong Kong who advise banks on sanctions enforcement say that while the

new regulations are a step in the right direction, they won't solve many of the problems the U.N. panel identified.

Even under the new rules, registering a company in Hong Kong typically requires merely filling in a form with such basic information as founding shareholders' addresses and the director's national-identity-document numbers. The company's listed director can be its sole shareholder, and needn't live in Hong Kong. Corporate-service agencies take care of the rest, and the process can be done online.

Many of the agencies operate one-room, one-person offices in Hong Kong to serve as postal addresses for dozens of client companies. The episode of the oil tanker cited by Japan last month shows how hard it

is to peel back the layers.

The tanker, the Xin Yuan 18, was spotted by a Japanese military aircraft alongside a sanctioned North Korean vessel, the Chon Ma San, in the East China Sea late one February night. A "comprehensive assessment" led Japan to suspect that a ship-to-ship transfer of cargo had occurred, according to Japan's foreign ministry.

The 23rd-floor office where Ha Fa Trade is registered belongs to an agency called Yirenjiaren Registration Secretary Ltd. A woman working there said she couldn't confirm whether Ha Fa Trade is a client. A representative at the agency's main office in Shenzhen, China, said Ha Fa Trade

is to an "ordinary sailor" and knows nothing about Ha Fa Trade or Xin Yuan 18.

"I've worked on so many ships and never heard of that one," he said. Told of the company documents, he expressed surprise: "How could they have my signature?"

The Chinese identification-card number on the documents is his, the 32-year-old Mr. Tang said, and the address is that of the farmhouse where he grew up.

Mr. Tang said he earns \$8,000 to \$9,500 a year as a sailor on Chinese ships and has never owned a ship, visited Hong Kong or been associated with North Korean trade.

It wouldn't be convenient to meet in person, he added: "I'm in the middle of the sea."



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## WORLD NEWS

# U.K. Police Probe Death Amid Scrutiny on Moscow

Britain's top diplomat accused Russian President Vladimir Putin of ordering a nerve-agent attack that left an ex-double agent and his daughter fighting for their lives, as police launched a murder investigation into the death of another Russian exile in the U.K. Police said on Friday that

*By Jenny Gross in London and Thomas Grove in Moscow*

an autopsy showed businessman Nikolai Glushkov, a 68-year-old Kremlin critic and former top executive of Russian state airline Aeroflot, was found dead from "compression to the neck" at his home March 12, about a week after the poisoning on British soil.

Mr. Glushkov's death didn't

appear to be related, police said. But the nerve-agent attack has renewed scrutiny of the deaths of a series of wealthy Russians. British Home Secretary Amber Rudd this week ordered British police and intelligence agencies to re-investigate 14 deaths in the U.K.

The announcement of the murder probe came after U.K. Foreign Secretary Boris Johnson for the first time directly accused Mr. Putin of ordering the nerve-agent attack. Russia has called the claim it is involved nonsense.

"Our quarrel is with Putin's Kremlin and with his decision," Mr. Johnson said. "And we think it overwhelmingly likely that it was his decision to direct the use of a nerve agent on the streets of the

U.K., on the streets of Europe, for the first time since the Second World War."

In response, Kremlin spokesman Dmitry Peskov said it was offensive to suggest that Mr. Putin was personally responsible. "Any reference or mention of our president is nothing less than shocking or unforgivable from the point of view of diplomatic behavior," he said.

Russia said it would hit back at punitive measures from the U.S. and U.K., announcing plans to expand a blacklist of Americans and to kick out British diplomats.

Mr. Putin, who is expected to win a presidential election on Sunday, has played the increasing tensions with the West to his advantage at home, presenting himself as a



Police launched a murder investigation into the death of Nikolai Glushkov, a Russian exile in the U.K.

leader who can stand up to Europe and the U.S.

The U.K., which hosts an investor program that grants residency in return for bond purchases of at least £2 million and whose courts have

consistently refused to comply with Russian extradition requests, has become a hub for wealthy Kremlin critics.

Mr. Glushkov was an associate and friend of Boris Berezovsky, once one of Russia's

richest men, who was found dead in 2013 in Britain on his bathroom floor with part of a scarf around his neck.

—Jason Douglas and Anatoly Kurmanayev in London contributed to this article.

# Russian Youth Accept Putin's Rule as a Given

Nikita Ivlev doesn't really follow politics. But the high-school student says he is sure that only President Vladimir Putin can manage a country as big as Russia. Anastasia Kuklina, who is studying law, values the "peace and stability" of Mr. Putin's rule and is thrilled with new shopping malls in her hometown.

*By James Marson in Chelyabinsk, Russia, and Thomas Grove in Tyumen, Russia*

Darya Yershova says Russian life is better and freer than in the past. "When we talk with our parents, they are sometimes shocked by the numerous opportunities we have today," she said.

The three young people, like all Russians of their generation, have known no leader other than the former KGB colonel, who is on track to win another six-year term in presidential elections on Sunday.

Over the course of their lives, Mr. Putin has transformed Russia from an at-times chaotic democracy to an authoritarian state. He has written a new social contract that offers citizens far better living standards and restored swagger on the world stage, while limiting political freedoms. Polls, sociological research and interviews with more than a dozen young Russians in four cities reveal a generation largely at ease with that trade-off, though there are some browbeaten but committed dissenters.

Russia's young adults are mostly disengaged from politics, broadly supportive of Mr. Putin and primarily focused on their own lives.

"No one's bothering me, no one is confiscating my apartment, my bread, so everything's fine," said Mr. Ivlev, who lives in the industrial city of Chelyabinsk east of the Ural mountains. "Politics doesn't interest me."

Mr. Putin's approval rating among those in their late teens and early 20s is 86%—higher than in any other age group, according to a December survey by independent pollster Levada-Center. That youthful support underlines the durability of Mr. Putin's political model.

"Young people are more satisfied with life. They are better educated, have more opportunities, support from parents," said Denis Volkov, a Levada-Center sociologist.

Stagnating oil prices have caused living standards to drop since 2014, but they remain considerably higher than when Mr. Putin came to power. A further deterioration of the economy, burdened by U.S. sanc-



## Shaping a Future in A Changed Country

**IRINA MELNIKOVA**, 20 years old, moved to Tyumen to learn how to train and handle dogs. She keeps a demanding daily rhythm to accommodate all her interests, from dogs to singing to volunteer work. Seeing helping others as the most important thing in life, she volunteers regularly and has collected gloves, scarves and hats for the elderly and needy. She says she wishes more foreigners would come to Russia to see its natural beauty and wants to travel around the world and visit as many countries as she can. Ms. Melnikova says she wants to train dogs for rescue teams or to work with them in military conflicts. "I'd like to see what it's like, even just as an experience," she says.



**ALEKSANDR BELYAYEV**, an 18-year-old advertising student, is a supporter of opposition blogger Alexei Navalny. He became interested in the opposition when he was 15 years old and wrote an online message to anti-Kremlin leader Boris Nemtsov, but didn't receive a reply as Mr. Nemtsov was gunned down in Moscow. Mr. Belyayev made new friends at Mr. Navalny's office in Chelyabinsk, where they make plans and posters for anticorruption rallies. After efforts to register a political youth organization came to naught, he and his friends founded a religion called "The Grand Church of the Deification of Information," in part to poke fun at the authorities. Prosecutors summoned him for questioning and now he worries he may face a fine, or worse.

tions, could undermine Mr. Putin's bargain and fuel support for opposition figures.

Many say their lives are better than their parents'. At around the same age in the 1990s after the collapse of the Soviet Union, Mr. Ivlev's mom has told him she would rise at 6 a.m. to stand in line at food stores trying to procure milk and bread.

Now, Chelyabinsk's supermarkets and shopping malls are packed, and he spends his time watching films, hanging out with friends or listening to music on his smartphone.

In Vladivostok, a port city in Russia's Far East, the opportunities are often linked with nearby China. Ms. Yershova is studying Chinese and plans to

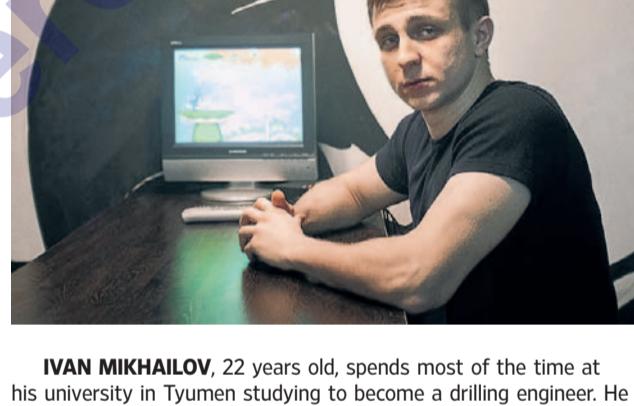
travel there this summer, and later take part in a student-exchange program.

Ms. Yershova says her generation has much more freedom to develop and express itself than her forebears.

For example, she is part of a group that organizes discussions about literature and publishes a cultural magazine. "In their time it was impossible to imagine," she said.

Many young Russians say they see problems—primarily corruption and its effects—but are either resigned to them or busy with their own affairs.

Mr. Ivlev wants to be a sound engineer and intends to move to St. Petersburg. He would like to start his own company but worries that as a



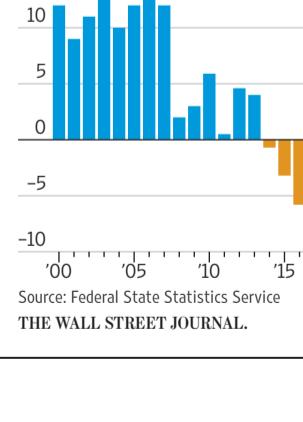
**IVAN MIKHAILOV**, 22 years old, spends most of the time at his university in Tyumen studying to become a drilling engineer. He came to the affluent western Siberian city with the hope of entering the oil-and-gas sector. Whenever he can, Mr. Mikhailov makes the two-day train journey to his hometown near Lake Baikal to see his girlfriend and his mother. He says his father, who died when he was 5, is "the person I compare myself to. He knew how to work." He says Western sanctions on Russia have worked in his favor as oil firms are hiring fewer foreigners and more locals.

## Living Better

A huge rise in living standards lifted people out of poverty, although they slipped recently.

### Russia's real disposable income

Change from previous year



The new German government, however, has shown little inclination to revise Berlin's traditional opposition to pooling resources in a bloc where many members have deficits and high debt burdens.

Instead, officials in Berlin have indicated that they would like to shift the focus from fiscal matters and burden-sharing to discussing migration and strengthening the EU's external borders.

After a meeting earlier Friday with his new German counterpart, Olaf Scholz, French finance minister Bruno Le Maire said the two sides have stumbled in recent weeks on new rules for capital markets in the eurozone and how to structure the banking union.

## WORLD WATCH

## CANADA

## Manufacturing Sales Declined in January

Canadian manufacturing sales fell in January as unusual factory shutdowns led to a sharp decline in motor vehicle production.

Factory sales fell 1.0% in January from the previous month to a seasonally adjusted 54.92 billion Canadian dollars (US\$42.14 billion), Statistics Canada said Friday. The expectation among traders was for a decline of 0.9%, according to economists

from Royal Bank of Canada.

Factory sales in the previous month slipped a revised 0.1%, Statistics Canada said.

On a volume or price-adjusted basis, manufacturing sales declined 1.1% in January.

CIBC World Markets economist Royce Mendes said January's drop in factory sales marked a rough start to the year, which could be reflected in gross domestic product data when it comes out later this month.

"Factory shipments could feel some benefit as U.S. tax cuts make their way through the

American economy," Mr. Mendes said. "But already elevated inventory levels and capacity constraints could limit the gains."

After rising for two straight months, sales of motor vehicles fell 8.0% in January to C\$4.88 billion. Statistics Canada said the drop mainly reflected lower production because of assembly plant shutdowns.

Sales in the aerospace product and parts industry dropped 9.5% in January, to C\$1.59 billion, and sales in the primary metal industry fell 2.8% to C\$4.12 billion.

—Kim Mackrael

## UNITED NATIONS

## Appeal Made to Aid Rohingya Refugees

The United Nations is appealing for nearly \$1 billion for the humanitarian crisis sparked by the flight of about 700,000 Rohingya Muslims from Myanmar to Bangladesh since August.

U.N. deputy spokesman Farhan Haq told reporters Friday that "urgent funding is required to meet lifesaving and acute humanitarian needs of refugees, as well as affected host communities."

He said the appeal for \$951 million aims to assist 1.3 million people, including 884,000 Rohingya refugees, tens of thousands of others who fled to Bangladesh previously and 336,000 Bangladeshis until the end of this year.

—Associated Press

## SOUTHEAST ASIA

## Australia Champions Antiterrorism Effort

Australia has urged Southeast Asian nations to strengthen their counterterrorism coopera-

tion, warning encrypted message systems on mobile phones and the internet's dark web are heightening the risks of terrorist attacks in a region.

Opening a counterterrorism conference with nine regional leaders in Sydney, Australia's Home Affairs Minister Peter Dutton said the use of digital messaging systems by terrorists and criminal groups had triggered "the most significant degradation of intelligence capability in modern times."

"Advances in communication have given terrorists a truly global reach," he said.

—Rob Taylor

# OBITUARIES

**JOHN NASSEFF**  
1924 – 2018

## High-School Dropout Became Philanthropist

**J**ohn Nasseff didn't know his place. He was a ninth-grade dropout and had been hired shortly after World War II to unload rolls of printing paper from boxcars in St. Paul, Minn. Within weeks, the son of poor Lebanese immigrants was pestering his bosses about how the job could be done more efficiently.

Over time, his employer, **West Publishing Co.**, a publisher of legal information, began to rely more on Mr. Nasseff's mechanical and organizational skills. He joined the board of directors and was a vice president responsible for engineering and facilities. He regularly bought shares in the company through an employee stock-purchase program.

Thomson Corp., now **Thomson Reuters Corp.**, bought West in 1996 for \$3.43 billion. Mr. Nasseff's share of the proceeds was about \$175 million, according to the St. Paul Pioneer Press.

Mr. Nasseff donated tens of millions of dollars to hospitals and schools in Minnesota, orphanages in several countries and a dental clinic in his parents' native Lebanon, among other causes. He was known for a dramatic wardrobe that included berets.

He died at home in St. Paul on Feb. 21, his 94th birthday.

"God knows what you do," Mr. Nasseff often remarked. He learned the saying from his mother.

—James R. Hagerty

**ORIN SMITH**  
1942 – 2018

## CEO of Starbucks Was Called 'Tortoise'

**W**hen Starbucks Corp. was expanding so fast it seemed to pop up on every other street corner, Orin Smith's role was to keep his over-caffeinated colleagues from getting carried away.

He insisted on thinking things over and discussing alternatives before making decisions—a habit that earned him the nickname of "tortoise."

Mr. Smith joined the coffee company in 1990 as chief financial officer and oversaw its initial public offering in 1992. He was promoted to president and chief operating officer in 1994 and served as chief executive from 2000 until his retirement in 2005, when the company had more than

9,200 stores globally, up from 45 when he arrived in 1990.

"Orin was a constant calming influence in the company and always had a very clear strategic lens," said Howard Schultz, a former Starbucks CEO who is now executive chairman.

Howard Behar, a former Starbucks executive and board member, said Mr. Schultz was "the dreamer," while "Orin was the guy who had to make it work."

Though known for his composure, Mr. Smith drank four or five cups of coffee a day. "I'm always wired," he assured The Wall Street Journal in 2003.

Mr. Smith died March 1 of pancreatic cancer at age 75.

—James R. Hagerty

**JOHN SULSTON**  
1942 – 2018

## Exhaustive Study of a Worm Ended in Nobel Prize

BY JAMES R. HAGERTY

**T**he nematode worm known as *C. elegans* is only a millimeter long and leads what appears to be a fairly dull existence. It eats bacteria, wriggles around and reaches adulthood in three days. "It consists basically of two tubes, one inside the other," the English biologist John Sulston wrote in a memoir.

Although some colleagues thought he was wasting time, Dr. Sulston for years spent up to eight hours a day peering through microscopes at these worms. His findings on the genetics of worms won him a Nobel Prize for physiology in 2002.

His dogged work also helped prepare the scientific world for the more glamorous project of mapping the human genome, in which Dr. Sulston played a large role. He fought successfully to keep data from the Human Genome Project in the public domain rather than letting any single company own it.

Detailed mapping of the genome, the genetic coding needed to make a human being, was one of the most celebrated scientific triumphs of the 20th century, offering pathways toward treatments for myriad diseases. Announcing completion of the genomic survey in 2000, President Bill Clinton declared: "We are learning the language in which God created life."

Dr. Sulston described the feat in more modest terms: "What we've done is to read the language of evolution," he said in a 2002 interview. "We have the hieroglyph...and now we're working on its interpretation."

Dr. Sulston died of stomach cancer March 6. He was 75.

He was happiest working in a lab and only reluctantly took on the role of overseeing Britain's contribution to the genome proj-



ect. His work didn't involve "bold theories or sudden leaps of understanding," he wrote in a 2002 memoir, "The Common Thread." Instead, he saw his role as "gathering data for the sake of seeing the whole picture."

John Edward Sulston was born March 27, 1942, and grew up near London. His father, a Church of England minister, helped administer a missionary society. His mother taught English.

As a child, John toyed with microscopes, partially resurrected a broken TV set and dissected a dead bird. He considered himself hopeless at sports. In 1960, he enrolled at Cambridge University and studied organic chemistry. He enjoyed doing lighting work for a theater company but was bored by his textbooks and scraped by with a second-class degree.

Feeling scant talent for academic life, he decided to work overseas in a volunteer program. When his volunteer project fell through, he slunk back to Cambridge as a chemistry research student. He completed a Ph.D. in 1966.

The same year, he married

Daphne Bate, who later worked as an academic librarian. They moved to La Jolla, Calif., where he did research work at the Salk Institute for 2½ years, before returning to Cambridge and joining the Laboratory of Molecular Biology. There, he worked under Sydney Brenner, a future Nobel laureate who studied the genetics of worms.

"There were lots of jokes about Sydney's worm, and general skepticism about its chances of coming to anything," Dr. Sulston wrote later. "This seemed a pretty good recommendation to me: There's little point in doing what everybody else is doing."

After 10 years at the lab, he grew despondent, convinced he had achieved little. Then he resolved to complete the grinding task of documenting how the nematode worm developed from a single cell to the 959 cells of adulthood. He became a notable member of what he called the "worm community," 200 or so scientists from around the world who submitted articles to the *Worm Breeder's Gazette* and met periodically to share insights.

His experience of mapping a worm genome made him a natural choice to lead the British scientists contributing to the Human Genome Project in the 1990s.

He is survived by his wife, a sister, two children and two grandchildren.

In his memoir, he described himself as a child of the 1960s but not a hippie: "It was nothing to do with rock concerts and dropping out. It was a matter of not living lavishly but enjoying what you had, growing things with your hands, working hard but not being tied to a nine-to-five job, and generally feeling that there's more to life than money."

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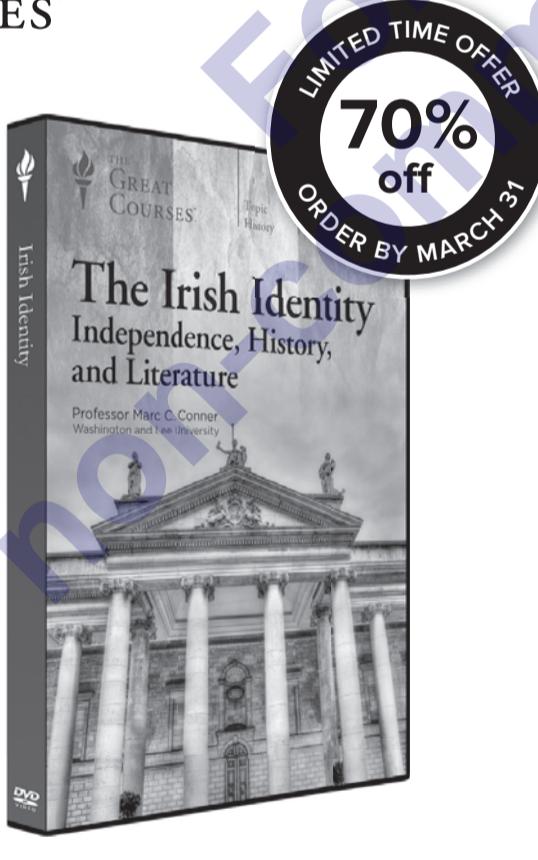
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## IN DEPTH

**HIV***Continued from Page One*

Successful prevention methods, including circumcision and condom use, have been geared mainly to men. Now, researchers are working to develop new ways to protect women, including education programs, drug regimens and other prevention tools.

"They are the key to global epidemic control of HIV," said Salim Abdo Karim, director of the Center for the AIDS Program of Research in South Africa, known as Caprisa, a consortium of South African and North American scientists that researches HIV in young women.

Sizani Soni said she wasn't surprised to learn at the age of 23 that she had HIV. Ms. Soni, who lives in Vulindlela, an impoverished community in the hills of South Africa's KwaZulu-Natal province with some of the highest HIV rates in the world, believes she contracted the virus from her former boyfriend, a migrant worker four years her senior.

"It has become normal—you test, you test positive," Ms. Soni said on a visit to her local health clinic for a refill of the antiretroviral drugs she takes daily.

Young women ages 15 to 24 accounted for 20% of the 1.8 million people globally who were newly infected in 2016, more than any other age group of men or women, according to the Joint United Nations Program on HIV/AIDS.

In sub-Saharan Africa, where nearly two-thirds of all new HIV infections in 2016 occurred, more than twice as many young women were infected as young men. In the rest of the world, more young men were infected than young women.

In a unique cycle of transmission, researchers say young women in parts of eastern and southern Africa are often infected by older men, whom many date because the men help them financially. When those women reach their late 20s and 30s, they become involved with men closer to their own ages, passing the virus onto them, according to Caprisa and other researchers. As those men date younger women, they can transmit HIV to the next wave. It is less common in other parts of the world for different generations to infect each other, which helps limit transmission.

"You've got this ongoing cycle" of transmission fed by a constant supply of girls reaching teenhood, said Quarraisha Abdool Karim, Caprisa's associate scientific director, who founded the consortium with her husband, Salim Abdo Karim, and other institutions in 2002.

In a 2016 study, she and other researchers at Caprisa found that women ages 15 to 24 in Vulindlela and a nearby community were infected by men an average of 8.7 years older. Re-



**Girls near Durban, South Africa, talk about sexuality and role-play relationship skills at a workshop designed to teach HIV prevention.**

searchers cite both consensual sex and rape as sources of infection. The dramatic results showed that 60% of the women in the next age group, from 25 to 40, were infected, revealing the area to be one of the most HIV infected in the world.

Because Africa's youth population is booming—improvements in general health care now allow millions more to survive childhood—the at-risk population is expanding. Approximately 60% of the continent's population is under age 25.

That population bubble has affected the fight against HIV infection. Globally, new HIV infections declined 15.6% between 2010 and 2016. The number of new infections would have dropped more, by 18.5%, if sub-Saharan Africa's 15- to 24-year-old population hadn't expanded during those years, according to a UNAIDS analysis.

"You have to really push down new infections at a much higher rate" to make up for the increasing population, said Deborah Birx, the U.S. global AIDS coordinator.

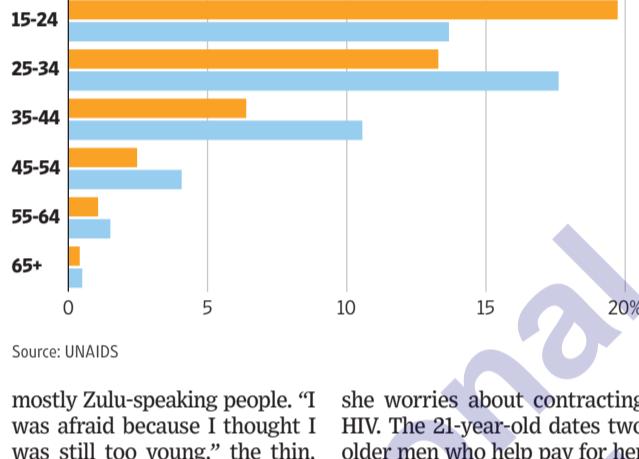
***'It has become normal—you test, you test positive,' one young woman said.***

HIV is prevalent in the general population in eastern and southern Africa, unlike most other parts of the world, and reaching everyone at risk with preventive tools or drug treatment is more challenging and costly.

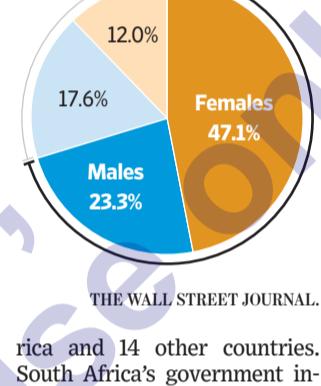
Ms. Soni, the Vulindlela resident, learned her HIV status when she was offered a test on a visit with her son to a health clinic in her community of

**At Risk**

Women between 15 and 24 years old made up the biggest portion of new HIV infections worldwide in 2016...



...and women in sub-Saharan Africa made up nearly half of all new cases among 15- to 24-year-olds in 2016.



THE WALL STREET JOURNAL.

mostly Zulu-speaking people. "I was afraid because I thought I was still too young," the thin, soft-spoken young woman recalled, her close-cropped hair covered in a boyish gray hoodie.

She and her boyfriend had been together since she was 18. He is the father of her son and helps pay for care of the boy, who lives with him now because Ms. Soni's income from a two-day-a-week job isn't enough to support them.

Like many in Vulindlela, her boyfriend had to go far from home to find work—a job grading roads a four-hour drive away. He came home only every couple of months.

She was faithful to him, she said. The two didn't use condoms regularly, and she later learned he hadn't been monogamous when he brought home another woman who was pregnant with his child.

Now 29, Ms. Soni takes her medication daily, she said. She has a new boyfriend, who is 37 and is also HIV positive.

Another young woman who comes to the Caprisa clinic said

she worries about contracting HIV. The 21-year-old dates two older men who help pay for her groceries, clothes and cellphone—a common pattern among many young women in South Africa, who become involved with "blessers," or older men who help them financially in exchange for sexual relationships. She lives with a sister and brother and doesn't have a regular job. She wants to pursue a teaching degree.

Both men use condoms only sporadically, she said. The younger of the two, who is in his mid 20s, tested negative for HIV a few months ago, but she doesn't know the HIV status of the older man, who is married and in his 40s. "Because I give you money, you can't dictate whether I use a condom," she said he told her.

Dr. Birx, the U.S. global AIDS coordinator, launched an initiative in 2015 called Dreams that has spent \$523 million in U.S. and private money on HIV testing and counseling, subsidies to help girls stay in school and other programs for teenage girls and young women in South Af-

rica and 14 other countries. South Africa's government introduced a similar program in 2016 called "She Conquers" to expand services to young women throughout the country.

The U.S. President's Emergency Plan for AIDS Relief, which Dr. Birx oversees, said in December that new HIV diagnoses in women ages 15 to 24 have declined at least 25% since 2015 in 65% of the communities where its Dreams programs were initially implemented.

Dr. Quarraisha Abdool Karim saw the first signs of the transmission cycle in 1989 when she conducted a study in KwaZulu-Natal that found HIV to be 3.2 times more common in women than in men. She also found that women were infected at younger ages than men. "It was very clear when you looked at the prevalence data that young boys were not infecting" the girls their own age, but rather older men were, she said.

"What that told us was if we were going to slow the HIV epidemic we needed to find some way to lower the incidence rate in young girls," said Dr. Salim Abdo Karim.

AIDS deaths began to decline across Africa in the mid-2000s, after international donors and local governments began providing antiretroviral drugs, which allow infected people to live nearly normal lives by beating the virus back to a level at which it doesn't damage the body.

HIV/AIDS attracts more donations from governments and organizations than any other infectious disease. UNAIDS said \$19.1 billion was dedicated to HIV/AIDS in 2016 and that \$26.2 billion will be needed by 2020. The funds include paying for drugs as well as for prevention tools.

Scientists are developing and testing new prevention methods

that women can control and that they hope will be easy to use. Caprisa researchers are also studying possible biological factors, such as the makeup of the vaginal microbiome, that may affect a woman's risk of HIV infection.

Researchers are working at the same time on ways to reduce the number of infections in men in their 20s and early 30s and to get more HIV-positive men tested and in drug treatment.

A landmark 2010 study, which included women from Vulindlela, showed that a vaginal gel made with the drug tenofovir could protect women. But subsequent trials showed that women didn't use it regularly.

"We learned it is really difficult to get women to use this gel," Dr. Salim Abdo Karim said. The gel had to be applied before and after sex, which involved planning. Persuading healthy people to use any preventive drug is a challenge, he said.

The National Institute of Allergy and Infectious Diseases in the U.S. is funding research and several clinical trials in eastern and southern Africa, including at Caprisa, to test long-acting drugs and HIV antibodies that could involve getting injections just a few times a year. "If that's the case, wow—that to me is something that is going to have a major impact," said Anthony Fauci, the institute's director. "We really have to address this cycle of infection because we're never going to turn around the epidemic in South Africa unless we do that."

Researchers are also studying the use of a vaginal ring that gradually releases an antiretroviral drug, and the use of daily drug regimens to prevent infection. Nomonde Langa enrolled in a trial last year of oral pre-exposure prophylaxis, which is available in the U.S. for people who are at high risk of HIV infection. The 20-year-old, who lives in the Durban area and is HIV negative, is supposed to take an antiretroviral drug daily.

Her longtime boyfriend, who is six years older than she is, doesn't use a condom every time they have sex, she said. She also caught him cheating on her with another woman. "I decided to get involved to protect myself," said Ms. Langa, who is studying to be a primary-school teacher.

But Ms. Langa sometimes forgets to take her daily pill—a risky omission. "I try my best not to forget," she said. "It's hard."

Mbalu Yonela Peter is also taking a drug to prevent HIV infection. The 19-year-old travels an hour and a half each way from her home in Soweto to a research clinic in the center of Johannesburg for her three months' supply of medication. She worries that workers at her local clinic would spread a rumor that she has HIV—stigma about the virus persists in South Africa, particularly for women, who can be at risk of abuse and blame if they are infected. "The people who work at the clinic live in the area," she said.

Ms. Peter had to dispel doubts that her boyfriend at the time had when he wondered if she was taking the drug because she was HIV positive. "I got an HIV test in front of him," she said. "He didn't trust me."

Yet the boyfriend wouldn't take the drug himself, she said. And getting men to use condoms all the time isn't easy, she said.

She now dates two other men, one of whom is 29. "They're more mature than the guys my age," she said. She doesn't know their HIV status.

She lost both parents and a grandmother to HIV when she was young. "HIV was in my family and I'm really afraid I might get it," she said.

shape that fits the hand, writing in forums such as "There's magic in BlackBerry 10" on Crackberry.com. A bonus, wrote one person last year, is reduced theft risk, "because thieves don't know what they are."

Until recently, devotees could gain affirmation from a website called celebritiesblackberry.wordpress.com, showing sightings of users who, in 2016, tweeted that her beloved BlackBerry Bold had died and she was looking for a new phone.

The last posting from the moderator is from August 2016:

*Dear Guys,  
I received tons of mails that ask me to update the blog with new posts.*

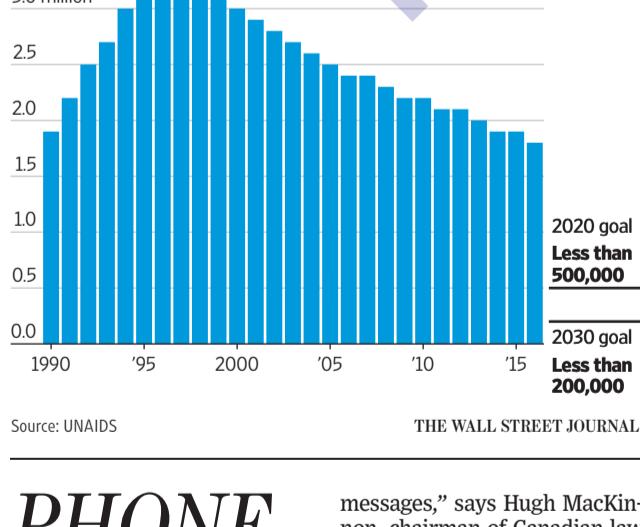
*Unfortunately, all the celebrities now own an iPhone, this is so sad. :)*



**Siphile Madlola, 22, is HIV negative. She takes part in a research study in Vulindlela, South Africa, a community with high HIV rates.**

**Slower Progress**

New HIV infections around the world have fallen but are still far from targets set by the United Nations.

**PHONE***Continued from Page One*

for typing, in particular, it's a better device," says Mr. Jern, who works in Barcelona, Spain, for consulting firm Digital Management LLC.

The BlackBerry began life as a text pager, created in 1996 by Canadian company Research in Motion Ltd. The founders made technical breakthroughs that popularized world-wide phone texting and mobile email.

It transformed the way people worked. Before, "when you got off an airplane, the first thing you did was head to a pay phone with a pile of quarters and stand there for 20 minutes with a broken pencil in your hand writing down all of your

messages," says Hugh MacKinnon, chairman of Canadian law firm Bennett Jones LLP. "Then, all of a sudden you had a BlackBerry, and all of your messages, all your voice mails, were right there in your hand."

But in 2007 Apple Inc. introduced the iPhone, and Android smartphones, also with touch screens, came soon after. Today BlackBerry has a global smartphone share of less than 1%.

At a rugby tournament in Vancouver in early March, Tim Powers, an Ottawa executive, says he was "chastised" for using his BlackBerry. Standing near the field, he spotted actor Chris Hemsworth, known for his role as Thor in the Marvel Cinematic Universe films.

"I was trying to get some pictures of Hemsworth with my BlackBerry, and people are

laughing at me, saying 'Oh, good luck with that, you can hardly get a picture on that thing,'" says Mr. Powers, who says his camera takes longer to get up and running than he'd like.

"They were right. I've got some great behind-the-head shots of Chris Hemsworth. BlackBerry doesn't necessarily win when it comes to photos."

Mr. Powers, vice chairman of consulting firm Summa Strategies Canada Inc. and chairman of Rugby Canada, also faced ridicule when he tried to download the tournament schedule. "Basically, every time I hauled it out, I was abused," he says.

But the BlackBerry keyboard suits "an old rugby player with some beaten-up hands," he says.

Also, "I am not gentle. I almost feel like I could shoot it and it would still work."

BlackBerrys, says Andrew Stivelman, a technical writer in Toronto, are "built like a tank."

Mr. Stivelman's ardor for the phones has withstood a former employer's policy barring workers from using BlackBerrys because they were outdated. At his current employer, he keeps quiet about his BlackBerry, lest IT folks take it away because BlackBerry no longer provides monthly security updates for it.

Kady O'Malley named her Boston terrier for her BlackBerry. "I actually had the name before I had the dog," says Ms. O'Malley, who works for Canadian news site iPolitics. She tags her emails with "sent from a phone with a real keyboard."

Although the company, now named BlackBerry Ltd., no longer makes the phones, they live on through licensing agree-

ments with companies that make and sell BlackBerry-branded hardware with Android operating systems. BlackBerry Ltd. says it will support phones that use its own operating system until at least 2020.

The Canadian government remains a supporter of the native-born device. Some 125,000 BlackBerrys are in use by government employees, according to the department that manages the government's IT services.

A spokeswoman for BlackBerry, Sarah McKinney, said its software is still widely used by governments and businesses to handle email, calendars and other tasks on iPhone and Android devices. The firm has retooled its software, including driverless-car technology.

Fans of BlackB

## OPINION

## Populism's Challenge to Democracy

By William A. Galston

**F**rom Mitteleuropa to the English Midlands to the American Midwest, a populist revolt has arisen against long-established political arrangements. It seemed to peak in 2016, with Brexit and then Donald Trump's victory. After last spring's French elections, in which Emmanuel Macron decisively defeated Marine Le Pen and the National Front, it appeared the wave might have crested. But that hope has been dashed by subsequent events: the rise of the Alternative for Germany, the strong electoral performance of Austria's Freedom Party, the re-election of Czech President Milos Zeman, and the emergence of the virulently anti-immigrant League as the dominant force on the Italian right.

Hungary's Prime Minister Viktor Orban is committed to what he calls "illiberal democracy," a model that neighboring countries are only too eager to follow. Mr. Orban is trying to shut down Budapest's independent Central European University and has vituperatively attacked its founder, George Soros. Poland has criminalized public discussion of its role in the Holocaust. Majorities in both countries increasingly define their national identity in exclusionary ethnic and religious terms. The Czech Republic, Slovakia and even Austria are moving in the same direction.

These developments have triggered understandable concerns about the future of liberal democracy. But we need to distinguish between the aspects of populism that pose a fundamental threat and mere policy disputes that do not. The Brexit vote did not weaken democracy in the U.K.; nor would Mr. Trump's wall along the Mexican border make the U.S. illiberal.

### It's crucial to recognize the distinction between genuine threats to liberal institutions and mere differences over policy.

Threats to core liberal institutions—the free press, independent civil society, constitutional courts and the rule of law—are another matter altogether. Yet many alarmists conflate policies they abhor with threats to the republic. Their effort to place these controversies beyond legitimate debate itself weakens liberal democracy.

In its early stages, the populist revolt appeared to be motivated by economics. Competition from developing countries eroded manufacturing throughout the West. The modern knowledge-based economy thrives on the density and diversity found in larger cities, and the resulting urbanization of opportunity intensified inequality. A globalized, urban economy, it turns out, serves the interests of elites everywhere and of most people in developing countries, but leaves behind the working



RYAN INZANA

and middle classes in developed economies.

The Great Recession that began in 2007 represented a colossal failure of economic stewardship, which leaders compounded with their inability to restore vigorous growth. As economies struggled to recover and unemployment persisted, the hardest-hit groups and regions lost confidence in mainstream parties and established institutions, fueling populism.

This narrative was valid as far as it went. But a purely economic explanation obscures the more complex reality, which includes fears about immigration, concerns about culture, and frustration with politics itself.

Throughout the West, public worries about immigration have intensified. To some extent that reflects anxiety over jobs and wages. Concerns about the increased demand for social services also play a part: Americans complain about state and local tax burdens, while the British say their cherished National Health Service is being overwhelmed. But darker fears are also at work. The threat of terrorism has made Western populations less willing to absorb Muslim immigrants or even refugees. Many citizens fear that Islam and liberal democracy are incompatible.

The shift toward knowledge-intensive urban economies has also catalyzed the rise of an elite that dominates government, the media and other cultural institutions. Its emergence has left less-educated citizens in outlying towns and rural areas feeling devalued. These trends deepen social divisions: between long-established groups and newer entrants; between those who benefit from technological change and those who are threatened by it; between more and less educated citizens.

Elites' enthusiasm for open societies is running up against public demands for economic, cultural and political stability. Battered by economic dislocation, demographic change, and challenges to traditional values, many less-educated citizens came to feel that their lives were outside their control. National and international governing institutions seemed frozen or indifferent. Many people lost confidence in the future and longed for an idealized past, which insurgent politicians promised to restore.

**I**n the U.S., partisan polarization created gridlock, preventing progress on problems that demanded concerted action. In Europe, an opposite form of dysfunction—a center-left:center-right duopoly that kept important issues off the public agenda—had much the same effect. Impatience with governmental lethargy grew into a demand for strong leaders willing to break rules to get things done.

The populist surge features strident rhetoric and emotional appeals by charismatic leaders. But populism is more than this. Even if it lacks the kind of theories or canonical texts that defined the great isms of the 20th century, it has a coherent philosophical structure.

Populism accepts the principles of popular sovereignty and majoritarian democracy. But it is skeptical about constitutionalism inasmuch as formal, bounded institutions and procedures impede majorities from working their will. It takes an even dimmer view of liberal protections for individuals and minority groups. While liberal democrats typically understand "we the people" in civic terms—fellow citizens regardless of religion, customs, race,

ethnicity and national origin—populists distinguish between "real" people and others, often on ethnic and religious lines, and between "the people" and the elites. "The people" have one set of interests and values; minorities and the elites that protect them have another set, fundamentally opposed. This construction is inherently divisive. Within the context of popular sovereignty, dividing a country's citizens this way implies that some of them are enemies of the people.

The populist conception of "the people" as a homogeneous population is contrary to fact. In circumstances of even partial liberty, different social groups will have different interests, values and origins. Imposing an assumption of uniformity on the reality of diversity elevates some groups over others. No form of identity politics can serve as the basis for a modern democracy, which stands or falls with the protection of pluralism.

The presumption that "the people" have a monopoly on virtue also undermines democratic practice. Decision-making in circumstances of diversity requires compromise, which is hard to achieve if one side believes the other is evil or illegitimate.

Populism requires constant combat with these enemies and endless struggle against the forces they represent. It plunges democratic societies into an endless series of moralized zero-sum conflicts; threatens the rights of minorities; and enables strong leaders to dismantle the safeguards that keep society off the road to autocracy.

Defenders of liberal democracy must respond when populists move to undermine freedom of the press, weaken constitutional

courts, concentrate power in the executive, or marginalize groups of citizens based on ethnicity, religion or national origin. This requires a three-part plan of battle:

First, focus relentlessly on identifying and countering genuine threats to liberal institutions, while at the same time working for political reforms to restore their ability to act effectively. Gridlock and limits on political debate frustrate citizens and make them more open to leaders willing to break the rules to get things done.

Second, make peace with national sovereignty. Nations can put their interests first without threatening liberal democratic institutions and norms. Defenders of liberal democracy should acknowledge that controlling borders is a legitimate exercise of sovereignty, and that the appropriate number and type of immigrants is a legitimate subject for debate. Denouncing citizens concerned about immigration as bigots ameliorates neither the substance nor the politics of the problem. There's nothing illiberal about the view that too many immigrants stress a country's capacity to absorb them, so that a reduction or even a pause may be in order. No issue has done more than immigration to feed populism, and finding a sustainable compromise would drain much of the bile from today's politics.

Third, pursue inclusive economic growth—that is, policies to improve well-being across demographic lines, including class and geography. Allowing the highest strata of society to commandeer most of the gains from growth is a formula for endless conflict. So is allowing growth and dynamism to concentrate in fewer and fewer places. Public policy cannot eliminate the rural-urban gap, but it can at least slow the divergence.

**T**he events of the past quarter-century have challenged the view that history moves inexorably in one direction. Liberal democracy is not the "end of history"—nothing is. The enduring incompleteness of life in liberal societies, which ask citizens to embrace an abstract concept of equal citizenship and humanity, will always be a vulnerability. The tribalism at the heart of the populist vision draws strength by appealing to those who crave more unity and solidarity than liberalism offers.

For now, democratic publics want policy changes that give them hope for a better future. Left unmet, their demands could evolve into pressure for regime change. It is up to the partisans of liberal democracy to do all we can to prevent that from happening. Historical inevitability will not determine liberal democracy's fate. Our political choices will.

*Mr. Galston is senior fellow in governance studies at the Brookings Institution and the author of "Anti-Pluralism: The Populist Threat to Liberal Democracy" (Yale University Press, 2018), from which this article is adapted. He writes the Journal's Politics & Ideas column.*

## New Jersey Lawmakers Try to Fool the Federal Taxman



CROSS COUNTRY  
By Mene Ukuueberuwa

Democratic lawmakers labor to shield constituents from the state-tax costs they've spent decades creating.

The issue is the reduction in the deduction for state and local taxes, or SALT. Starting this year, the annual deduction is capped at \$10,000, a major hit to residents of high-tax states like New Jersey. The Garden State has the nation's highest effective property-tax rates, and they've risen an average of more than 2% a year since 2004. Since Democrats controlled the Legislature that whole time, there's little doubt whom voters will blame for the increased bite.

This looming political crisis might have presented an opportunity to begin controlling costs and returning the savings to taxpayers, but New Jersey's Democrats have taken a different tack. Shortly after President Trump signed the tax reform into law, Rep. Josh Gottheimer concocted a nullification plan. The proposal would allow municipalities to create charitable funds to pay for public projects currently financed by state taxes. Residents would be invited to give to

these funds and would in return receive a 90% credit on their property taxes. Because the federal cap on deductions for charitable contributions is much higher than for SALT—generally 50% of adjusted gross income—most "donors" would regain the ability to deduct almost all their property taxes.

The state Senate passed the proposal Feb. 26, and the Assembly will take it up this month. Gov. Phil Murphy, a newly elected Democrat, has pledged to sign the bill, underscoring his party's commitment to nullify rather than take advantage of the circumstances brought about by federal tax reform.

Will the Internal Revenue Service accept the scheme? Treasury Secretary Steven Mnuchin has already called it "ridiculous." New Jersey Democrats are preparing a defense. Six law professors released a report the day before the state Senate vote, pointing out that 33 states grant tax credits for donations to charities, and that the IRS treats those contributions as charity rather than taxes. "I think this puts the IRS in a pickle," says Mr. Gottheimer.

But there's one major difference: In the other state programs, private charities like scholarship funds, soup kitchens and park-restoration groups are included in the list of beneficiaries for which donors can earn tax credits. That is consistent the Internal Revenue Code's requirement that charitable contributions benefit someone other than the donor. By contrast, the

New Jersey plan would fund exactly the same programs currently paid for by existing property taxes. That means the only benefit of the donations would be federal deductions for the donors themselves—a purely self-serving contribution.

### 'Charity' begins at home, but the IRS is likely to look askance at a scheme to avoid a deduction cap.

Jared Walczak, a senior policy analyst at the Tax Foundation, points out that the 2010 memo in which the IRS allowed deductibility for some state charitable tax credits reserved

the authority to distinguish good-faith programs from avoidance schemes. "The Legislature here is helping to establish the fact pattern," Mr. Walczak says. "They are pursuing the change explicitly as a workaround."

New Jersey isn't alone in trying to shield its citizens from the full impact of state and local taxes. California and Connecticut have formulated similar plans to replace property taxes with charitable contributions, while New York's version would create a new optional payroll tax employers could adopt in place of the state income tax. Mr. Walczak believes these workarounds are a Catch-22—the feasible ones like New Jersey's won't pass muster with the IRS, while permissible approaches like New York's would be impossible

to implement as companies would struggle to adjust employee pay to accommodate the new tax.

The SALT deduction cap is allowing New Jersey Democrats to have it both ways—to pose as tax cutters without cutting taxes: Mr. Gottheimer announced his plan while standing in front of a giant banner reading "Tax Cut Plan." Meanwhile, the 2019 budget Gov. Murphy announced this week would raise \$1.3 billion through an income-tax surcharge on the same high earners his party is claiming to help.

But the IRS is likely to put an end to the workaround charade. Which leaves the Occam's razor approach to tax relief: Simply reduce taxes.

*Mr. Ukuueberuwa is an assistant editorial features editor at the Journal.*

## Notable &amp; Quotable: A Conformist Rebellion

From "The School Walkout: A Conformist Rebellion" by Barton Swaim, *WeeklyStandard.com*, March 16:

All day social media were abuzz with hats-off testimonials from journalists and politicians to the principled resolve of these young idealists; the evening news hailed them for reviving the gun debate with "fresh passion"; and at least 311 public and private colleges vowed not to penalize future applicants for participating in these peaceful protests.

But a walkout is supposed to be an act of rebellion, of resistance. It involves risk. Like a strike at a factory—if you participate, you might get what you want or you might lose your job. The *Enough!* walkout was a safe gesture, honored by our governmental and cultural authorities. The national news media—consider the lavish coverage in the *New York Times*—practically begged the kids to go through with it and heaped praise on them when they did.

A more conformist rebellion

would be difficult to imagine. These woke revolutionaries simply did what they were told, when they were told, by faraway professional agitators. Most school districts managed the whole affair into orderly compliance . . .

Modern American high schools are places of intense conformity. Fear of exclusion cripples and terrorizes its young victims; often you can see it on their faces. They do and think what they're told. They even protest as they're told. Some rebellion.

## OPINION

## REVIEW &amp; OUTLOOK

## The Art of a Banking Compromise

**A**fter passing a bipartisan banking bill 67-31 that would remedy some of the Dodd-Frank Act's flaws, many Senators want to call it a wrap. But Congress is a bicameral legislature, and the House deserves an opportunity to improve on the Senate's work.

The crux of Banking Chairman Mike Crapo's bill would raise the asset threshold for banks that must comply with "enhanced prudential standards"—jargon for stringent stress tests and liquidity requirements—to \$250 billion from \$50 billion. The bill also eases myriad regulatory requirements on small banks.

Elizabeth Warren has berated her Democratic colleagues for shining shoes on Wall Street, but the biggest banks for the most part wouldn't benefit from this reprieve. The regional and community banks that would be helped don't present a systemic risk. Most maintain much bigger capital cushions than the global giants since they don't have a federal backstop.

Yet small banks have had to divert human and financial capital to regulatory compliance. The Bank of Commerce in Idaho Falls had to stop offering consumer mortgages due to the cost of hiring new compliance staff. When regional banks get squeezed, the giants sweep up more business, which concentrates more risk in the banking system.

As Democrat Heidi Heitkamp of North Dakota put it, "Dodd-Frank was supposed to have stopped too big to fail, but the net result has been too small to succeed. The big banks have gotten bigger since the passage of Dodd-Frank, and the small banks have disappeared."

The 16 Democrats who voted for the bill's common-sense reforms are getting flogged by Ms. Warren and ranking Banking Committee Democrat Sherrod Brown, who is aggrieved that he was excluded from negotiations. He excluded himself. Senate Republicans now worry these Democrats will get cold feet if they have to vote again, so they want the House to pass the bill straight up.

But the impetus for Dodd-Frank reform originated in the House, and Members there deserve to shape the final product. Last year the

## On fixing Dodd-Frank, the House shouldn't be a potted plant.

House passed the Choice Act that traded fewer regulatory rules for higher capital standards. While that was too bold for most Senate Democrats, Finance Chairman Jeb Hensarling has broken the bill into dozens of bite-size pieces that have passed with huge majorities.

Consider the Halos Act, which the House passed by a 344-73 vote and would allow startups to informally pitch angel investors at "demo days" without violating securities laws. Another bill (426-0) would exempt merger and acquisition brokers involved in the sale of small, private firms from federal registration.

The Financial Institution Living Will Improvement Act (414-0) would require the Federal Reserve and Federal Deposit Insurance Corporation to disclose publicly how they assess "living wills." Democrats also backed a bill (395-2) to prevent regulators from choking off politically disfavored businesses from the banking system as the Obama Administration did with payday lenders and gun dealers.

The Senate incorporated some House bills but left out these and two dozen others with broad bipartisan backing. House Republicans should be able to attach several of these without endangering Democratic support in the Senate.

They also ought to strike a Senate provision that gives custody banks, which safeguard assets for pension funds and institutional investors, special treatment under the Federal Reserve's capital standards. This would let them increase their leverage. Citibank and J.P. Morgan may also qualify for the exception since they provide custodial services, which could result in a slow erosion of the banking system's capital firewall. Big banks need more capital to withstand a major financial panic.

Minority Leader Chuck Schumer has given Democrats latitude to vote for the Senate bill because they want a bipartisan achievement to run on. But House Republicans also need accomplishments to trumpet beyond tax reform. Senate Republicans should be as willing to accommodate their GOP colleagues as they are Democrats.

## Elizabeth Warren's Boomerang

**T**witter is often the intellectual equivalent of a tavern at 2 a.m., but it has illuminating moments. An example came Friday when Senator Elizabeth Warren, the Harvard populist, offered a hilarious commentary on her proudest political accomplishment—the Consumer Financial Protection Bureau.

"I'm giving @MickMulvaneyOMB one last chance to answer my questions about his actions at the @CFPB. If he won't, he should be called immediately to testify under oath before my colleagues and me on the Senate Banking Committee," the Senator thundered to her 4.3 million Twitter followers. Mick Mulvaney is the acting head of the CFPB, and it seems he is not suitably attentive to Ms. Warren's demands.

Like Donald Trump, Ms. Warren might want to let an editor see her tweets before she sends them. Iain Murray of the Competitive Enterprise Institute quickly responded to Ms. Warren by tweeting, "If only the CFPB had any meaningful accountability to Congress . . ."

Someone get the smelling salts because Ms. Warren is down for the count.

As Mr. Murray and readers of these columns

## She designed the CFPB to be unaccountable. Now she's upset about it.

know, Ms. Warren designed the CFPB as an independent agency like no other precisely so it could ignore Congress. The bureau is funded not with an annual appropriation like the rest of the government, but by the Federal Reserve based on a request from the head of the CFPB. Congress thus can't use its constitutional power of the purse to enforce public accountability.

Unlike other so-called independent agencies like the Securities and Exchange Commission, the CFPB also isn't composed of a bipartisan set of commissioners. It's a one man show whose five-year term transcends elections and thus Administrations.

This worked fine for Ms. Warren when the bureau was run by her hand-picked successor, Richard Cordray. But when he left to run for Governor of Ohio, the path was open for President Trump to put Mr. Mulvaney in charge. And he is systematically reorienting the CFPB toward genuine consumer protection instead of business harassment and trial-lawyer enrichment. Now, if Ms. Warren wants to put the CFPB on a proper constitutional footing, we'll be happy to offer suggestions.

## The Trump Tariff Layoffs Begin

**A**merican Keg Company is the only remaining U.S. manufacturer of stainless steel beer kegs. Despite competition from German and Chinese firms, American Keg has only used domestic steel. But now it's being punished for this domestic sourcing as Donald Trump's steel tariffs have forced the business to lay off a third of its workforce.

Since it began manufacturing kegs in 2015, the Pottstown, Pennsylvania-based American Keg has operated on a narrow margin. The 15.5-gallon keg is a staple in bars and fraternities, and the American-made version currently retails for \$115 while a German or Chinese keg costs about \$95. American Keg has survived by selling to craft breweries that want to support U.S. workers and American steel, even at a small premium. "But there's a limit to what people would pay to have an American product," says CEO Paul Czachor.

Mr. Trump has imposed the tariffs in the name of national security. But in practice they punish American steel users by giving the American metal industry the opportunity to raise prices while still undercutting foreign steel and aluminum.

Tariffs were one of Donald Trump's campaign promises, and steel makers have already raised prices in anticipation. Since Mr. Trump took office, the price for American hot-rolled steel coil has increased by more than 35%, rising about \$222 a ton, according to price data from S&P Global Platts. When the President signed orders imposing the tariffs on March 8, prices increased by more than 4% in a day.

American Keg is bracing for even higher domestic steel prices this year. "We're already

## A keg manufacturer lays off workers as domestic steel prices rise.

seeing that we're getting priced out of the market with our U.S. kegs," Mr. Czachor said. "We're very concerned that this could put us out of business."

One week after the Commerce Department recommended heavy tariffs on steel and aluminum in February, Mr. Czachor gathered 10 of his 30 workers in a conference room at work and broke the news that they were being laid off. Mark Foster, 55, was among those who lost a job.

"I had to hold back tears, and it was kind of embarrassing," Mr. Foster told us in an interview this week. "I took it hard. I really took it hard. American Keg was my ticket. I was making my own money. It was a place where I could get my independence. Now that's blown. It's just a real hardship because where before, the money was coming in, and there was more food in the refrigerator, now my wife and I are trying to get the government to give us food stamps until work picks up. Why would you do that, Mr. President, when we would rather work than be on welfare?"

Good question. The Trump tariffs are supposed to protect the 140,000 workers employed by steel makers. But even if they do that for a while, until companies like American Keg suffer and stop buying steel, the tariffs punish the 6.5 million workers in steel-dependent industries. Many of those newly vulnerable workers are blue-collar guys like Mr. Foster who crave the dignity of a day's work.

Mr. Trump will pay a political price for his rotten policy, and he should. But far worse is the arbitrary damage to businesses and workers like Mark Foster who are being punished not by competition but by their own government.

Letters intended for publication should be addressed to: The Editor, 1211 Avenue of the Americas, New York, NY 10036, or emailed to [wsj.ltrs@wsj.com](mailto:wsj.ltrs@wsj.com). Please include your city and state. All letters are subject to editing, and unpublished letters can be neither acknowledged nor returned.

CRAIG EDEL  
Houston

## LETTERS TO THE EDITOR

## California Needs a Better Approach to Water

Your editorial "California's Water Hole" (March 7) touches the tip of the iceberg of the political problem with water in California. In addition to the California Water Commission and the Water Resources Control Board, you must consider the California Department of Health Services, which develops and enforces regulations for contaminants in drinking water; the U.S. Bureau of Reclamation, which operates federal water projects throughout the West, including California's Central Valley Project; the U.S. Environmental Protection Agency, which enforces federal water pollution and drinking-water laws; the U.S. Fish and Wildlife Service, which protects endangered species; and the U.S. Geological Survey, which conducts scientific research into the quality and quantity of streams, lakes and aquifers. There may be others exerting control on water.

MICHAEL P. CARTER

Savannah, Ga.

Don't trust the experts who manage the Oroville Dam to put a million acre-feet uphill of Fresno or to save endangered fish. Free-flowing rivers and healthy estuaries benefit tourism, recreation and commercial fisheries. Inland agriculture is a small piece of the economy, yet the biggest water hog. We have seen where subsidized, surplus water goes, for the alfalfa exported to Chinese dairies and to our half-empty golf courses.

JOHN HUNT

San Francisco

GREG BARNETTE/RECORD SEARCHLIGHT VIA AP

Shasta Dam stores water and generates electricity.

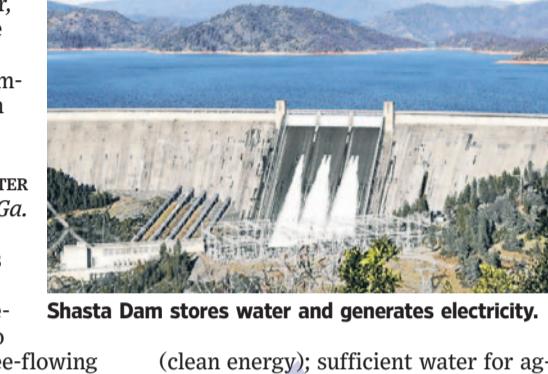
Stanford University study.

Managed aquifer recharge has been proven as an increasingly viable method for water storage with projects in the U.S. storing over 600 billion gallons of water in 2015 alone. It is part of the solution and should be mentioned in the context of flood-water storage in California.

SIMON JANKOWSKI  
Sacramento, Calif.

The California Water Commission is thwarting the will of the voters as expressed in Proposition 1 (2014). The \$2.7 billion should be invested in dams, reservoirs and other water-storage systems, yet the commission can't seem to find enough "public benefit" to move forward on these projects.

The commission misses these public benefits: Increased water capture means increased hydroelectric power



(clean energy); sufficient water for agriculture brings in millions of dollars and jobs; tens of millions of Californians can stop paying shockingly high water bills; these same residents can get relief from all the sacrifices required during droughts.

Perhaps the commissioners could put a dollar figure on these benefits and carry on with the people's work.

PATSY KAHL  
Woodside, Calif.

Democrats in the state legislature duped the public by putting the \$7.5 billion water-bond measure on the ballot but insisted that none of the allocation for dams could pay for increased water storage—only other benefits such as environmental ones.

The Proposition 1 ballot arguments, co-authored by Gov. Jerry Brown, include: "Proposition 1 ensures a reliable water supply for farms and businesses during severe drought" and "Yes on 1 stores water when we have it." Voters obviously were victims of the ultimate bait and switch. If Gov. Brown is sincere, he would fire all the California Water Commission members (whom he appoints) and replace them with responsible officials who will get these water-storage projects done. We all know how likely it is that this will happen.

OLIVER WATSON  
Orange, Calif.

## Depression Is All Too Real for Many Teens

Regarding the updated guidelines for diagnosing adolescent depression ("Is Your Teen Depressed?", Life & Arts, March 6): As someone who went to a high school plagued with hidden depression that eventually manifested in the form of suicide clusters, I believe developmental psychopathology is a field that should receive more attention. I thus find it imperative that there exist increased awareness regarding the signs of depression, particularly during adolescence.

## Less Would Be More As Far As Work Email Is Concerned

"The Smartest Ways to Use Email at Work" (Business, March 12) misses the main problem with email: There's simply too much of it.

In business we use email for everything, but it's only truly useful for a few purposes: getting the same message to a lot of people, transmitting documents, setting something on record and asking or answering really simple, nonurgent questions—examples of which are surprisingly rare (even the question of where to have lunch is often best handled with a conversation).

There's too much email because too many people behave perfectly rationally: With a click on the "send" button they get something off their desk and onto someone else's under the illusion that they've accomplished something.

A manager might save his employees a lot of time and stress if he would encourage them to originate email only for the few purposes for which it's ideally suited—and, when responding to someone who hasn't been so encouraged, to pick up the phone instead of hitting "reply."

CRAIG EDEL

Houston

I am glad to see the new guidelines for diagnosis spelled out clearly, and appreciate that stressors outside of academic pressure were recognized. While I certainly agree that pressure to succeed is more intense than ever and I support creating environments that eliminate the fear of failure, I believe that simply tackling academic stressors won't solve this epidemic. There are a plethora of other factors, including social and familial pressures that contribute to the development of depression.

We may live in the 21st century, but there still exists a pervasive mind-set that mental illnesses are due to a lack of morals or self-discipline. But science has shown that mental illnesses are the product of neurological and physiological changes. We need to provide adequate services to those with mental-health issues, but that starts with accepting and recognizing the severity of and impairment caused by these disorders.

We still have far to go in tackling the mental-health epidemic, but we are taking steps in the right direction.

CHRISTINE LIN  
Palo Alto, Calif.

## Pepper ... And Salt

THE WALL STREET JOURNAL



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## OPINION

## Deliverance From Hillary Clinton

DECLARATIONS  
By Peggy Noonan

of giving you a title: Should Be President?"—who made her way too comfortable.

Why, he asked, did she lose to the outlandish Donald Trump?

"If you look at the map of the United States," she said, "there's all that red in the middle where Trump won. I win the coasts. . . . But what the map doesn't show you is that I won the places that represent two-thirds of America's gross domestic product. So I won the places that are optimistic, diverse, dynamic, moving forward." Mr. Trump's campaign "was looking backwards. You know, you didn't like black people getting rights, you don't like women getting jobs, you don't wanna see that Indian-American succeeding more than you are."

Why did 52% of white women support Mr. Trump? Because the Democratic Party doesn't do well with white men and married white women. "Part of that is an identification with the Republican Party, and a sort of ongoing pressure to vote the way that your husband, your boss, your son, whoever, believes you should."

James Comey announced that he had reopened the investigation of her State Department emails, and "white women who were going to vote for me, and frankly standing up to the men in their lives and the men in their workplaces, were being told, 'She's going to jail. You don't want to vote for her.'

So, to recap: Trump supporters were racist, narrow and ignorant, and Trump women are not tough and modern but fearful, cowering and easily led. They live in a big mass of red in the middle (like an ugly wound, or an inflammation!) while we have the coasts—better real estate. And better people.

During the campaign Mrs. Clinton was often urged to speak her heart, show us what's inside. It turns out it is rather dark in there. This is not precisely news—she had famously labeled



Ned Beatty in 'Deliverance' (1972).

half of Trump supporters "the basket of deplorables." Barack Obama in 2008 betrayed a similarly crude, uninformed class bias and snobbery when he said of working-class voters, "They get bitter, they cling to guns or religion or antipathy to people who aren't like them."

But it was instructive this week to see some Democrats push back. Many did so not for attribution, but some went on the record. Sen. Claire McCaskill of Missouri told the Washington Post: "Those are kind of fighting words for me. . . . I don't think that's the way you should talk to any voter." Sen. Sherrod Brown of Ohio told Huffington Post: "I don't really care what she said, I just think that's not helpful." Ms. McCaskill and Mr. Brown are both up for re-election in states Mr. Trump carried.

It was as if they realized: *People don't want to be led by a party that looks down on them.*

Mrs. Clinton's comments prompt an essential question: To the extent that in the deindustrialized Midwest need help and support, isn't that what the Democratic Party is for? Doesn't it exist to *help* the little guy, the marginalized, the left-behind? That's what it always said!

This isn't help, it's condescension. It is "Deliverance" politics. The

blockbuster movie version of James Dickey's novel came out in 1972, when the Clintons and I were young, and made a vivid impression on a rising tide of baby boomers. It satisfied all their biases. A group of cool, modern, rational urban professionals journeyed into the backwoods, only to meet the rest of America—the cross-eyed rapist banjo players. That movie did more to shape the preconceptions of a generation of young Democrats than any other, except "To Kill a Mockingbird."

Also we're all our first ZIP Codes. Mrs. Clinton's was upper-middle-class suburbia and on to Wellesley. She wasn't surrounded by working-class folk and had little reported affinity for the rustics she met as first lady of Arkansas. Her weakness is that of too many in her party: They don't seem to like a lot of the people of the nation they wish to lead.

And those people can tell.

A path forward? Reckon with your biases and attempt to be more generous, which is the job of all of us, always.

There is probably something to learn from Conor Lamb's victory this week in Pennsylvania's 18th Congressional District. Tuesday night voters chose a man who won't cut entitlements, supports tariffs to protect the

steel industry, opposes a ban on assault weapons, supports union members, opposes Nancy Pelosi, and allows no criticism of Donald Trump.

Which sounds like they elected Donald Trump.

Mr. Lamb, however, is a 33-year-old former prosecutor and marine—cool, tall, with a watchful, Tom Cotton-like gaze. It isn't hard to imagine voters saw him pretty much as Trump without the bother of Trump. His victory says several things. The president's style, approach and nature have given offense. The Democrats came to play. They were businesslike: Keep local races local, run with the district, not away from it, and you can win.

Mr. Lamb has been called pro-life. He is not. He effectively obscured the issue by saying he personally opposed abortion but would do nothing to change the law, including ban late-term abortions.

Saying you are personally opposed but support the law is the longtime, agreed-upon position of Catholic Democrats, who've been saying it for 40 years. But from Mr. Lamb it sounded new. The Democratic Party now depends so heavily on pro-abortion groups for money and other support that on-the-ground Democrats increasingly fear even to admit their personal opposition. They just say they're for "reproductive freedom"—next question.

It will be interesting to see how that plays out nationally. I suspect it will become an impediment: You don't squelch views in such an extreme way without paying a price.

But the larger point. Democrats can continue to act as if they see America as "Deliverance" writ large, or they can be more generous in their judgments, and more human.

If they go the former route, their future national candidates will likely wind up selling books in Mumbai to audiences who love them in part because they don't know them.

## If Democrats want to solve their condescension problem, Conor Lamb has some good ideas.

is Bravo. Once they cheered as you walked in the room; now some avert their eyes. Once you were surrounded by top staff; now it's the B team. Once you depended on loyalty; now you hope for discretion.

A perpetual low-grade mourning ensues. You were rejected by a nation. In time the ego rebels: Stupid nation!

Which is where Hillary Clinton is, still. She can't get over it and can't keep it inside. But by articulating the Democrats' central national weakness this week, she did them a service. She reminded them: It's real, the weakness, and must be remedied.

In Mumbai, at a conference sponsored by India Today, Mrs. Clinton was interviewed onstage by the newspaper's founder, the slavishly admiring Aroon Purie—"May I take the liberty

## You Can't Work Your Way Through College Anymore

## By Richard R. West

The cost of college has risen at more than twice the rate of inflation for decades, and the increasing availability of federal student loans is a principal cause. But even as demands grow daily to do something about student debt and loan defaults, hardly anyone laments the demise of a once-proud American aspiration: working your way through college.

In 1956, as a freshman at Yale, I waited tables in a student dorm for about \$1 an hour, 10 hours a week, over the 30-week academic year. I received a full scholarship, but even if it had ended, I recall that Yale's "all in" price—including tuition, room and board—was \$1,800 a year. My work during the term could have covered one-sixth of that.

Today tuition, room and board at Yale run \$66,900. Working the same amount as I did—even at, say, \$12 an hour, an increase of roughly one-third after inflation—produces income of \$3,600, or slightly more than 5% of the total. To earn enough to pay for one-sixth of a Yale education would require an hourly wage of more than \$37! Yale's own literature, by the by, lists the amount that a freshman on scholarship can expect to contribute during the school year at \$2,850. The same basic economics applies to summer employment.

Yale's experience closely tracks what has happened at virtually all of America's elite private colleges and universities. The situation in public schools is little better. A half-century ago, the tuition and fees at many such institutions were barely above zero. Fully working your way through college was a real possibility. Now a year's education at a typical state university, even for in-state students, can easily exceed \$25,000, well beyond what can

be earned while studying full-time. That is why so many students at public institutions are now leaving college, whether or not they graduate, with mountains of debt.

To reduce their need to borrow, increasing numbers of students are attending community colleges for their first two years while continuing to live at home. Admittedly this helps, although at the cost of greatly diminishing the college experience. But it doesn't change the financial realities once these students then transfer to four-year institutions.

Meanwhile, some students decide to borrow more than they minimally require in lieu of working at all during the academic year, or as a means to accept a challenging but unpaid summer internship. Given how little of their education they can pay for by working after class, this decision can hardly be dismissed as frivolous or extravagant. But it still adds to the massive debt.

At Yale, undergraduates on scholarship have traditionally been required to provide what is known as "the student effort" by working about 10 hours a week during the academic year. A campus group called Students Unite Now is demanding that the university abandon

meanwhile, some students decide to borrow more than they minimally require in lieu of working at all during the academic year, or as a means to accept a challenging but unpaid summer internship. Given how little of their education they can pay for by working after class, this decision can hardly be dismissed as frivolous or extravagant. But it still adds to the massive debt.

One oligarch, though, remains overlooked. Arguably he is the most important of all. That's former German

Sanctions aimed at key individuals can be surprisingly effective, it turns out. They help to undermine internal support for the regime or at least its most unattractive policies.

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Hitting upon a potent response to Vladimir Putin were Obama sanctions targeted at his top cronies, later adopted and extended in last year's bipartisan legislation signed by Donald Trump.

Sanctions aimed at key individuals can be surprisingly effective, it turns out. They help to undermine internal support for the regime or at least its most unattractive policies.

One oligarch, though, remains overlooked. Arguably he is the most important of all. That's former German

Chancellor Gerhard Schroeder.

Mr. Putin has worked with astonishing success to reorganize energy logistics in Europe to isolate, threaten and intimidate strategic countries, especially Ukraine, Poland and the Baltic nations. Mr. Schroeder has been his vital helpmate at every step.

One of Mr. Schroeder's last acts before being turned out of office in

2005 was authorizing Nord Stream, a pipeline bypassing key territories and controlled by Russia's Gazprom.

Weeks later, at Mr. Putin's arrangement, he took up Nord Stream's lucrative chairmanship.

He has since added the chairmanship of Nord Stream 2, a second proposed pipeline that Germany's now-resurrected coalition government previously approved, though with great reluctance, at the urging of Mr. Schroeder's former party, the Social Democrats.

He added a third, impressive title in September, chairman of Rosneft, the state-owned Russian oil giant at the heart of the Putin kleptocracy.

Mr. Schroeder has been a one-man

Trojan horse against every European Union commitment to curb Russian energy leverage and improve the competitiveness of its gas market.

Notice that the alternative was never to shut Russian gas out of Germany.

It was simply for Germany, at every step, to stop lending itself to the enhancement of Russia's energy power, with Mr. Schroeder leading the influence brigades.

He has also been the most reliable, quotable excuser of Kremlin misbehavior. Days after Moscow's seizure of Crimea, he rushed off to St. Petersburg to be conspicuously

photographed hugging Mr. Putin. Last year's revelation of the Rosneft job, six weeks before September's German national elections, was an equally calculated gesture.

His bright young successor as head of the Social Democrats let it be known that he viewed the decision as "wrong" and counseled Mr. Schroeder: "You don't have to take every job that comes along."

Germany's recently retired president, not known for seeking out the press, sought out the press to express disapproval of Mr. Schroeder's promotion.

Angela Merkel publicly called the decision "not acceptable" (and then accepted it).

Thus Mr. Schroeder makes himself merely debatable, rather than intolerable. This is how "normalization" really works.

Mr. Schroeder is everything Donald Trump was supposed to be in the fevered dreams of Rep. Adam Schiff—a luxury-loving, paid-up, swaggering instrument of Vladimir Putin. Except there's no secret about it. He can even boast of being two wives ahead of Mr. Trump. Mr. Schroeder has been down the aisle so many times that the German press dwells on his reputation as the "lord of the rings" more than it does his Putin captivity.

By now, too many Germans have apologized for him for too long to think about reversing themselves, even when Mr. Putin's missiles shot down a Malaysian airliner. Germany's allies and its European Union partners, including the quietly frantic Poles and Balts, can't quite refer to Mr. Schroeder as a Putin agent nestled in the heart of Germany's political and business elite. His name

doesn't appear on any U.S. government list. Section 241 of last summer's sanctions law required the U.S. Treasury to identify the "most significant senior foreign political figures and oligarchs" behind the Putin regime. These descriptors would seem to apply to Mr. Schroeder, but it remains diplomatically impermissible to say so.

A term has even been coined by students of European geopolitics: "Schroederization." Witness the Robert Mueller indictment of Paul Manafort, with its allusions to the recruitment of retired heads of state as paid lobbyists for Russia, understood to include former prime ministers of Italy, Finland and Austria.

As a general matter, can targeting sanctions at a few well-placed individuals really help with a problem like Mr. Putin, last seen using a banned nerve agent to kill an inconvenient person on British soil?

Yes. "While Europe's economic sanctions are having little effect on Russia, those applied by the United States dramatically affect the country and its dealings with Europe," Germany's prestigious Handelsblatt newspaper reported in January, referring to U.S. sanctions against Putin cronies.

By making it hard for Putin associates to do business or travel in the West, or use its financial system to protect their wealth, the West can seize up the machine that sustains Mr. Putin's power.

A kleptocracy can't function if its beneficiaries can't secure and enjoy their wealth. Among those currently unimpeded in their enjoyment is former German Chancellor Gerhard Schroeder.

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## SPORTS

## SOCCER

# A League Without Job Security

Nine of the 20 English Premier League clubs have made a change in the dugout this season. The firings might not be over.

BY JOSHUA ROBINSON

## London

**TEN MONTHS AGO**, Chelsea manager Antonio Conte capped his first season in English soccer by winning a championship. In nearly every league in every sport in the world, that usually would be enough to buy him at least one more year of employment.

But this is the Premier League, where managers have roughly the job security of movie extras and Christmas tree salesmen. With the title now out of Chelsea's reach and its elimination from the Champions League at the hands of Barcelona this week, it would surprise no one if Conte were fired any day by the club's trigger-happy owner from Russia, Roman Abramovich. This is a man who has burned through 12 managers in 14 years.

"For the manager of this club, it's normal to have this type of situation," Conte said recently. "This is the history of this club."

Conte was talking only about Chelsea, but he might as well have been shaking his head at the sad employment prospects of the whole division. Because even by the wild standards of the Premier League, where the average managerial tenure is around 14 months, this season is historically bloody.

Nine of the 20 who started the season in August have now been fired, just one short of the Premier League's record of 10, set in 2013-14. Never before have so many met their demise by mid-March. Which means, with the two most stressful months of the season ahead of us, there's still time for more carnage. In fact, it has become a topic of weekly discussion in post-match news conferences.

"Before you even ask me the question, will I speak to those upstairs? Yes I will, of course I will because it's getting difficult," said Alan Pardew, manager of last-place West Brom, after his most recent defeat.

How the situation spun out of control across the league has to do with more than just the whims of temperamental billionaire owners. This season's rash of firings is in fact the result of unique factors at both ends of the standings.

At the bottom, an unusually close relegation battle has seen at least 10 different teams flirt with the relegation places this year, turning up the heat on half the managers in the league—only 10 points now separate ninth place from 18th.

At the top, meanwhile, things were already tense with six clubs legitimately gunning for four spots in next season's Champions League. And that was before Pep Guardiola's era-defining Manchester City side came along. By running away with the title so convincingly this season, City hasn't just mauled the rest of the Big Six. Guardiola's men have thoroughly embarrassed them. And if there's one thing billionaire owners like Chelsea's Abramovich don't like, it's being embarrassed by clubs with more money.

None of the Big Six managers have lost their jobs yet this season, but the discontent at some of their clubs is palpable.

"I continue my work aware that I am doing good work," Conte told Italian television this week. "We can do better in every aspect. I am not seeking confirmation in victories."

Unfortunately for him and every other soccer manager, victories are the only cur-



CLOCKWISE FROM TOP: PAUL HARDING/ZUMA PRESS; DANNY LAWSON/PA/ASSOCIATED PRESS; ANDREW MATTHEWS/PA/WIRE/ZUMA PRESS



Chelsea's Antonio Conte, top, won a title last season. He still might lose his job. Mauricio Pellegrino (Southampton), left, and Marco Silva (Watford), right, were fired this season.

rency that counts—as Southampton's Mauricio Pellegrino found out this week.

Pellegrino had arrived in England last summer as an unknown quantity at a mid-table club. The only thing that saved him from being a completely anonymous hire for the Premier League was the fact that his name sounded a little like two other managers, Tottenham's Mauricio Pochettino and former Manchester City coach Manuel Pellegrini. In any event, Pellegrino never approached either of their levels and won just eight of his first 34 games before being terminated on Monday.

He lasted just nine months.

But compared to the man who kicked off this season's wave of unemployment, Pellegrino's reign feels like it lasted a century.

At Crystal Palace, American owners Josh Harris and David Blitzer had hoped to enact a top-to-bottom philosophical overhaul in the model of the great Dutch teams by hiring Dutch playing great Frank de Boer in the offseason. They hardly had time to spell the word overhaul before de Boer lost his first four games. He had to go.

It was the shortest tenure in Premier

League history. The firings had begun and it was barely September.

One after another, the teams that flirted with the relegation spots did what they felt was necessary to placate the fans and for their owners to preserve their investments. Leicester City, Everton and West Ham all took turns in 18th place and booted their managers. Then it was West Brom's turn, before Swansea, Stoke and Watford. All were 17th or worse when they pulled the trigger.

And yet, in all of this carnage, one manager remains forcefully, immovably not fired: Arsenal's Arsene Wenger, the graying 67-year-old Frenchman whose tenure is almost as old as the league itself.

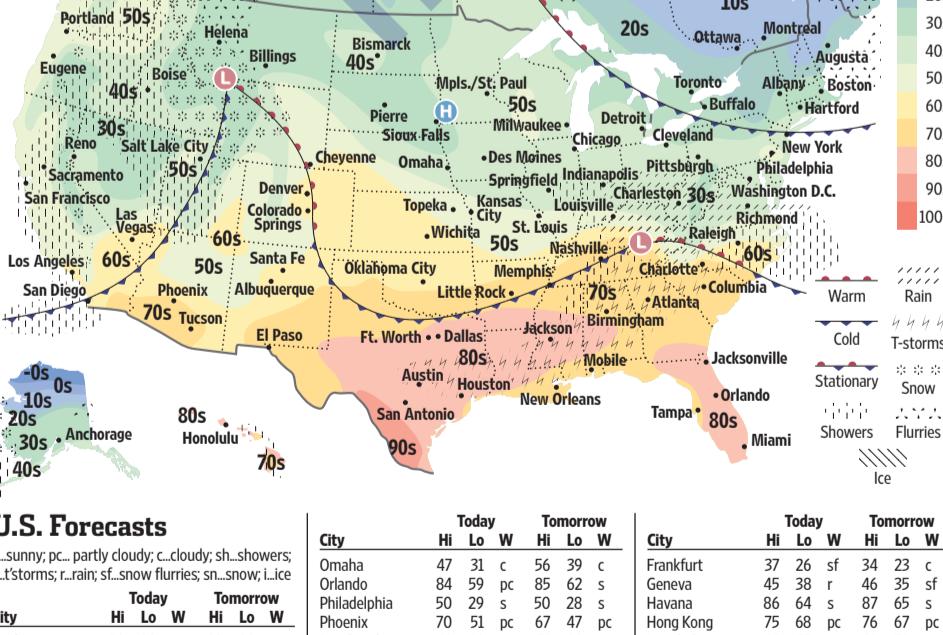
A decade past his prime, Wenger will likely guide Arsenal to its worst Premier League finish since 1995. Fans have pleaded publicly with the club's American owner, Stan Kroenke, who also owns the NFL's Los Angeles Rams, to bring in some fresh ideas, but the man they call "Silent Stan" isn't having it.

Instead, through the supporters' cries of "Wenger Out," the Gunners rewarded the manager's success in last season's FA Cup with a new two-year contract running through the 2018-19 campaign. Wenger intends to honor it. And the club appears content to leave any decision on his future up to him.

"I would like to remind you I said no to all the biggest clubs in the world to respect my contract," Wenger said last month, "so that's always what I try to do."

So does pretty much every other manager in the league. The difference between Wenger and them, however, is that the others are rarely given the option.

## Weather



## U.S. Forecasts

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Anchorage	38	30	pc	38	33	sn
Atlanta	75	56	t	74	55	pc
Austin	85	64	t	83	57	t
Baltimore	46	28	pc	53	29	s
Boise	47	34	c	49	31	pc
Boston	34	16	pc	33	18	s
Burlington	21	7	sf	25	11	pc
Charlotte	70	48	sh	65	47	pc
Chicago	46	27	pc	55	33	pc
Cleveland	41	25	pc	49	28	s
Dallas	82	65	pc	81	60	pc
Denver	64	32	s	55	27	c
Detroit	47	27	s	55	29	s
Honolulu	85	73	pc	83	71	pc
Houston	86	67	t	84	65	t
Indianapolis	45	26	sh	55	35	pc
Kansas City	51	36	c	62	45	c
Las Vegas	60	44	c	62	46	s
Little Rock	79	48	pc	63	53	r
Los Angeles	61	46	pc	63	48	pc
Miami	82	65	s	84	66	s
Milwaukee	44	30	s	52	33	pc
Minneapolis	49	31	s	47	33	pc
Nashville	77	46	sh	65	51	c
New Orleans	77	64	t	79	67	c
New York City	48	28	s	45	29	s
Oklahoma City	68	46	pc	67	47	sh
Orlando	45	26	sh	55	35	pc
Seattle	55	40	c	54	38	c
Salt Lake City	38	26	c	44	32	c
Santa Fe	60	30	p	48	22	c
San Antonio	86	73	pc	83	71	pc
San Diego	86	67	t	84	65	t
San Francisco	45	26	sh	55	35	pc
San Jose	55	40	c	54	38	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
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San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
San Francisco	60	30	p	48	22	c
Seattle	55	40	c	54	38	c
Salt Lake City	49	33	sh	47	32	c
Santa Fe	57	43	c	58	45	pc
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ONLINE BAD ROMANCE B4

# BUSINESS & FINANCE



HEARD THE RIGHT GIN MIX B12

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THE WALL STREET JOURNAL.

Saturday/Sunday, March 17 - 18, 2018 | B1

**Qualcomm Director Is Out**  
Board decides fate of Paul Jacobs, former chairman considering bid for chip maker

**Qualcomm** Inc. took the extraordinary step of removing former Chairman and Chief Executive Paul Jacobs from its

By Dana Cimilluca,  
David Benoit  
and Dana Mattioli

board after he broached a long-shot bid for the chip-making giant.

The decision to oust Mr. Ja-

cobs was made at a board meeting Friday, according to people familiar with the matter. At the meeting, he reiterated his desire to pursue a potential buyout after raising the issue in a letter to the board Tuesday, according to a person familiar with the events.

Several directors tried to talk Mr. Jacobs out of the idea, which they regard as far-fetched, this person said. When he persisted, the rest of the board asked him to step down because they don't believe he can be a director and work on a bid at the same time. Mr. Jacobs disagreed. The board took a vote and he lost, this person

said. It has also told him he cannot use insider information for work on any bid.

In a statement late Friday announcing the move, the possibility of which was earlier reported by The Wall Street Journal, Qualcomm said Mr. Jacobs won't be re-nominated to the board at the annual meeting next week.

"Following the withdrawal of Broadcom's takeover proposal, Qualcomm is focused on executing its business plan and maximizing value for shareholders as an independent company," it said. "There can be no assurance that Dr. Jacobs can or will

make a proposal, but, if he does, the board will of course evaluate it consistent with its fiduciary duties to shareholders."

Mr. Jacobs released a statement saying: "There are real opportunities to accelerate Qualcomm's innovation success and strengthen its position in the global marketplace. These opportunities are challenging as a standalone public company, and there are clear merits to exploring a path to take the company private."

He added: "It is unfortunate and disappointing they are attempting to remove me from the board at this time."

Please see JACOBS page B2

## As Chinese Pamper Pets More, Food Suppliers Salivate



**YEAR OF THE DOG AND THE CAT:** Rising spending power of China consumers has pet-food companies investing in the country. New brands have to navigate a market rife with counterfeits and illegal imports and overcome safety concerns with domestic products. B3

## Saudis Seek Talent-Agency Stake

Saudi Arabia's sovereign wealth fund is moving to buy a stake in Endeavor LLC, a company that includes the world's

largest talent agency, Saudi officials said, as the kingdom builds an entertainment industry with a once-unthinkable partner: Hollywood.

Saudi Crown Prince Mohammed bin Salman wants to complete the \$400 million purchase of less than 10% of Endeavor—where co-CEO Ari Emanuel was once President Donald Trump's celebrity agent—during his two-week visit to the U.S., which begins Monday, the officials said.

The deal would give the kingdom a foothold in the firm with the most clients, one that represents American talent across film, music, sports and media, including Oprah Win-

frey, Dwayne Johnson and Serena Williams.

Details were still being hashed out and could change. A spokesman for Endeavor declined to comment.

The Endeavor stake would represent a down payment on Prince Mohammed's ambitions to create a sports and entertainment sector in a conservative Muslim country where until now cinemas were banned and Hollywood creations such as Mickey Mouse were denounced as un-Islamic. The

32-year-old prince is loosening restrictions on movie theaters this year, wants to create a domestic film industry and authorized the construction of a giant theme-park complex outside the capital of Riyadh.

Saudi officials said Prince Mohammed was trying to make business deals he can announce during a tour through the U.S. Mr. Trump and Prince Mohammed, his kingdom's day-to-day ruler, have tried to strengthen U.S.-

Please see SAUDI page B2

tations like bitcoin and other digital currencies can feel almost irresistible.

"The banks got away a hell of a lot better than millions of Americans who lost their savings and their homes and had to find new jobs," says Lee Hiller, a 76-year-old retired retailing executive who lives in southeast Florida. "I have zero control over the financial engineering and greed that could lead to another crisis. I keep at least 10% of my money in cash because you never know what's going to happen."

In the decade since the

Bear Stearns bailout, dozens of readers have emailed, called or written me, all echoing the same belief: Rash and feckless risk-takers got rescued by the government with tax dollars collected from prudent, disciplined savers. While former executives of Wall Street firms that crashed and burned are living lavishly in retirement, the people who bailed them out are earning 0.2% on a savings account.

In the wake of the financial crisis, Main Street views Wall Street as a place where good things happen to bad people and bad things to

good people.

That has shattered what psychologists call "belief in just world," the notion that, on average, we get what we deserve. It is one of several positive illusions, or intuitions including overconfidence, unrealistic optimism and the illusion of control, that give us comfort we can otherwise feel like an unbearably risky and capricious world.

"Evidence that others receive what they deserve confirms that this shared world is just," the psychologists Carolyn Hafer and Alicia Rubel have written. That

gives people "the confidence they need to sacrifice immediate pleasures for long-term rewards."

If you can't believe honesty is rewarded and rule-breaking punished, how can you feel comfortable handing your money over to strangers?

"People need to be able to trust something or someone," says Luigi Zingales, a finance professor at the University of Chicago's Booth School of Business. "The less you trust formal institutions and experts, the more you tend to trust your family and friends, or just anybody who

sounds right." Is it any surprise then that some investors have gotten wiped out playing wildly risky hunches on market volatility?

Experiments have shown that people are much less willing to wait for a reward, and more willing to gamble, when they believe that those who run the system can't be trusted.

And almost nobody thinks justice was served in the wake of the bailouts and failures of 2008 and 2009.

In an online survey conducted in the U.S. and a half-dozen countries in Europe,

Please see INVEST page B5

THE INTELLIGENT INVESTOR | By Jason Zweig

## Ten Years On, Loss of Trust Still Hangs Over Wall Street

A decade ago this past week and the crisis that followed, perhaps the biggest was the public's loss of trust in markets themselves.

No wonder so many investors have cowered on the sidelines of the bull market for the past nine years. Their faith in the ability of stock pickers to outperform has vaporized, saving for retirement often seems like a lost cause, and speculative temp-

erature like bitcoin and other digital currencies can feel almost irresistible.

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Please see INVEST page B5

## BUSINESS NEWS

# DHL Tests Deliveries Within U.S.

BY ERICA E. PHILLIPS

**Deutsche Post** AG's DHL is tiptoeing back into the domestic parcel delivery in the U.S., drawn in by the strong growth in e-commerce, bringing new competition to a market that's been dominated by **United Parcel Service** Inc. and **FedEx** Corp. for a decade.

DHL said Thursday it is launching a new same-day and next-day delivery service for online retailers in Chicago,

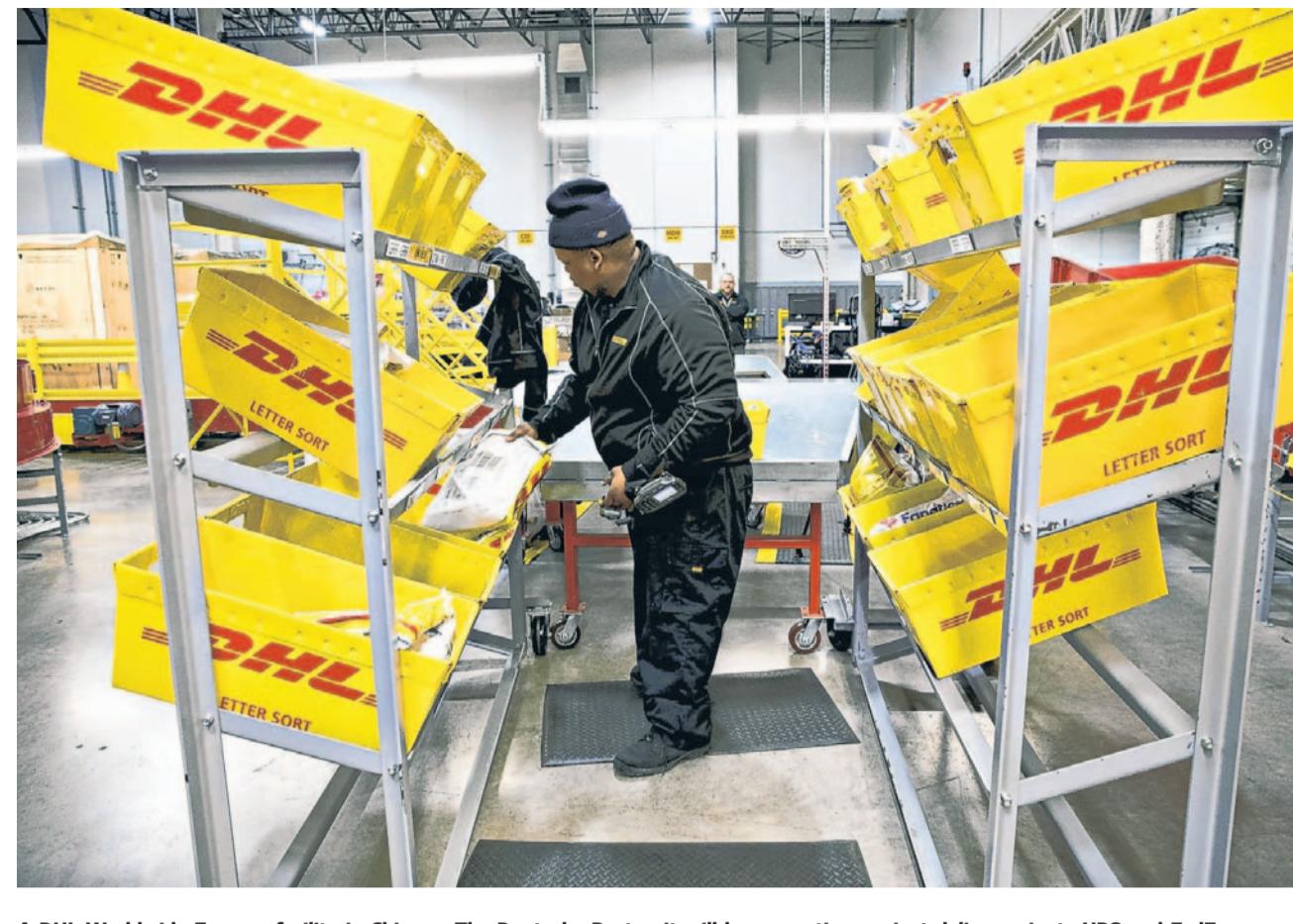
merce's Americas division. "Faster, cost-effective delivery is going to be a future requirement to play in this space."

The firm has been testing its new delivery service, dubbed Parcel Metro, in select cities over the last two years. The service engages drivers through crowd-sourced applications for deliveries within a few hours and taps into local couriers and delivery companies for one- and two-day deliveries, using DHL eCommerce's warehouse facilities to consolidate orders.

DHL's move to launch some U.S. delivery services again could increase competition for both UPS and FedEx, currently the dominant players in speedy e-commerce deliveries in the U.S.

Both companies have been raising prices aggressively to help cover the costs of surging residential deliveries, which are more expensive than traditional business-to-business stops. A new, low-cost entrant to the market could make that more difficult.

"We need another small-parcel provider here," said Cathy Roberson, a logistics industry analyst. "The shipping rates need to come down they're getting a little ridicu-



A DHL Worldwide Express facility in Chicago. The Deutsche Post unit will be competing against delivery giants UPS and FedEx.

lous, so bring it on."

Representatives for FedEx and UPS didn't respond to requests for comment.

The move by DHL appears to be just a steppingstone for now and it could be several years before the firm's network is big enough to compete with UPS and FedEx, Ms. Roberson added. "This sounds like a very cautious but logical approach" to re-entering the market, she said.

DHL pulled back its U.S. express-delivery unit in 2008 af-

ter investing billions of dollars

to challenge UPS and FedEx, an effort that included the acquisition of the delivery services of smaller operator Airborne Express and a regulatory battle over the German-owned company's right to fly cargo aircraft in the U.S. Since then, the firm has focused on international parcel shipments, handing off domestic deliveries from its warehouses to the U.S. Postal Service. DHL eCommerce currently operates 21 ware-

houses in the U.S.

The decision to launch delivery services in more populous urban markets also echoes a strategy employed by Amazon.com Inc., which has been handling deliveries from its own fulfillment centers in at least 37 U.S. cities, as well as through its Prime Now one-and two-hour offering in more than 50 markets globally. Amazon is also rolling out a delivery service for third-parties, "Shipping with Amazon," where the online retail giant

will pick up packages from businesses and ship them to consumers.

Under DHL's new Parcel Metro service, vehicles and drivers will not display the DHL brand, Mr. Spratt said. But consumers will be able to see a picture of their driver and follow deliveries to their doorsteps on a map, similar to the functions in the Uber Technologies Inc. ride-sharing app.

—Laura Stevens contributed to this article.

The company pulled back its U.S. express-delivery unit in 2008 after investing heavily.

New York and Los Angeles. The service will expand to Dallas, Atlanta, San Francisco and Washington, D.C., by the end of the year, and will rapidly add more cities over the next few years.

"We pay a lot of attention to what consumers are demanding of the online marketplaces and retailers they're buying from," said Lee Spratt, chief executive of DHL eCommerce.

## Court Reins In 2015 Order on Telemarketing Abuses

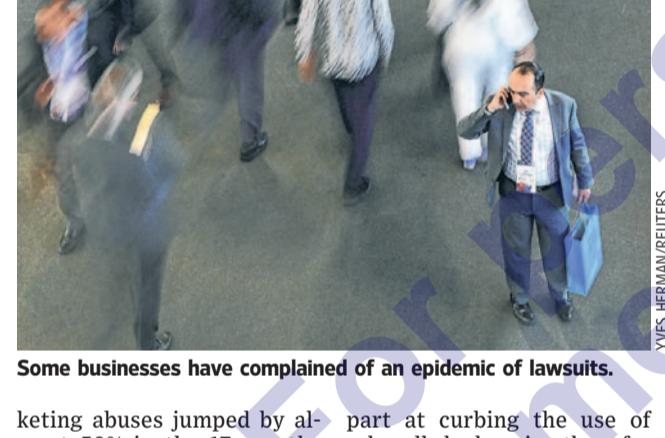
BY JOHN D. MCKINNON

WASHINGTON—A federal appeals court ruled Friday that federal regulators had overreached in their effort to curb telemarketing abuses, a decision welcomed by businesses who said the rules led to an epidemic of lawsuits against them.

A 2015 order by the Obama-era Federal Communications Commission encouraged a jump in such suits, business groups say, by broadly defining what constitutes telemarketing abuses, particularly robocalls.

Some businesses complain that as a result, they have been sued over routine calls to their customers. Banks, for example, have been subject to such suits when they make collection calls.

The U.S. Chamber of Commerce has estimated that lawsuits involving telemar-



Some businesses have complained of an epidemic of lawsuits.

keting abuses jumped by almost 50% in the 17 months following the FCC order, to more than 3,000, compared with just over 2,000 in the 17 months before the FCC order.

The FCC order was based on a 1991 federal statute, the Telephone Consumer Protection Act, which was aimed in

part at curbing the use of robocalls by banning them for most telemarketing purposes.

In its ruling Friday, the U.S. Circuit Court of Appeals for the D.C. Circuit concluded that the FCC had overstepped its authority.

The FCC order defined the equipment used to make ille-

gal robocalls—known as automated dialing equipment—to broadly, the court held.

The court held that the FCC's interpretation of the law "would appear to subject ordinary calls from any conventional smartphone to the act's coverage, an unreasonably expansive interpretation of the statute," according to the opinion by Judge Sri Srinivasan.

Current FCC Chairman Ajit Pai, who had dissented from the 2015 order, praised the court's decision. He said he would continue to focus on finding other ways to combat illegal robocalls.

Mr. Pai has already stepped up FCC enforcement against improper telemarketing. He has also targeted spoofing—the practice of using fake phone numbers to make illegal robocalls look like they come from nearby, increasing the odds a recipient

will answer. Many illegal robocalls actually originate overseas.

Helgi Walker, an attorney who represented the U.S. Chamber in the case, described the decision as "a huge win" that will "help to avoid increasingly onerous class-action liability under the TCPA for legitimate communications." The appeal was brought by ACA International, an association representing collection agencies, among others.

A Democratic member of the FCC said the problem of robocalls would continue to worsen unless the agency does more to address it. "One thing is clear in the wake of today's court decision: robocalls...will continue to increase unless the FCC does something about it," said Commissioner Jessica Rosenworcel. She approved in part and disapproved in part in the 2015 vote on the FCC

rule.

The number of robocalls as well as consumer complaints about them have been increasing. Robocalls are placed at a rate of more than 2.5 billion a month, according to some recent estimates, despite several efforts by the FCC and Congress over the years to stop them.

Consumer complaints to the Federal Trade Commission also have been increasing in recent years.

One big problem is that technology has made illegal robocalls cheap and easy to place, increasing their appeal to unscrupulous marketers. Spoofing boosts the odds that a consumer will answer.

The FCC is exploring ways that phone companies can authenticate calls to prevent spoofing. But even that is tricky. And constant reassignment of phone numbers adds to the problems.

## SAUDI

Continued from the prior page  
Saudi economic ties and security relationships.

The trip follows the roundup of hundreds of prominent Saudis, including some of the country's richest businessmen, on corruption allegations that weren't publicly disclosed, sparking concerns among Western investors about the rule of law. Saudi officials have said the crackdown was necessary to root out corruption as the prince overhauls the economy.

U.S. entertainment executives have been hurrying toward Saudi Arabia this year. The world's No. 1 exhibitor, AMC Entertainment Holdings Inc., has said it plans to build theaters in the country, along with European theater chain Vue Entertainment and the luxury chain iPic Entertainment.

Saudi officials have told entertainment executives in the U.S. that they want to have a \$1 billion box office within five years—an annual gross that would put it in the top 10 worldwide and on par with Germany. U.S. executives say the goal is lofty but achievable, considering Saudi Arabia's population of 33 million is mostly under age 25 with a sizable group of expatriates.

For Endeavor and other parts of Hollywood, Saudi Arabia is a market that appeared seemingly out of nowhere following Prince Mohammed's changes. The country is a new potential destination for the agency's sports and fashion events, and offers millions of



Saudi Crown Prince Mohammed bin Salman wants to create a sports-and-entertainment sector in his conservative Muslim country.

potential new audience members.

For Hollywood, Saudi Arabia is a sequel of sorts to its business entanglement with China, whose nascent entertainment industry suddenly boomed after government officials decided they wanted to get into show business. More than five years ago, Chinese billionaires and conglomerates began pouring money into Hollywood studios and production companies. Chinese companies now own AMC En-

tertainment Holdings and Legendary Entertainment. The major talent agencies, including Endeavor, have all established Chinese outposts.

It is also an example of the rising ambitions of Saudi Arabia's sovereign-wealth fund, which Prince Mohammed wants to build into the world's largest.

Once a sleepy investor in Saudi infrastructure, the Public Investment Fund has broken out in recent years, using the country's oil wealth to

spend \$45 billion in a joint tech fund with SoftBank Group Corp. and hunt for deals across the world. PIF is expected to be the recipient of money raised by the planned public listing of Saudi Arabian Oil Co., known as Aramco.

Prince Mohammed initiated the stake-purchase talks in June last year when Mr. Emanuel visited Riyadh, said a person familiar with the talks. Mr. Emanuel comes with high-powered political connections. He is the son of an Israeli war

hero, brother of Chicago Mayor Rahm Emanuel and an inspiration for the Entourage TV series. He bought the Miss Universe Organization from Mr. Trump, a former client, in 2015.

The deal would mark the latest cash infusion in recent years for the rapidly expanding talent agency. Endeavor's other investors include SoftBank Group, Singapore's sovereign-wealth fund and the Canada Pension Plan Investment Board.

## JACOBS

Continued from the prior page  
Mr. Jacobs couldn't be reached for further comment.

On Monday, President Donald Trump blocked Broadcom Ltd.'s \$117 billion hostile bid for Qualcomm, reflecting officials' concerns about an intensifying arms race between the U.S. and China over advanced technologies.

The latest round of drama at Qualcomm comes a week after Mr. Jacobs was stripped of the title of executive chairman against his will after some investors complained about his pay and argued that having separate roles of executive chairman and chief executive causes confusion about who is in charge, according to another person.

Mr. Jacobs was replaced with an independent director and the move was widely seen as an effort by Qualcomm to enhance its governance and bolster its case against Singapore-based Broadcom. According to people familiar with the matter, Mr. Jacobs was unhappy about the move.

At an annual meeting that was scheduled to occur earlier this month, Qualcomm shareholders were to vote on whether to oust current board members in favor of directors nominated by Broadcom. The meeting was delayed at the behest of the Committee on Foreign Investment in the U.S. before the deal was blocked by Mr. Trump.

It is now scheduled to take place next Friday and Qualcomm directors are expected to be re-elected unopposed.

—Ted Greenwald contributed to this article.

## BUSINESS NEWS

# Complaints Lead To 2nd Nike Exit

By SARA GERMANO  
AND JOANN S. LUBLIN

A second veteran executive is leaving Nike Inc. after internal complaints about inappropriate workplace behavior at the sneaker and sportswear giant, according to people familiar with the matter.

Jayme Martin, a vice president and general manager of global categories for Nike, was forced out of the company and is no longer an employee, the people said. He joined Nike in 1997 and, in his latest role, oversaw several of Nike's major business units, including women's, running, training, and basketball.

A Nike spokesman said the company doesn't discuss personnel moves. Mr. Martin didn't respond to a request to comment.

Mr. Martin was a top lieutenant to Trevor Edwards, the Nike brand president, who resigned his position Thursday, the day Chief Executive Mark Parker told employees the company had received recent complaints about inappropriate workplace behavior and was revamping its leadership team.

The departures mark the latest fallout from a wave of misconduct allegations against high-profile executives, including former Wynn Resorts Ltd. Chairman and CEO Steve Wynn and senior Ford Motor Co. executive Raj Nair. Last month, Nike rival Lululemon Athletica Inc. said its CEO Laurent Potdevin was leaving the company for unspecified

inappropriate behavior.

A number of companies have said they are encouraging employees to come forward with complaints related to sexual harassment or other misconduct. Some companies also are examining their internal procedures for handling such issues. Nike encouraged employees Thursday to use an internal hotline to raise concerns and promised to improve how it handled such matters.

Nike has received complaints pertaining to Mr. Martin but no direct complaints about Mr. Edwards, one person said. Mr. Martin has already left the company, while Mr. Edwards will remain on the payroll as a consultant and retire as a Nike employee in August. Both men spent decades at the company and climbed its leadership ranks.

Messrs. Martin and Edwards protected male subordinates who engaged in behavior that was demeaning to female colleagues, according to another person. Their lieutenants bullied people who weren't in their group, this person said, such as women and individuals from foreign countries.

Mr. Edwards didn't respond to requests to comment. Another Nike spokesman said Thursday the company hadn't received specific complaints about Mr. Edwards. Mr. Parker didn't provide details about the alleged behavior or say whether the complaints included Mr. Edwards or other executives.



The Spanish-language broadcaster has improved its ratings with edgy narconovelas aimed at a new generation of bilingual Latinos.

## Telemundo Gains Ground

By KEACH HAGEY

Five years ago, Telemundo had less than half the audience of rival Univision and was headquartered in a former shoe warehouse in a neighborhood that flooded each time a hurricane blew through Miami.

Today, the Spanish-language broadcaster owned by Comcast Corp. is nipping at long-dominant Univision's heels in the ratings, consistently beating it in the 10 p.m. time slot with edgy narconovelas—soap operas about Mexican drug lords—aimed at a new generation of bilingual Latinos. Next month, Telemundo employees from six scattered offices will move into a new \$250 million headquarters as the broadcaster gears up to air the 2018 FIFA World Cup for the first time, after decades of the soccer competition airing on Univision.

Meanwhile, Univision Communications Inc.'s finances have come under strain, and people close to Univision say one contributing factor has been the growth of Telemundo.

Recently, Univision scratched plans for an initial public offering and announced Chief Executive Randy Falco would depart earlier than planned, at the end of this year. The New York-based company is also weighing cost cuts.

Hispanic media haven't been spared the ratings declines that competition from streaming services has brought to the entire television industry. But Telemundo, backed by the firepower of its corporate parent, has seized on shifting preferences among the U.S. Hispanic population to claim market share from its closest competitor.

"Hispanic media today is no longer about habit. It's about choice," said Cesar Conde, chairman of NBCUniversal International Group and NBCUniversal Telemundo Enterprises,

a 44-year-old Harvard graduate of Peruvian-Cuban descent, is himself a picture of the viewer that Telemundo is targeting—young, ambitious and fluent in both Spanish and English.

Comcast began heavily investing in Telemundo soon after it acquired the broadcaster through its 2011 purchase of NBCUniversal, snapping up Spanish-language World Cup rights for 2018 and 2022 for \$600 million. It also helped Telemundo spend more on pricier productions—filming scenes outdoors, blowing up cars and throwing people off bridges—to appeal to viewers just as likely to watch "The Walking Dead" as Spanish TV.

*Long-dominant Univision recently scrapped plans for an initial public offering.*

"We at NBCU and Comcast have put our money where our mouth is because we believe there's a tremendous opportunity," said Mr. Conde, whom Comcast hired from Univision in 2013.

The investment is paying off. The Telemundo network is on track to nearly double its net operating revenue since 2014 to \$844 million this year, according to estimates from Kagan, a media research group within S&P Global Market Intelligence. During that period, the Univision network's revenue dropped 6% to \$949 million, according to Kagan.

Comcast doesn't break out Telemundo's financials. Univision says its media networks, which include the broadcast network and other properties, had \$2.75 billion in revenue last year.

The ratings gap between the

networks has narrowed considerably over the past five years, largely because Univision lost more than half of its prime-time audience in the key 18-to-49 demographic, while Telemundo retained most of its viewers. For the yearlong television season ended in September, Telemundo averaged 751,000 viewers, compared with Univision's 789,000, according to Nielsen data.

As Latino immigration has slowed over the last decade—especially from Mexico, where the flow has actually reversed—the American Hispanic population has become increasingly dominated by U.S.-born Hispanics, who easily toggle between cultures.

In response, Telemundo has made its shows look more like English-language TV, with shorter, recurring series on themes that were ripped from the headlines and largely produced in the U.S. Univision's telenovelas, produced by Mexican TV giant Grupo Televisa SAB, have tended to feature more fairy-tale themes.

"Telemundo has developed a more dynamic content that is more attuned with U.S.-based Latinos than is the case with Univision content, which has been more traditional, with an emphasis on the values of traditional Mexico," said Federico Subervi, a Latino media consultant.

While Comcast's backing has strengthened Telemundo, Univision's private-equity owners have been searching for an exit and paying down debt left over from an ill-timed leveraged buyout more than a decade ago. Univision notes that it has launched new cable channels, which helped the company capture a 67% share of Spanish-language prime-time viewing among adults 18 to 49 across its portfolio of networks during the February "sweeps" period.

The broadcaster has also been modernizing its content,

## Closing the Gap

While Univision has lost more than half its viewers in the last five years, Telemundo's declines have been modest.

■ Telemundo ■ Univision

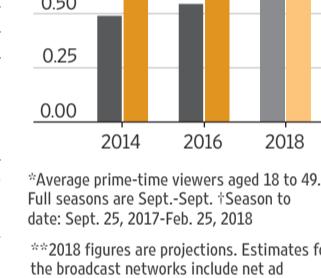
Viewers by season\*

2.0 million



Telemundo is also catching up to Univision financially.

Net operating revenue\*\*



\*Average prime-time viewers aged 18 to 49. Full seasons are Sept.-Sept. †Season to date: Sept. 25, 2017-Feb. 25, 2018

\*\*2018 figures are projections. Estimates for the broadcast networks include net ad revenue, payments from affiliated TV stations and other digital revenue.

Sources: Nielsen (viewers); Kagan, a media research unit of S&P Global Market Intelligence (revenue)

making shorter series and launching its first pilot season this year in an effort to boost quality. It has had success with what it calls "inspirational series" at 8 p.m., including a string of biblical miniseries, and lighthearted telenovelas at 9 p.m. Those moves have helped it slow ratings declines and widen its prime-time lead over Telemundo in the 18-to-49 demographic this season.

"At the end of the day, audiences just need to feel good, and that's what we are here to do," said Jessica Rodriguez, president and chief operating officer of the Univision Networks division.

## BUSINESS WATCH

### FIAT CHRYSLER AUTOMOBILES

#### Suit Over Emission Tests to Proceed

##### Fiat Chrysler Automobiles

NV lost a bid to dismiss a lawsuit accusing it of rigging diesel-powered vehicles to dupe emissions tests, keeping the Italian-U.S. auto maker in the legal crosshairs over alleged environmental violations that have drawn comparisons to longstanding fraud at Volkswagen AG.

A federal judge late Thursday denied Fiat Chrysler's motion to dismiss a civil case in California, ruling that owners of more than 100,000 2014-2016 Ram pickup trucks and Jeep Grand Cherokee sport-utility vehicles with diesel engines can proceed to trial on claims the company cheated U.S. emissions tests and allowed its automobiles to pollute more than 20 times beyond legal limits. Vehicle owners allege they paid thousands of dollars above gasoline-powered models for Fiat Chrysler diesel vehicles that were improperly deemed environmentally friendly.

Fiat Chrysler didn't immediately respond to a request for comment. The auto maker has denied cheating on emissions tests, and Chief Executive Sergio Marchionne has previously rejected comparisons to Volkswagen's fraud.

—Chunying Zhang

### CATERPILLAR

#### Company to Close Factory in Texas

##### Caterpillar Inc.

Caterpillar Inc. will close a parts factory in Texas and may close an engine plant near Chicago as the machinery giant continues to pare back its manufacturing footprint.

The company told workers in Waco, Texas, last month that the Tool Works plant will close by the end of 2018, eliminating 200 jobs. That work will shift to a plant in Wamego, Kan., and to outside suppliers.

Caterpillar also said it would decide by the end of the year whether to close the plant in

LaGrange, Ill., where about 600 people make diesel engines for railroad locomotives.

Caterpillar has been shrinking its roster of factories since 2015, when executives said they would eliminate 10,000 jobs and reduce manufacturing capacity by 10% by 2018.

—Bob Tita

### JOHNSON & JOHNSON

#### Blood-Monitor Unit Gets Binding Offer

Johnson & Johnson Inc. received a \$2.1 billion binding offer for its blood glucose monitoring business from private-equity firm Platinum Equity, the

health-products company said.

The unit, LifeScan, sells One-Touch glucose meters and other diabetes products and had revenue of around \$1.5 billion last year. J&J's total revenue was about \$76.5 billion.

J&J has been streamlining its business as part of a strategic review and previously said it was looking at selling the unit.

Last year, it exited from the insulin-pump business and stopped selling its Animas Vibe and OneTouch Ping pumps in the U.S. and Canada, citing increased competition.

The New Brunswick, N.J., company has until June 15 to accept Platinum Equity's offer.

—Cara Lombardo

### UNITED TECHNOLOGIES

#### Update Provided On Possible Split-Up

United Technologies Corp. on Friday detailed potential one-time costs of \$2 billion to \$3 billion for splitting into three units and said such a process would take as long as 24 months to complete.

The company previously had said the separate divisions would probably spend about \$200 million a year each to be independent. The review, with the board of directors, will begin this summer and produce a decision by year-end.

—Thomas Gryta



Caterpillar has been shrinking its roster of factories since 2015.

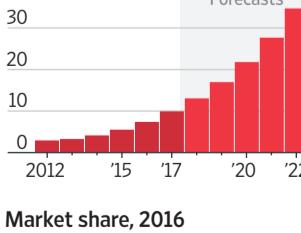
REUTERS

### Chowing Down

Pet-food sales in China are expected to more than triple in the next five years as owners shift from feeding table scraps.

#### Pet-food sales

40 billion yuan



Market share, 2016

Foreign brands Local brands



Note: 10 billion yuan = \$1.58 billion

Source: Euromonitor

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40 billion yuan

## TECHNOLOGY

# Avoiding a Bad Date Takes Some Work

Beware, scammers use all sorts of tricks to hook victims via online dating services

BY KATHERINE BINDLEY

More and more people are looking for love online. A large chunk are those age 50 to 64, and dating services aimed at baby boomers are expected to grow the most over the next five years.

You know who else is prowling around websites and apps, looking to score? Scammers.

Last year, more than 15,000 victims lost some \$210 million in "confidence frauds" and romance scams, according to the Federal Bureau of Investigation. The lesson: Meeting people online comes with risks. And the way to protect yourself or someone you love isn't as simple as "Don't be foolish." Smart people fall prey to scams.

Scammers are really good at what they do. They've got crafty ways to make you believe their stories and a range of places to find targets these days. So you must know the warning signs, recognize the script, learn to sleuth and adopt some defensive rules. Here's how:

#### Where Scammers Lurk

Scammers don't limit their hunting grounds to old-school dating sites like Match.com. They're trolling for victims on any number of apps, even ones that aren't associated with dating, such as the Scrabble-like online social game Words With Friends, according to the Better Business Bureau's Scam Tracker.

Amy Nofziger, a director with the AARP Fraud Watch Network, says it has received complaints about seniors defrauded by people they met on the dating app Tinder, but also through Facebook.

Ms. Nofziger says seniors might join Facebook at the



Last year, more than 15,000 victims lost some \$210 million in 'confidence frauds' and romance scams, according to the FBI.

come see you. Lies. Lies. Lies.

#### Avoid Giving Money

When asking for money, scammers might want iTunes gift cards—either the physical cards or a picture of the code on the back. Don't fall for that or any other shady-sounding forms of payment.

Assistance can take a variety of forms. A scammer might ask you to accept a shipment and send it elsewhere or to accept money into your own account and then wire it somewhere else.

"Sometimes they don't actually ask you for money," says Katherine Hutt, communications director at the Better Business Bureau. "They get the romance scam victim to be their money mule."

#### Protect Your Loved Ones

Go through their social-media pages. See how much of their information is public. Try to get details about their previous matches and do some verifying of your own.

AARP has a fraud watch section on their website and a number you can call for help. If you are trying to warn a family member, be prepared to be disbelieved.

People can be hesitant to believe something negative about someone they're falling for—especially if they're hearing things like "You're beautiful" or "I'm in love with you" for the first time in years.

#### Been Scammed?

Don't continue communicating with your suspected scammers under any circumstances, even if you're hoping to bust them. If they know you're onto them, they might threaten to release information or pictures that could be embarrassing if you don't give them more money. Victims can also be the targets of secondary scams, where people pretend to help get their money back.

Just cut them off cold turkey and start filing complaints.

"File complaints with anyone you think might be working on this," says the FTC's Ms. Poss. "Get it in front of your state attorney general, the federal folks, the criminal folks, the payment processor and the FTC." She also recommends the BBB's Scam Tracker.

If you sent money to a scammer through Western Union between Jan. 1, 2004, and Jan. 17, 2017, you might be eligible for a refund as the result of a \$586 million settlement. You have until May 31 to file.

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Electronic Arts had planned to sell randomized packs of virtual goods for a 'Star Wars' game.

## Game Drops 'Loot Boxes'

BY SARAH E. NEEDLEMAN

Electronic Arts Inc. nixed its plan to sell randomized packs of virtual goods—commonly known as "loot boxes"—in the sequel to its "Star Wars Battlefront" game, the company said Friday, the latest twist in a months-long struggle between appeasing customers and maximizing revenue for one of its marquee franchises.

In a blog post, Electronic Arts said players would still be able to acquire the virtual goods—contained in what it calls "crates"—to help them quickly progress in the game simply by playing it, but they won't be able to purchase them with real money. Such in-game sales had yet to begin, and the company hadn't disclosed how much the loot

boxes would have cost. Starting next month, players will be able to purchase only cosmetic items that won't affect how they progress.

Electronic Arts has faced a number of challenges in its efforts to monetize the high-profile sequel.

On the eve of the game's launch in November, the company decided not to sell the virtual goods after executives at Walt Disney Co., which owns the rights to the Star Wars franchise, grew upset, a person familiar with the matter said at the time.

The executives were concerned that online outrage over the loot boxes would reflect poorly on their property, this person said.

The outrage was sparked by people who complained about the spending feature on social

media after testing an early version of the game, which retails for about \$60.

Some lawmakers, including Hawaii state Rep. Chris Lee, likened the crates—which can also be found in other games—to casino slot machines, and proposed prohibiting sales of games with them to minors.

In December, Apple Inc. issued new App Store guidelines requiring developers to disclose the odds consumers face in receiving specific items before they purchase loot boxes.

"Star Wars Battlefront II" was Electronic Arts's biggest holiday release and was considered one of the company's most important games of 2017 outside its stable of sports titles.

—Ben Fritz

contributed to this article.

## WEEKEND INVESTOR

TAX REPORT | By Laura Saunders

# Do You Trade Bitcoin? The IRS Is Coming



Pay your taxes on bitcoin...or else.

Late last year, the Internal Revenue Service persuaded a federal judge to require Coinbase, a San Francisco-based digital-currency wallet and platform with about 20 million customers, to turn over customer information. Driving the IRS's decision was its belief that few bitcoin investors appear to be paying taxes due on sales.

By Friday, the IRS was expected to have data on about 13,000 Coinbase account holders who bought, sold, sent or received digital currency valued at \$20,000 or more between 2013 and 2015. The data include the customer's name, taxpayer identification number, birth date and address, plus account statements and the names of counterparties.

Criminal tax lawyers expect the IRS will act on the information and high-profile cases will follow.

Some cryptocurrency holders are now disclosing

past tax lapses to avoid potential criminal prosecution.

Bryan Skarlatos, a lawyer with Kostelanetz & Fink with several such cases, reminds cryptocurrency investors of the IRS's success in piercing the veil of Swiss bank secrecy. Since 2009, more than 56,000 Americans who hid money in offshore accounts

## 13,000

Number of account holders at Coinbase whom IRS is examining

have paid more than \$11 billion to resolve tax issues.

"Digital currency holders shouldn't think they can hide from the IRS," he says.

To be sure, the IRS hasn't clarified important issues on digital currencies, and these gaps leave room for favorable interpretations.

But the gaps don't leave room for hiding income. With the April tax date approaching, here is important

information.

◆ **Asset type:** In 2014, the IRS issued a notice declaring that cryptocurrencies are property, not currencies like dollars or Swiss francs. Often they are investment property akin to stock shares or real estate.

So if an investor sells a cryptocurrency after holding it longer than a year, then the profits are typically long-term capital gains. The tax rate is 0%, 15%, or 20%, plus a 3.8% surtax in some cases, depending on the owner's total income.

Short-term gains on cryptocurrencies held a year or less are typically taxable at higher, ordinary-income rates. Capital losses can offset capital gains and up to \$3,000 of other income a year, and unused losses can be carried forward for future use.

If digital currencies are held for personal use, as a home is, rather than primarily as an investment, then profits are taxable but losses aren't deductible. The IRS hasn't issued guidance in this area.

◆ **Tax triggers:** Selling a cryptocurrency for cash typically triggers capital gains or losses. Using it to buy something like a meal or a car also counts as a sale by the buyer, even if the recipient accepts the cryptocurrency.

Recipients of these payments often have taxable income as well. If a worker is paid in bitcoin, payroll or self-employment taxes could also be due.

◆ **Cryptocurrency trades:** An exchange of one digital currency for another—say, bitcoin for ether—is taxable, beginning Jan. 1, 2018, because of the tax overhaul.

What about earlier swaps? The IRS hasn't said, but some specialists think these could qualify as nontaxable "like-kind" exchanges.

Say that an investor bought some bitcoin for \$100 several years ago and exchanged it for ether last year. Ryan Losi, a certified public accountant with Piascik in Glen Allen, Va., says the taxpayer could reasonably treat it as a nontaxable exchange. If so, it should be

## Towering

Total market value of cryptocurrencies  
\$800 billion



Source: CoinMarketCap

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reported on IRS Form 8824.

He notes that when the ether is sold, the investor's "basis" in the ether would be \$100, because it carried over from the bitcoin. Basis is the starting point for measuring taxable gains.

◆ **Lot identification:** If an investor bought bitcoin at \$100, \$2,000 and \$15,000 and sold some of it for \$14,000 last year, what was the investor's basis?

The rules aren't clear. Deloitte Tax CPA Jim Calvin advises investors selling partial lots to identify them specifically and get third-party confirmation before the sale. "Ideally, there would be a time stamp," he says.

◆ **Account disclosure:** Good news: According to a Treasury unit, investors aren't required to report cryptocurrency holdings on FinCen Form 114, known as the Fbar, which is often required for foreign accounts greater than \$10,000.

◆ **Chain-splits:** These occur when a cryptocurrency branches into two or more versions, as bitcoin and Bitcoin Cash did last year. Investors are often entitled to new coins as a result.

Does this right generate taxable income? After much study, Mr. Calvin believes it isn't taxable until the investor claims the new coins.

◆ **Statutes of limitations:** In general, the IRS has until three years after a return's due date to assess a deficiency, but that expands to six years if income is understated by more than 25%.

## INVEST

Continued from page B1

Asia and Africa during late 2009, nearly 800 people weighed in on whether the financial crisis was a "punishment" for "those who misbehaved." Only 4% strongly agreed, and 7% somewhat agreed, says David Leiser, a professor of economic psychology at Ben-Gurion University of the Negev in Beer Sheva, Israel, who worked on the study.

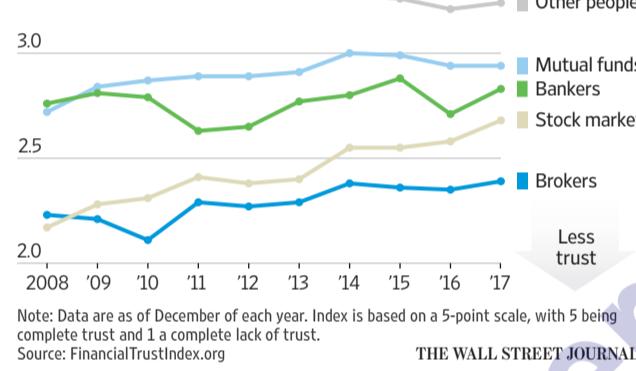
The latest round of the Financial Trust Index, a survey conducted by the Booth School and Northwestern University's Kellogg School of Management, shows that 31% of investors remain angry or very angry about their economic situation.

True, that's down from 63% in March 2009 and nearly as high in 2011. "But in order to fully recover trust a lot more still needs

### Easy to Break, Hard to Repair

A decade after the crisis, investors still trust financial institutions far less than they do other people in general.

Financial Trust Index, yearly



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to be done," says Joachim Klement, head of investment research at Fidante Partners, an asset-management firm in London.

If financial executives looked back and sincerely took responsibility for what happened, pledged not to vi-

olate the trust of investors again, and expressed a willingness to change their conduct to reduce the chances of similar mistakes in the future, that would be a welcome step. As anyone with a spouse or a partner knows, it's never too late to apolo-

gize.

Research even suggests the stock market prefers companies whose executives sincerely apologize for their mistakes. Incentive pay could be retooled to include rewards for treating investors right and penalties for harming them, Mr. Klement says.

"A fairer fee structure is a very important part of making sure people can trust asset managers and the financial industry," says Inigo Fraser-Jenkins, global quantitative strategist at Sanford Bernstein in London. Fees should be tied to outcomes: Managers shouldn't collect high pay for low perfor-

mance.

Like fine porcelain, trust is easy to break and hard to repair. In many ways, far too little has changed since Bear Stearns drove the first cracks through the illusion of trust. If Wall Street wanted to do the repair work, however, it could. And everybody would benefit.

## Decision Clouds Fiduciary Rule

BY LISA BEILFUSS

The fight over a fiduciary rule for the financial-services industry is far from over.

Late Thursday, a panel of the Fifth U.S. Circuit Court of Appeals ruled in a 2-1 decision that the Labor Department overreached by requiring brokers and others handling investors' retirement savings to act in their clients' best interest. The court, which is based in New Orleans and covers Texas, Louisiana and Mississippi, found fault with the government's broadening standard of what is considered financial advice, who provides it and that the Labor Department would regulate it.

Another circuit court decision has taken an opposite tack, though, meaning the fight over the rule could be headed to the Supreme Court. Given the legal uncertainty, financial firms are unlikely to change current practices

crafted to meet the rule's requirements, while potential actions by other regulators and state government may become more important.

"It's not easy to turn on a dime," said Charles Goldman, head of AssetMark, a group that supports financial advisors. "I don't think this changes a whole lot of anything," he said of the latest court ruling.

Mr. Goldman and others say the fiduciary rule has been around long enough now that firms recognize it will survive in some form. "Most are on the path towards a fiduciary standard and are not going back. That's too shortsighted," he said.

The fiduciary rule, unveiled in 2016, requires those handling retirement savings to put their clients' interests before their own. It went into partial effect in June, holding brokers to a best-interest standard.

The Labor Department last

year launched a review of the regulation at the direction of President Donald Trump and delayed full compliance until mid-2019. Since then, the fiduciary rule hasn't been enforced at the federal level.

Opposition to the Obama-era rule, especially from the financial industry, has been fierce, playing out in courts across the country, in a host of states and before the Securities and Exchange Commission.

Industry executives and consumer advocates alike say the Fifth Circuit's decision puts more focus on the SEC, which has said it is writing its own version of a best-interest standard for brokers. Some observers said the SEC's rule would likely try to raise the standard of care that brokers must meet, for all accounts, while preserving their ability to charge sales commissions and sell in-house products.

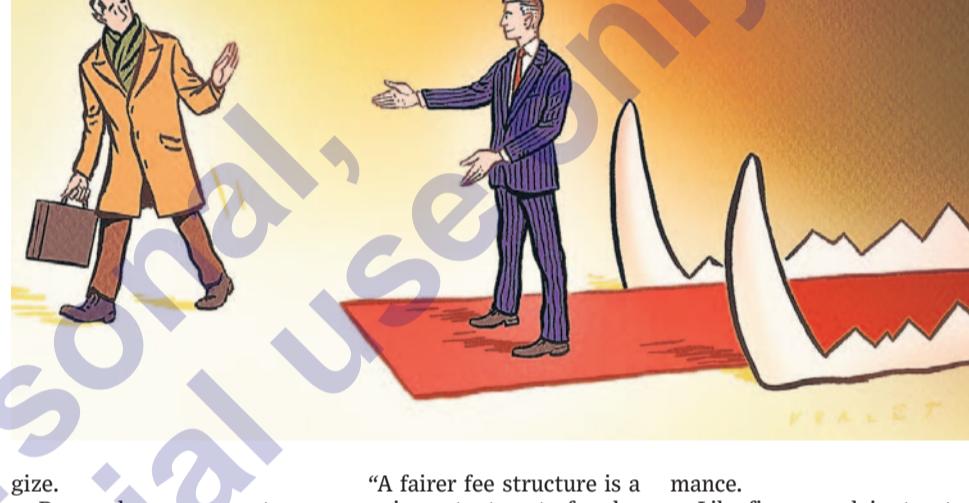
The decision also puts more attention on state regulators and legislators, who have in recent months stepped up efforts to protect consumers from conflicted financial advice. Some have said they are watching more closely for cases of improper conduct as the federal rule's fate is uncertain.

Massachusetts Secretary of the Commonwealth William Galvin said Friday that regardless of the court's decision to strike down the Labor Department's regulation, he and other state securities regulators will continue to pursue cases against those violating state rules around financial advice. "We always have the opportunity to bring a case if there are unethical practices," he said. Mr. Galvin last month took action against Scottrade, a unit of TD Ameritrade Holding Corp., for violating fiduciary policies. Scottrade has declined to comment.



The SEC is writing its own version of a standard for brokers.

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OPEC price impact by date of quota reduction.

Crude oil implied volatility (VIX-equivalent) hit a multi-year low, as OPEC provides the market with what is effectively a put option.

Natural gas has overtaken coal as the dominant fuel for electricity production.

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## MARKETS DIGEST

## Dow Jones Industrial Average

Last 24946.51 Trailing P/E ratio 26.11 21.36  
 P/E estimate<sup>a</sup> 16.90 17.92  
 Dividend yield 2.14 2.33  
 or 0.29%  
 All-time high 26616.71, 01/26/18

Current divisor 0.14523396877348  
 Session high DOWN  
 Session open UP Close 27300  
 Close Open 26500  
 Session low 25700  
 65-day moving average 23300

Bars measure the point change from session's open

Jan. Feb. Mar. 22500 2450

Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

## S&amp;P 500 Index

2752.01 Last 2752.01 Trailing P/E ratio 25.68 24.89  
 P/E estimate<sup>a</sup> 17.60 18.35  
 Dividend yield 1.86 1.97  
 or 0.17%  
 All-time high 2872.87, 01/26/18

Session high UP  
 Session open Close 27300  
 Close Open 26500  
 Session low 25700  
 65-day moving average 23300

Bars measure the point change from session's open

Jan. Feb. Mar. 2450

## Nasdaq Composite Index

7481.99 Last 7481.99 Trailing P/E ratio 26.84 26.02  
 P/E estimate<sup>a</sup> 21.10 20.32  
 Dividend yield 0.98 1.12  
 or 0.003%  
 All-time high 7588.32, 03/12/18

Session high DOWN  
 Session open UP Close 27300  
 Close Open 26500  
 Session low 25700  
 65-day moving average 23300

Bars measure the point change from session's open

Jan. Feb. Mar. 6300

## 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. <sup>b</sup>	ETF
S&P 500 Utilities	2.56		
Nymex Rbob Gasoline	2.18		
Soybeans	1.97		
Hang Seng	1.63		
iSh 20+ Treasury	1.61		
Kospi Composite	1.40		
Nymex ULSD	1.34		
S&P 500 Real Estate	1.28		
Nikkei 225	0.97		
S&P/TSX Comp	0.86		
Norwegian Krone	0.80		
Japan yen	0.79		
IBEX 35	0.77		
UK pound	0.69		
iShiBox\$InvGrdCp	0.58		
FTSE MIB	0.49		
Nymex Crude	0.48		
iSh 7-10 Treasury	0.44		
VangdTotalBd	0.42		
DAX	0.35		
VangdTotalBd	0.26		
iShNatlMuniBd	0.17		
WSJ Dollar Index	0.16		
iSh TIPS Bond	0.16		
CAC-40	0.16		
Indonesian Rupiah	0.12		
S&P GSCI GFI	0.06		
Euro Stoxx	0.03		
iSh 1-3 Treasury	0.02		
Chinese Yuan	unch.		
	-0.04 iShPMUSEmrgBd		
	-0.06 Swiss Franc		
	-0.07 Corn		
	-0.08 S&P SmallCap 600		
	-0.13 Euro area euro		
	-0.14 Stoxx Europe 600		
	-0.20 Indian Rupee		
	-0.23 S&P/ASX 200		
	-0.31 iShiBox\$HYCp		
	-0.39 S&P BSE Sensex		
	-0.42 Mexico peso		
	-0.48 South Korean Won		
	-0.52 Dow Jones Transportation Average		
	-0.66 S&P 500 Telecom Svcs		
	-0.69 S&P MidCap 400		
	-0.69 Russell 2000		
	-0.71 S&P 500 Consumer Discr		
	-0.74 Comex Copper		
	-0.84 Comex Gold		
	-0.85 S&P 500 Energy		
	-0.95 S&P 500 Health Care		
	-0.97 S&P 500 Information Tech		
	-1.04 Nasdaq Composite		
	-1.13 Shanghai Composite		
	-1.14 Nasdaq 100		
	-1.24 S&P 500		
	-1.42 South African Rand		
	-1.54 Dow Jones Industrial Average		
	-1.61 Nymex Natural Gas		
	-1.65 Russian Ruble		
	-1.72 Sao Paulo Bovespa		
	-1.95 Australian dollar		
	-1.98 S&P 500 Industrials		
	-2.08 Comex Silver		
	-2.12 S&P 500 Consumer Staples		
	-2.19 Canada dollar		
	-2.22 IPC All-Share		
	-2.40 S&P 500 Financials Sector		
	-3.21 S&P 500 Materials		
	-3.54 Lean Hogs		
	-4.35 Wheat		

\*Primary market NYSE NYSE American NYSE Arca only.

<sup>a</sup>(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

Total volume<sup>a</sup> 2,526,642,438 46,990,218  
 Adv. volume<sup>a</sup> 1,818,387,364 22,531,967  
 Decl. volume<sup>a</sup> 666,162,166 21,945,586  
 Issues traded 3,055 339  
 Advances 1,975 180  
 Declines 973 134  
 Unchanged 107 25  
 New highs 40 5  
 New lows 90 17  
 Closing tick 363 58  
 Closing Arms<sup>b</sup> 0.81 1.03  
 Block trades<sup>a</sup> 8,370 237

Nasdaq NYSE Arca  
 Total volume<sup>a</sup> 2,935,135,097 211,524,048  
 Adv. volume<sup>a</sup> 1,798,709,638 115,671,341  
 Decl. volume<sup>a</sup> 1,082,075,062 94,531,377  
 Issues traded 3,047 1,333  
 Advances 1,812 755  
 Declines 1,085 551  
 Unchanged 150 27  
 New highs 109 1  
 New lows 41 11  
 Closing tick 284 28  
 Closing Arms<sup>b</sup> 1.00 0.96  
 Block trades<sup>a</sup> 10,512 1,222

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 Closing Arms<sup>b</sup> 0.81 1.03  
 Block trades<sup>a</sup> 8,370 237

NYSE Arca Total volume<sup>a</sup> 1,818,387,364 22,531,967  
 Adv. volume<sup>a</sup> 666,162,166 21,945,586  
 Decl. volume<sup>a</sup> 3,055 339  
 Advances 1,975 180  
 Declines 973 134  
 Unchanged 107 25  
 New highs 40 5  
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# BIGGEST 1,000 STOCKS

## How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE MKT and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq OMX BXSM (formerly Boston), Chicago Stock Exchange, CBOE, National Stock Exchange, ISE and BATS. The list comprises the 1,000 largest companies based on market capitalization. Underlined quotations are those stocks with large changes in volume compared with their 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:**

- 1-New 52-week high.
- 1-New 52-week low.
- dd-Indicates loss in the most recent four quarters.
- q-Temporary exemption from Nasdaq requirements.
- FD-First day of trading.
- t-NYSE 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.**

Friday, March 16, 2018

YTD % % Chg	52-Week Hi Lo Stock			Ytd Sym % PE Last	Net Chg	YTD % % Chg	52-Week Hi Lo Stock			Ytd Sym % PE Last	Net Chg	
	52-Week Hi	52-Week Lo	Stock				52-Week Hi	52-Week Lo	Stock			
-9.58 28.67 22.04 ABB	ABB	3.4	23 24.25 0.12	-7.72 46 30.35 CadenceDesign	DNS	.52	38.59 -0.07	-23.60 54.97 35.44 Fortinet	FTNT	.218	54 -0.18	
1.00 12.05 9.87 AES	AES	4.8	43 10.84 0.15	0.79 14.50 9.9 9.45 Escaers	CZR	.52	12.75 0.35	-10.42 32.84 31.41 Fortis	FTS	4.1	19 32.85 -0.13	
3.09 91.76 70.46 AEA	AEA	2.3	10 90.49 0.47	-7.93 96.39 78.19 CamdenProperty	CPT	3.6	40 84.76 0.13	8.13 80.31 58.15 Fortune	FTR	0.4	26 78.23 0.13	
-6.29 10.77 16.24 AGNCInv	AGNC	11.4	10 18.92 0.14	-9.42 59.34 41.78 CambellSoup	CPR	2.3	12 43.58 0.27	-1.40 86.06 63.57 Franco-Nevada	FBHS	1.3	20 62.08 0.42	
12.68 171.92 104.55 ANH	ANH	56	11 166.31 0.36	-8.06 100.01 72.70 CIBC	CIM	4.7	11 89.56 -0.05	-10.02 47.21 30.01 FranklinR	FBN	1.3	65 68.72 -0.49	
1.01 35.71 37.63 ANH	ANH	56	11 166.31 0.36	-2.11 188.03 143.20 CapnRwy	CIN	2.1	20 73.56 -0.04	-3.16 20.25 11.05 FreeportMcM	FCX	1.5	18 36.37 -0.27	
56.37 304.28 117.36 Abomed	Abomed	148	139 295.05 -0.03	-0.97 10.01 7.52 CanNatRwes	CNO	3.5	20 30.36 0.47	-3.92 57.94 41.8 FrenesimMed	FMS	1.1	22 50.49 -0.27	
5.10 165.58 114.82 Accenture	Accenture	17	28 160.89 -0.19	-2.71 188.03 143.20 CapnRwy	COT	1.0	14 17.73 0.01	-	-	-	-	
13.20 79.63 47.80 ActivisionBlitz	ActivisionBlitz	ATVI	0.5	10 150.13 -0.04	-0.99 10.01 7.52 CanNatRwes	COT	1.0	14 17.73 0.01	-	-	-	-
-14.70 21.10 14.61 ArctivaBrands	ArctivaBrands	AY	0.3	20 150.13 -0.03	-2.71 188.03 143.20 CapnRwy	COT	1.0	14 17.73 0.01	-	-	-	-
28.71 22.88 12.45 Autodesk	Autodesk	ADSK	67	22.55 6.68	COT	1.0	14 17.73 0.01	-	-	-	-	
11.99 152.24 78.90 AutoZoneTech	AutoZoneTech	AUTO	0.2	18 116.83 -0.04	-4.31 138.54 78.31 CobeGlobalMkts	COT	1.0	14 17.73 0.01	-	-	-	-
11.55 70.76 39.47 AutoDevicess	AutoDevicess	ADM	308	308.47 -0.03	-0.01 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
11.42 7.52 5.68 AutoSemiEngg	AutoSemiEngg	ASML	0.8	21 216.06 -0.38	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
9.37 7.03 4.73 Aegon	Aegon	AEG	3.1	8 6.89 -0.04	-1.97 25.45 16.5 CardinalHealth	COT	1.0	14 17.73 0.01	-	-	-	-
-3.99 56.45 42.43 AerCap	AerCap	AER	0.9	50 50.51 -0.03	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
-3.59 194.40 124.84 Aeona	Aeona	AET	1.2	30 173.91 -0.68	-1.97 17.32 20.94 AerCap	COT	1.0	14 17.73 0.01	-	-	-	-
-6.26 21.27 14.81 AffiliatedM	AffiliatedM	AMG	0.6	16 19.40 -0.24	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
4.85 75 52.26 AgilentTechs	AgilentTechs	AMK	0.9	18 69.90 -0.28	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
-14.57 51.86 37.35 AgriEagle	AgriEagle	AMK	3.8	13 39.45 -0.03	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
28.71 22.88 12.45 AladomeSystems	AladomeSystems	ADOM	67	22.55 6.68	COT	1.0	14 17.73 0.01	-	-	-	-	
11.55 70.76 39.47 AdvoMicroDevices	AdvoMicroDevices	ADM	308	308.47 -0.03	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
11.42 7.52 5.68 AdvoSemEngg	AdvoSemEngg	ADSL	0.8	21 216.06 -0.38	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
9.37 7.03 4.73 Aegon	Aegon	AEG	3.1	8 6.89 -0.04	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
-3.49 55.46 42.43 AerCap	AerCap	AER	0.9	50 50.51 -0.03	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
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28.71 22.88 12.45 AladomeSystems	AladomeSystems	ADOM	67	22.55 6.68	COT	1.0	14 17.73 0.01	-	-	-	-	
11.42 7.52 5.68 AdvoSemEngg	AdvoSemEngg	ADSL	0.8	21 216.06 -0.38	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
9.37 7.03 4.73 Aegon	Aegon	AEG	3.1	8 6.89 -0.04	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
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-3.59 194.40 124.84 Aeona	Aeona	AET	1.2	30 173.91 -0.68	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
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-14.57 51.86 37.35 AgriEagle	AgriEagle	AMK	3.8	13 39.45 -0.03	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
28.71 22.88 12.45 AladomeSystems	AladomeSystems	ADOM	67	22.55 6.68	COT	1.0	14 17.73 0.01	-	-	-	-	
11.42 7.52 5.68 AdvoSemEngg	AdvoSemEngg	ADSL	0.8	21 216.06 -0.38	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
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-3.59 194.40 124.84 Aeona	Aeona	AET	1.2	30 173.91 -0.68	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-	-	-
-6.26 21.27 14.81 AffiliatedM	AffiliatedM	AMG	0.6	16 19.40 -0.24	-0.53 119.20 95.03 CheckPoint	COT	1.0	14 17.73 0.01	-	-</td		

# MKT DATA

## WSJMarkets.com

### Futures Contracts

#### Metal & Petroleum Futures

	Contract				Open	High	hilo	Low	Settle	Chg	Open interest
	Open	High	hilo	Low							
<b>Copper-High (CMX)</b> -25,000 lbs; \$ per lb											
March 3.1230	3.1260		3.0760	3.0930	-0.0180		1,841				
May 3.1245	3.1495		3.0900	3.1075	-0.0200		142,282				
<b>Gold (CMX)</b> -100 troy oz; \$ per troy oz											
March ...			1311.30	-5.50	528						
April 1316.50	1321.80		1309.50	1312.30	-5.50	255,216					
June 1322.40	1327.40		1315.30	1318.00	-5.50	186,811					
Aug 1327.50	1333.20		1321.10	1323.90	-5.50	41,258					
Oct 1332.60	1338.60		1328.20	1329.70	-5.50	5,746					
Dec 1340.30	1345.20		1333.10	1335.80	-5.50	40,560					
<b>Palladium (NYM)</b> -50 troy oz; \$ per troy oz											
June 983.00	992.75		976.75	988.55	7.55	23,684					
Sept 981.40	985.95		974.00	983.55	7.15	1,045					
<b>Platinum (NYM)</b> -50 troy oz; \$ per troy oz											
April 955.30	960.00		945.80	950.20	-6.70	53,968					
July 960.00	965.00		951.00	955.40	-6.70	25,563					
<b>Silver (CMX)</b> -5,000 troy oz; \$ per troy oz											
March 16.335	16.405		16.185	16.202	-0.151	166					
May 16.395	16.495		16.205	16.272	-0.150	148,408					
<b>Crude Oil, Light Sweet (NYM)</b> -1,000 bbls; \$ per bbl											
April 61.18	62.54		61.08	62.34	1.15	91,067					
May 61.22	62.60		61.14	62.41	1.16	476,611					
June 61.09	62.44		61.01	62.26	1.24	343,133					
July 60.80	62.10		60.74	61.94	1.09	129,987					
Sept 60.05	61.12		59.91	61.03	0.99	142,373					
Dec 58.77	59.83		58.62	59.70	0.82	239,638					
<b>NY Harbor USLD (NYM)</b> -42,000 gal; \$ per gal											
April 1.8951	1.9190		1.8835	1.9118	0.0189	66,287					
May 1.8990	1.9238		1.8881	1.9172	0.0195	95,949					
<b>Gasoline-NY RBOB (NYM)</b> -42,000 gal; \$ per gal											
April 1.9233	1.9542		1.9081	1.9459	0.0211	73,728					
May 1.9338	1.9650		1.9199	1.9573	0.0228	141,166					
<b>Natural Gas (NYM)</b> -10,000 MMBtu; \$ per MMBtu											
April 2.683	2.701		2.667	2.688	.007	158,713					
May 2.714	2.729		2.698	2.716	.004	313,075					
June 2.770	2.781		2.751	2.770	.005	82,500					
July 2.821	2.833		2.805	2.823	.006	129,745					
Sept 2.819	2.831		2.807	2.824	.005	81,713					
Oct 2.831	2.844		2.818	2.836	.005	130,035					
<b>Agriculture Futures</b>											
<b>Corn (CBT)</b> -5,000 bu; cents per bu											
May 386.25	387.50		382.50	382.75	-4.00	718,283					
July 394.00	395.25		390.50	391.00	-3.50	491,294					
<b>Oats (CBT)</b> -5,000 bu; cents per bu											
May 253.50	253.50		241.75	242.25	-8.75	4,308					
July 255.50	256.00		249.00	249.25	-6.75	839					
<b>Soybeans (CBT)</b> -5,000 bu; cents per bu											
May 1042.00	1050.00		1040.75	1049.50	8.75	388,620					
July 1052.00	1060.50		1051.50	1060.25	9.00	216,191					
<b>Soybean Meal (CBT)</b> -100 tons; \$ per ton											
May 372.20	374.90		371.10	372.90	1.90	210,075					
July 373.30	376.50		372.90	374.60	1.14	110,089					
<b>Soybean Oil (CBT)</b> -60,000 bbls; cents per lb											
May 1042.00	1050.00		1040.75	1049.50	8.75	388,620					
July 1052.00	1060.50		1051.50	1060.25	9.00	216,191					
<b>Wheat (CBT)</b> -5,000 bu; cents per bu											
May 478.75	482.55		467.00	467.75	-11.00	230,938					
July 496.25	499.75		484.00	485.00	-11.00	128,407					
<b>Wheat (KC)</b> -5,000 bu; cents per bu											
May 512.25	515.50		498.75	499.50	-14.00	124,447					
July 530.50	532.25		515.75	516.50	-14.00	75,448					
<b>Wheat (MPLS)</b> -5,000 bu; cents per bu											
May 615.50	618.50		610.50	611.75	-3.75	32,605					
July 622.00	624.75		617.50	618.50	-3.75	10,778					
<b>Cattle-Feeder (CME)</b> -50,000 lbs; cents per lb											
March 140.550	141.050		139.800	139.975	-6.50	4,987					
May 141.400	142.000		140.325	140.950	-6.50	15,481					
<b>Cattle-Live (CME)</b> -40,000 lbs; cents per lb											
April 121.925	122.150		120.875	121.250	-6.00	69,011					
June 111.950	112.275		111.325	111.750	-5.50	154,777					
<b>Hogs-Lean (CME)</b> -40,000 lbs; cents per lb											
April 65.700	66.525		65.375	65.450	-2.75	36,903					
June 78.925	79.600		77.775	79.125	-0.50	84,831					
<b>Exchange-Traded Portfolios</b>   WSJ.com/ETFresearch											
Largest 100 exchange-traded funds, latest session											
<b>Friday, March 16, 2018</b>											
	<b>ETF</b>	<b>Symbol</b>	<b>Closing</b>	<b>Chg</b>	<b>YTD</b>	<b>Net</b>	<b>YTD</b>	<b>Chg</b>	<b>% YTD</b>		
AllianzMLPETF	AMLP	9.89	1.54	-8.3		IshEdgeMSCIMinAFE	EFAV	74.09	... 1.5		
CnsmDiscSelSector	XLY	105.18	-10.0	6.6		IshEdgeMSCIMinUSA	USMV	53.26	0.28	8.2	

## BANKING &amp; FINANCE

# U.S. Activist Takes On Europe

Elliott Management ramps up campaign to shake up firms; Telecom Italia is latest

**Elliott Management Corp.**, an American activist fund, is on a tear in Europe.

Capping a series of big in-

By Eric Sylvers  
in Milan and Ben  
Dummett in London

vestments in the Continent over the past two years, Elliott this past week launched a proxy fight at **Telecom Italia SpA**, the one-time state-owned telecommunications giant. It has disclosed a 3% holding and nominated a slate of directors to replace six current board members, including the company's chairman. It wants the carrier to simplify its shareholder structure, start paying a dividend and sell or spin off two of its businesses.

Elliott has also inserted itself in the chess match playing out between 21st Century Fox Inc., Walt Disney Co. and Comcast Corp. over British TV giant **Sky PLC**. Rupert Murdoch's Fox is trying to consolidate ownership of Sky. Disney has separately agreed to buy a big



ALESSIA PIERDOMENICO/BLOOMBERG NEWS

Elliott launched a proxy fight at Telecom Italia this past week to replace six directors. One of the telecom giant's control units.

chunk of Fox assets, including Sky. Comcast joined the fray in February, promising a higher price for Sky in its own preliminary offer.

Amid all that deal making, Elliott quietly swooped in, building about a 2.5% stake in Sky. It joined a group of hedge funds that have flooded in amid signs a bidding war was emerging. Elliott hasn't commented on the stake but in the past has used such invest-

ments to agitate for a higher price from suitors.

In the Netherlands, Elliott has built a big stake in paint giant Akzo Nobel NV, pushing it in 2017 to consider marrying up with U.S. rival PPG Industries Inc. Akzo ultimately resisted the effort, but agreed to a number of Elliott demands in the process—including shedding its specialty-chemicals business.

Elliott is also pushing mining giant BHP Billiton Ltd.,

listed in both London and Australia, to shed assets and restructure. BHP agreed to sell its U.S. shale business and more recently signaled its willingness to consider changes to the company's structure that Elliott has demanded.

Activist investors aren't a new thing in Europe, but they ratcheted up campaigns drastically in 2017, according to Katherine Moir, a mergers and acquisitions partner at global law firm Clifford Chance. Elliott has stood out as "a key player and at the more disruptive end of the spectrum," she said.

Elliott's European forays have been largely led by Gordon Singer, the son of Elliott founder Paul Singer, and a group of managers based in London. Elliott has been active overseas for years, but recently ramped up its public campaigning in Europe. Its approach—often backing up demands for change with threats to oust management and directors—contrasts with what has typically been quieter campaigns by many peers on the Continent.

It declined to comment specifically about its strategy.

Though it ultimately lost in its effort to force Akzo Nobel into PPG hands, Akzo agreed to appoint two board members

backed by Elliott. It won two board seats at British investment manager Alliance Trust PLC in 2015. The same year, the hedge fund won three board seats at Ansaldo STS, an Italian maker of railway signaling equipment. That move is part of an effort to push Hitachi Ltd. to raise the price it has offered Ansaldo to consolidate its ownership.

Elliott has gone after Telecom Italia before. Back in 2001, it successfully blocked the company's bid to buy back nonvoting shares at a discount.

This past week, Elliott struck again. In a letter made public Friday and addressed to all Telecom Italia shareholders, the fund proposed the ouster of several directors, including its chairman, Arnaud de Puyfontaine. Mr. de Puyfontaine is also chief executive of Vivendi SA, which owns 24% of Telecom Italia. Elliott is asking the company to sell or spin off its Italian network business and its undersea cable unit.

Vivendi said it would examine Elliott's demands "with an open mind." But the company also said "it is not sure that the plan to dismantle the Group and destabilize the teams will create value."

Telecom Italia declined to comment.

# Deutsche Bonuses Bypass The Top

BY JENNY STRASBURG

Bonuses are surging back at Deutsche Bank AG, except for its top bosses.

After three consecutive years without a profit, the German lender disclosed Friday that employees would get €2.2 billion (\$2.71 billion) in variable pay for 2017, in addition to their fixed salaries. That is more than quadruple the previous year's bonus pool.

Top executives are again mostly abstaining from bonuses—it is year No. 3 on that front—as the German lender tries to battle back to profitability.

Deutsche Bank also on Friday reported a widened 2017 net loss of €735 million, adjusted from a net loss of €497 million reported in preliminary results in February. The lower result mostly stemmed from adjusted valuations of U.K. deferred tax assets, the lender said in conjunction with the release of its annual report Friday.

Deutsche Bank said it would recommend a dividend of €0.11 a share ahead of the annual shareholder meeting in May. That compares to €0.19 a share paid for 2015 and 2016 combined.

Deutsche Bank's shares rose 0.5%, to €12.84, on Friday. They've fallen about 19% this year.

Already this year, Deutsche Bank reported a fourth-quarter €1.4 billion charge from deferred tax asset values tied to the U.S. tax overhaul. That

## \$2.71B

Bank's bonus pool in 2017, quadrupled from the year before

accounting charge put Deutsche Bank in the red for 2017. The bank also was hurt by double-digit-percentage revenue declines in all three of the bank's business units.

Bonus-free Chief Executive John Cryan received €3.4 million in salary for 2017, according to the annual report. Garth Ritchie, the investment-banking co-head who runs global markets, made the second-highest salary of the 12-member management board, with €3 million. The remaining top executives received salaries ranging from €800,000 to €2.9 million.

Deutsche Bank's senior managers unanimously waived their bonuses for a third straight year, a move designed "to send a clear signal and ensure its own remuneration remains aligned to the bank's net results," Mr. Cryan said in a letter accompanying the annual report.

But two executives—Mr. Ritchie and Stuart Lewis, the chief risk officer—got a new kind of bonus-like payment the bank called a "functional allowance," of €250,000 and €300,000, respectively. Mr. Lewis earned his allowance for responsibilities tied to "further improving the relationship with U.S. regulators," Deutsche Bank said. Mr. Ritchie had "an additional responsibility in connection with the implications of Brexit," the bank said.

The new allowance is optional for top executives assigned additional tasks beyond their usual jobs and can be repeated at the discretion of the supervisory board, according to the annual report.

Deutsche Bank's move back to a big bankwide bonus pool after a steep decline in variable pay for 2016 was "highly contentious for many," Mr. Cryan said in his letter, a nod to criticism from some investors and German politicians. But Deutsche Bank has no choice but to return to normal bonuses if it wants to hold its competitive ground, he said.

"We have to invest in our employees so that we can continue to provide the best solutions for our clients," he wrote.

# PwC Has an Answer for Blockchain: Audit It

By MICHAEL RAPORT

**PricewaterhouseCoopers LLP** wants to validate the validators.

The Big Four accounting firm on Friday unveiled a new offering that will provide an independent verification of clients' use of blockchain, the technology that underpins bitcoin and other digital currencies. It said the service would ensure companies are properly implementing and using it.

The move will facilitate and encourage companies' use of the new technology, PwC says. Attesting that all is going as planned will help ease any internal concerns about blockchain and get people to feel more comfortable with its use, it said.

"There's a natural predilection for people with new technology to be distrustful of it," said A. Michael Smith, a PwC partner in charge of internal technology audit solutions, in an interview with The Wall Street Journal. "There's going to have to be some kind of independent validation that the technology is functioning as intended."

Blockchain provides an unchangeable record of transactions by using decentralized digital ledgers. So far, it's most closely associated with the rise of cryptocurrencies, but the technology can be used in online identity verification, supply-chain manage-

ment and many other ways. To the extent it's used to verify the accuracy of a company's financial transactions, it can handle part of an auditor's job.

But the nascent technology faces a host of obstacles to adoption, PwC says: legal and compliance concerns within companies and other organizations, issues of corporate controls and risk management. Blockchain itself is often billed as tamper-proof, but adopting it poses the same kind of challenges a company faces with any implementation of information technology.

"The compliance teams don't know what to do with it," said Vicki Huff, PwC's global innovation leader.

Those sorts of concerns at PwC clients starting to use blockchain led the firm to formulate its new offering. As transactions occur on the blockchain, PwC logs them and applies controls and testing criteria, and allows users within a company to monitor, view and test transactions in near real time.

Among the initial customers using the product, PwC says, is a major stock exchange that needs to verify its blockchain-based payment process is working as intended. Another customer: a digital-wallet provider, which is using the PwC product to verify the processing of its transactions. PwC declined to name the companies.



A digital currency exchange in Seoul. The government is grappling with how to regulate the sector.

## South Korea Raids Crypto Exchanges

SEOUL—Prosecutors last month raided three cryptocurrency exchanges in South Korea's capital, after a January government investigation found that a portion of customers' assets had been transferred to private bank accounts belonging to top managers at the exchanges.

They carried out the three-day raid and confiscated items including computer hard disks,

financial-transaction records, mobile phones and accounting records, Jeong Dae-jeong, the case's head prosecutor, said Friday. The raid comes as the government grapples with how to regulate virtual currencies.

"It's unclear yet whether the transactions can be seen as embezzlement," Mr. Jeong said. He didn't disclose the total amount of the transferred funds or specify which exchanges were under investigation. One, he added, is located in the Seoul neighborhood of Yeouido, home to Coinone, one of the country's largest crypto-

currency exchanges.

Investigations have since the raid found that customers' assets were used by at least one of the exchanges to purchase bitcoin from competitors.

The Korea Blockchain Association, an industry group involving more than 30 domestic exchanges, didn't respond to requests for comment.

The South Korean won was last year's fourth most-used currency in bitcoin trading after the U.S. dollar, the Japanese yen and the euro, according to CryptoCompare.

—Eun-Young Jeong

# Goldman's Gender Pay Gap Reflects Wider Issue

By LIZ HOFFMAN  
AND MARGOT PATRICK

Women working at the main U.K. arm of **Goldman Sachs Group Inc.** make 36% less than men, reflecting a dearth of women in the bank's senior ranks and laying bare a continuing challenge for Wall Street as a whole.

A filing by the firm Friday, which followed ones in recent weeks by **Barclays PLC**, **UBS Group AG** and others, shows the financial industry is out of step with the broader economy as women graduate college at higher rates than men and make gains elsewhere.

The numbers come at a time of intense focus on how women are treated at work. Companies including banks have been rocked in recent months by allegations of sexual harassment and discrimination.

They also put gender parity squarely on the agenda inside Goldman, which has held itself out as a leader in Wall Street workplace practices. President David Solomon, who emerged this week as the likely successor to Chief Executive Lloyd Blankfein, has worked in recent years to promote and recruit more women while acknowledging that the firm must do better.

The data—only a snapshot

that typically carry big bonuses. That point is borne out by the makeup of Goldman's partnership, a status symbol unmatched on Wall Street and bestowed every two years to a select few.

Women make up just 15% of Goldman's 450 or so partners, and they are more than twice as represented in back-office jobs such as compliance, legal and human resources than

they are in profit-making businesses like trading, according to a Wall Street Journal review of the pool.

Of the four women with a seat on Goldman's management committee, only one runs a business that makes money for the firm. There are 27 men on the panel.

That is progress from 1996, when just seven of Goldman's 173 partners were women. But

it is still out of step with current workplace trends.

"We have made some progress, but we have significant work to do" in helping women "rise to the highest levels of our firm," Messrs. Blankfein and Solomon said in a memo to staff.

That starts with bolstering the firm's recruiting pipeline. Goldman aims to have women make up 50% of its incoming analyst classes by 2021. Already, Goldman has changed the way it recruits junior bankers, looking beyond the Ivy League to attract a more diverse pool of candidates.

Two years ago, the firm began closely tracking its summer interns, who account for about 75% of its incoming analyst class, with the goal of retaining nontraditional candidates who might fall behind.

But it typically takes a decade or more to become a managing director at Goldman, meaning initiatives will take years to pay off.

"Even though we've moved the ball forward, it's not easy to move it forward as quickly as we would like," Mr. Solomon said on a podcast in October.

Among Goldman's highest quartile of earners, 83% are men. Nearly two-thirds of the lowest quartile of earners are women.



JUSTIN TALLIS/AGENCE FRANCE PRESSE/GETTY IMAGES

Women at Goldman's U.K. arm make 36% less than men, reflecting fewer females in senior roles.

## MARKETS

# Turmoil Could Benefit Wynn Bondholders

By SAM GOLDFARB

An obscure clause in a bond document is adding to **Wynn Resorts** Ltd.'s recent headaches.

Wynn Resorts acquiesced to bondholders' demands on Thursday, raising an offer to pay investors holding one of its notes due in 2023. The company is offering the payout because it needs bondholders' consent to amend an unusual covenant in the bond that could hurt the company if founder Steve Wynn and his ex-wife, Elaine Wynn, reduce their ownership stakes.

The company is seeking to adjust a "change-of-control" covenant that would be tripped if any investor came to own more voting shares than Mr. Wynn and Ms. Wynn hold between them, which currently amounts to a roughly 21% stake in the company.

Mr. Wynn resigned as chairman and chief executive of Wynn Resorts last month following sexual-misconduct allegations against him detailed in

a Wall Street Journal investigation. Recent developments in a separate legal case suggest he and Ms. Wynn may be looking to sell shares, making the terms of its bonds suddenly relevant.

A Wynn Resorts spokesman declined to comment on the reasons for the offering to bondholders. He also declined to say whether the company knows if Mr. Wynn plans to sell his shares. Contacted Thursday, a lawyer for Mr. Wynn said Mr. Wynn is declining to participate in any reporting by the Journal because he doesn't believe the newspaper will treat him fairly.

Amending the bond is especially important for Wynn Resorts because the covenant in question also applies to two other bonds issued by its Wynn Las Vegas subsidiary as long as the 2023 bond remains outstanding. Violating the terms would mean that holders of all three bonds, which total more than \$3 billion, could immediately demand re-

## Back in Favor

The price on Wynn Resorts' 4.25% bond due 2023 has rebounded as the company neared a deal to amend terms on the debt.



Source: MarketAxess

THE WALL STREET JOURNAL.

payment from Wynn Resorts at a premium of 101 cents on the dollar.

The company is now offering holders a total of \$25 million, or 5% of the bond's \$500 million principal, to rewrite the terms so the covenant would be breached only if a person or entity assumed a



BILLY H.C. KUOK/BLOOMBERG NEWS

**Wynn Resorts needs bondholders' consent to amend a covenant.**

majority ownership in the company. That is up from its initial offer of \$10 million made last month, as well as a second offer that promised as much as \$25 million but guaranteed only \$12.5 million.

From the outset, some of the largest holders figured it didn't make sense to amend the 2023 bond for anything less than \$25 million, according to two people familiar with the matter.

That figure roughly reflects the extra cash that Wynn Resorts would need to pay holders if it were to redeem the 2023 bond ahead of schedule—a step the company, if it didn't

reach a deal, could ultimately be forced to take to avoid also repaying the two other Las Vegas bonds.

In a sign that investors think a deal is likely, the 2023 bonds traded Wednesday at 102.313 cents on the dollar, up from 98.625 cents at the start of February, according to MarketAxess.

The tough negotiating by bond investors marks a notable shift from recent history, when Mr. Wynn openly delighted in the attractive terms he was able to extract from the debt market.

In a 2013 conference call, Mr. Wynn referred to Matt Maddox, the company's then-chief financial officer and current chief executive, as "Dr. Maddox" for the "skilled surgery" he had performed on the company's balance sheet.

"It's a wonderful time to borrow money," Mr. Wynn said at the time. "It's a shame that we're all done doing it."

—Chris Kirkham contributed to this article.

## Geopolitics Bolsters Oil Price

BY ALISON SIDER  
AND NEANDA SALVATERRA

Oil futures rose sharply to end the week higher as investors focused on escalating geopolitical risk as President Donald Trump shuffled his cabinet.

Talk about the fate of the nuclear deal that allowed Iran to boost its oil production ramped up

**COMMODITIES** this past week after Mr. Trump

fired Secretary of State Rex Tillerson, who had advocated for the U.S. to stick by the agreement even as Mr. Trump has attacked it. Analysts said a return in U.S. sanctions would likely curb foreign investment in Iran's oil sector and could force refineries to buy less of the country's oil.

Comments Thursday by Saudi Arabia Crown Prince Mohammed bin Salman added fuel to the fire. He indicated Saudi Arabia would seek to acquire a nuclear bomb if Iran did.

"It creates this geopolitical backdrop," said Mark Benigno, co-director of energy trading at INTL FCStone.

**\$62.34**

Price a barrel for U.S. crude, up

1.9% on Friday



JASON REDMOND/AGENCE FRANCE PRESSE/GETTY IMAGES

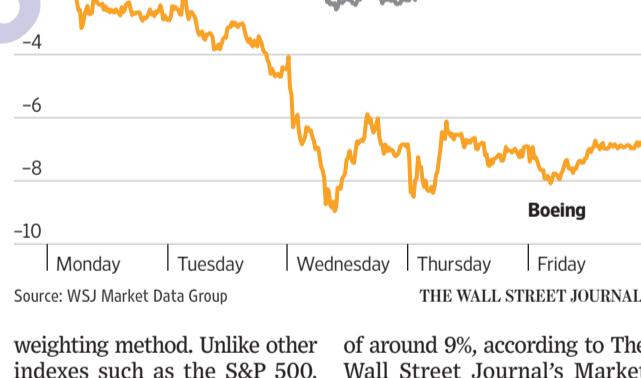
The 85% rally by Boeing's shares in the past year accounted for a quarter of the Dow industrials' gain. Boeing fell 6.8% this week.

## Boeing Leaves Dow Without Leader

By CELSEY DULANEY

### Industrial Slump

Boeing shares weighed down the Dow Jones Industrial Average this past week, as investors worried about the impact of U.S. trade policy.



Source: WSJ Market Data Group

cerns that U.S. protectionism could start the world down a path that in the worst scenario could threaten the sanguine global economic backdrop that has supported companies such as Boeing and Caterpillar.

Investors fear that U.S. steel and aluminum tariffs could raise costs for those manufacturing giants, while the prospect of retaliatory action from trade partners such as China could hurt their overseas businesses.

With Boeing taking a back seat, it is unclear which of the 30 Dow components will emerge as the new leader. Of the eight Dow industrials companies that notched gains this past week, only two added more than 10 points: McDonald's Corp., which added 35 points, and UnitedHealth Group Inc., which contributed 17.

Despite being less dependent on Boeing, the S&P 500 has fared only slightly better than the Dow, falling 1.2% during the week.

## Stocks Advance But Lose For Week

BY AKANE OTANI AND MIKE BIRD

U.S. stocks gained Friday but notched weekly losses, after a shaky stretch of trading renewed many investors' fears over the course of trade policy.

Stocks struggled for traction throughout the week as investors weighed fresh rebukes to

the Trump administration's protectionist trade agenda. Investors dumped

shares of materials and industrial companies, which some fear could suffer if U.S. tariffs drive up costs for manufacturers. Bank shares also slid earlier in the week, hurt by a strengthening of U.S. government bonds that drove yields lower.

With investors facing a relatively quiet period in between earnings seasons, many say it isn't surprising that trade jitters and staff reshuffling in the White House appear to weigh on the market.

Still, even as stocks have lost some momentum in recent sessions, analysts maintain that the earnings outlook for U.S. companies looks solid.

Data have also pointed to a strong labor market, still-subdued inflation and a ramp-up in production at U.S. factories, reassuring investors that the economy remains strong.

The Dow Jones Industrial Average rose 72.85 points, or 0.3%, to 24946.51, but fell 1.5% for the week. The S&P 500 advanced 4.68 points, or 0.2%, to 2752.01 but sank 1.2% for the week, while the Nasdaq Composite edged up 0.25 point, or less than 0.1%, to 7481.99 and fell 1% for the week.

Stock gains were broad Friday, helping some of the worst-performing sectors of the week recoup their losses from earlier in the week.

The S&P 500 industrial sector added 0.5%, chipping away at its weekly loss.

## MARKET WATCH

### CREDIT MARKETS

#### Treasurys Decline With Fed in Focus

Treasury prices pulled back ahead of next week's Federal Reserve meeting.

The yield on the 10-year Treasury note rose Friday to 2.848%, compared with 2.824% Thursday.

Yields moved higher even before a new report from the Fed showed a surprisingly large increase in industrial production last month. That data helped further soften demand for Treasurys, as it suggested the U.S. economy remains on solid footing.

Positive economic news often weighs on Treasurys because it can portend a pickup in inflation, which hurts government bonds by eroding the purchasing power of their fixed payments.

—Sam Goldfarb

### CURRENCIES

#### Dollar Gains Ground For Fourth Week

The U.S. dollar rose, supported by rising short-term bond yields and an increase in government debt issuance.

Late Friday in New York, the WSJ Dollar Index, which measures the currency against a basket of 16 others, rose 0.1% to 83.96. The dollar rose for the fourth consecutive week, and has gained 1.1% during that time.

The dollar was up 0.1% against the euro to \$1.2291 and declined 0.3% versus the yen to ¥105.98.

Demand for dollars has been bolstered by an increase in issuance by the Treasury Department of short-term bills and notes, which has absorbed some of the currency from overseas holders.

—Daniel Kruger

### NATURAL GAS

#### Muted Demand Keeps Lid on Prices

Natural-gas prices edged higher but ended the week down as relatively muted demand and rising production weighed on prices.

Natural gas for April delivery rose 0.3%, to \$2.688 per million British thermal units on the New York Mercantile Exchange. Gas ended the week down 1.6%.

Prices fell nearly 2% Thursday after a smaller-than-anticipated withdrawal of natural gas from storage.

A blast of cold weather late in the winter season has helped lift the market recently. But high levels of production have kept a lid on price rallies, analysts said. And the approaching end of winter is limiting the influence of cold temperatures on prices.

—Alison Sider

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# MARKETS

# Profitless Companies Flood IPO Market

Share of firms making debuts last year while posting losses was the highest since 2000

By BEN EISEN

**Dropbox Inc. and Spotify Technology SA** are poised to join a growing list of newly public companies that aren't making money, signaling an increasing tolerance for loss-makers when investors believe there is potential.

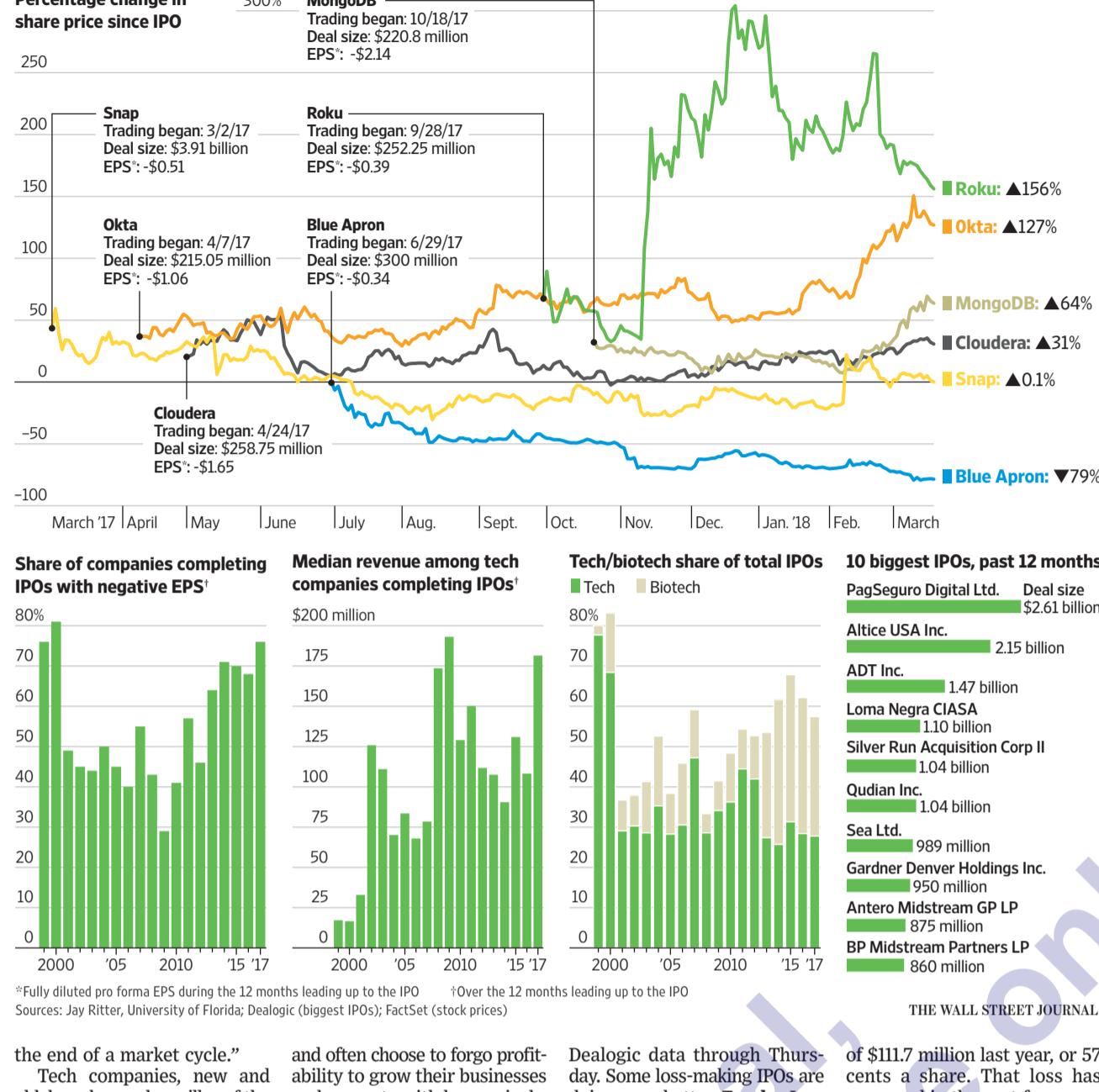
More than three-quarters of the 108 companies that completed IPOs in 2017 reported per share losses in the 12 months leading up to their debuts, according to data tracked by Jay Ritter, a finance professor at the University of Florida.

The share of loss-makers in the IPO market has been rising. Last year, it reached the highest percentage since the peak of the dot-com boom in 2000. By contrast, data spanning nearly four decades shows 38% of companies are typically unprofitable when they go public.

The shift suggests investors are comfortable giving companies more space to grow their businesses, often by sacrificing immediate profitability for higher spending on marketing or research and development, according to Mr. Ritter.

That is particularly true in the tech sector, where 17% were profitable last year, barely higher than 14% in 2000. Recent tech fervor has fueled concerns in some corners that the hot sector is once again getting frothy. Many of those dot-com era firms, such as e-commerce retailer Pets.com Inc. and online grocery business Webvan Group Inc., later failed spectacularly.

The data "instantly evokes parallels to the dot-com mania," said Callum Thomas, of macro research firm Topdown Charts, in a blog post this past week. "Certainly, this is the sort of thing you typically see toward



\*Fully diluted pro forma EPS during the 12 months leading up to the IPO

Sources: Jay Ritter, University of Florida; Dealogic (biggest IPOs); FactSet (stock prices)

told potential investors Thursday that the company will continue to invest in growth and, because of that, won't focus on profit. He said the company expects such growth will ultimately raise its enterprise value.

Both companies look a lot different than the tech IPOs from around the year 2000, particularly in terms of how much revenue they generate. Dropbox reported sales of \$1.1 billion in 2017, up from \$603.8 million in 2015. On top of that, Dropbox generated \$305 million in free cash flow last year.

Spotify posted €4.1 billion of revenue in 2017, up nearly 39% from the prior year.

Tech companies that go public these days tend to be more mature. Last year, such firms had median sales of \$181.5 million over the 12 months leading up to their public offerings, well above the median of \$16.6 million in 2000, according to Mr. Ritter's inflation-adjusted data.

Still, the losses among newly public companies concerns some analysts. Snapchat parent Snap Inc., which went public a year ago, reported losses in the final three months of 2017 that doubled from a year earlier. Less than a fifth of the 36 analysts tracking Snap have a "buy" rating on the stock, according to FactSet. But losses narrowed from the prior quarter, and some believe the company is moving toward profitability.

Another reason for the drop in profitability among newly public companies is that nearly 30% are biotechnology firms that come to market before they have an approved drug. Some of the successful ones will sell themselves to large pharmaceutical companies while others will fail, Mr. Ritter said.

When they go public, they typically aren't generating much revenue. The median sales among the 32 biotech companies that went public last year was less than \$1 million.

—Maureen Farrell contributed to this article.

and often choose to forgo profitability to grow their businesses and compete with larger rivals.

"A lot of the companies are reporting losses but could report profits if they wanted to," Mr. Ritter said.

U.S.-listed technology companies that went public over the past 12 months are trading about 50% above their IPO prices on average, according to

Dealogic data through Thursday. Some loss-making IPOs are doing even better.

**Zscaler Inc.**, a cloud security company that began trading Friday, finished the day at more than double its IPO price of \$16 a share.

Dropbox, a web storage and collaboration company that is set to start trading in the coming week, said in financial disclosures that it had a net loss

of \$111.7 million last year, or 57 cents a share. That loss has narrowed in the past few years from \$325.9 million, or \$1.77 a share, in 2015.

Spotify, the music-streaming company that begins trading early next month, had a loss of €1.24 billion (\$1.53 billion) in 2017, wider than a loss of €230 million in 2015. Spotify's chief financial officer, Barry McCarthy,

## HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

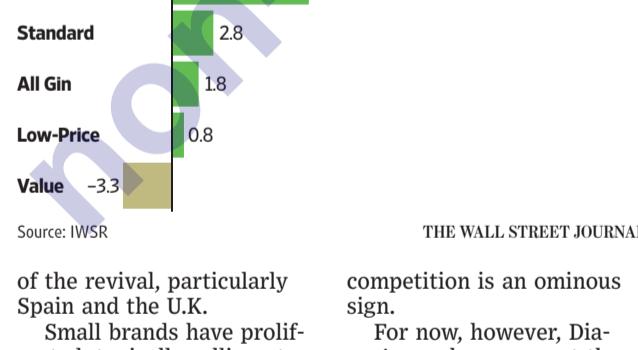
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## The Right Mix for the Gin Craze Is Tonic

### Top Shelf, Please

Bottles of gin sold, compound annual growth rate by price point, 2012-16



Source: IWSR

nod's flagship gin brand, reported a slowdown for the half through December, with on-the-year sales growth of just 3%.

But diversified liquor giants aren't the best plays on the gin renaissance. The liquor still only accounts for 4% of Diageo's sales; for Pernod, the proportion is probably similar. Bacardi, which makes Bombay Sapphire, is privately owned.

Investors, then, should look to the mixers. Fevertree Drinks, British producer of expensive tonic water, offers much more concentrated exposure.

The company's 66% sales growth last year can be only partly attributed to the blooming taste for gin and tonic. More important, Fevertree is a disruption story: It is taking market share from incumbent tonic brand Schweppes, owned by Dr Pepper Snapple Group.

The company's shares have risen almost 20-fold since the 2014 initial public

offering and now trade at almost 60 times earnings forecasts. Yet for long-term investors this could be justified by the growth potential. In its most developed market, the U.K., Fevertree almost doubled sales last year.

If it can replicate anything like that success elsewhere, profit will easily exceed analysts' cautious forecasts. With a market value of \$4.1 billion, excluding cash, Fevertree is also an obvious takeout candidate for a growth-challenged consumer group.

Perhaps the biggest question for Fevertree, and the gin industry, concerns the U.S. Gin and tonic has yet to take center stage in the world's largest liquor market, which has been more excited about tequila, whiskey and cocktails. Fevertree set up a U.S. base in December.

If the European gin craze does cross the Atlantic, the party really would get wild.

—Stephen Wilmot

### OVERHEARD

It's well known on Wall Street that popular trades can sometimes backfire spectacularly. Men's college basketball fans now understand that lesson.

March sadness came quickly for those betting on the Arizona Wildcats to go far in the NCAA tournament. Fourth-seeded Arizona, which lost by 21 points to 13-seeded University of Buffalo, had been an unusually popular choice for success among fans.

ESPN said that 90% of the 17.3 million brackets submitted on its website had picked Arizona to win its first-round game, and more than one-sixth of those brackets selected Arizona to advance to the Final Four. Instead, Arizona fell victim to the biggest upset of the tournament so far. Talk about a busted trade.

Away from sports, one can only hope that fans who bet on Arizona have their retirement money in index funds.

## Don't Be Fooled by Tiffany's Slowdown

### Turnaround

Tiffany's same-store sales, quarterly



Source: the company

Tiffany forecast profit for 2018 between \$4.25 and \$4.45 a share, disappointing analysts who expected \$4.37 a share. Yet the company still earned \$1.67 a share for the quarter, topping estimates of \$1.64 a share.

The stock fell 5.1% Friday.

Tiffany's strong holiday performance is certainly more significant than its January slump, when jewelers are hardly expected to see much growth anyway. The turnaround appears to be real. Though engagement rings were down for the year, part of a larger industry trend, the home-goods collection of shiny straws, yarn and other "everyday objects" saw double-digit-percentage growth.

In a call with analysts, Chief Executive Alessandro Bogliolo promised "more distinctive newness" from Tiffany. Those investments will weigh on earnings growth for now, but the company has shown reason to believe they may pay off.

—Elizabeth Winkler

## A Profitable Plan to Carve Rump of Yahoo

The \$76 billion Alibaba Group Holding stake owned by the rump of Yahoo could finally be unwound. Recent corporate tax cuts may end up being the catalyst to close one of the hedge-fund industry's highest-profile trades.

Activist hedge fund TCI Fund Management openly called Thursday for a liquidation of Altaba—the name Yahoo adopted on the sale of its operating businesses to Verizon Communications in June. Altaba now consists of huge stakes in publicly listed Alibaba and Yahoo Japan.

TCI is Altaba's top shareholder, though its \$6.7 billion stake is probably inflated by debt and covered by undisclosed short positions in the underlying secu-

rities. A popular trade involves buying Altaba's stock and selling short Alibaba's, and sometimes also Yahoo Japan's. It is a bet that the gap closes between Altaba's market value and those of its stakes in Alibaba and Yahoo Japan.

That gap, or discount, is 26%. TCI estimates the effective tax rate it would need to pay at 17% to 18%. This implies an 11% to 12% return in the event of a liquidation. The fund's boss, Chris Hohn, points to December's tax cuts, which reduced the tax liability.

A more likely reason is that calling for a straight divestment could create pressure for an even more lucrative trade: getting Alibaba in stock. This

would sidestep the tax liability, allowing Alibaba to reduce its share count while paying a premium over Altaba's stock price. The return on the trade could blossom into something approaching 20%. Another change in the tax law passed in December regarding treatment of dividends makes such a transaction simpler to accomplish.

Altaba isn't likely to bid for Altaba until it is a pure play on its own stock. On that front, Altaba's management announced last month its intention to sell the \$9.8 billion Yahoo Japan stake.

But it could take time. An immediate resolution isn't here yet, but the endgame for Altaba is drawing closer.

—Stephen Wilmot

Will video replay  
ruin soccer?

In praise of  
the melodrama  
of the game

C3



# REVIEW



Two big new  
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## Our Moments of Truth

BY REBECCA NEWBERGER GOLDSTEIN

The term "post-truth" has been around for decades, but its big moment came in 2016, with the Brexit vote in the U.K. and the presidential candidacy of Donald Trump. Usage of post-truth shot up twentyfold, according to the Oxford Dictionaries, which chose it as the "word of the year" for 2016. Since then, the term has become a commonplace in political commentary. It is not applied approvingly. To dub ours the era of post-truth is not to praise it.

The editor of the Oxford Dictionaries noted that, in this context, "post" doesn't mean a time after a specified event, as in "postwar" or "postgame," but rather signifies "a time in which the specified concept has become unimportant or irrelevant."

Truth as unimportant or irrelevant? How are we to understand such a claim? It can't mean that truth is simply passe, since that claim, like a snake swallowing its own tail, would subvert itself. If it's true that we no longer regard anything as true, then we won't regard that very claim as true—making it a self-defeating conclusion.

But that isn't what people intend when they use the term post-truth to characterize our present moment. What they mean is not that our entire relationship with the truth has changed, but rather

that there is something radically screwy going on in one specific domain, namely politics. It's in our public life that truth is taking hard knocks, with our warring political tribes determining their own facts or (to quote the Trump adviser Kellyanne Conway) their own "alternative facts."

President Trump is certainly a special and aggravating case in this regard, but is our current moment really so distinctive? Caught up in it as we are, it's perhaps natural to exaggerate its uniqueness. Political tribalism, however, has been around for as long as there has been politics—which is to say, going all the way back to the ancient Greeks. And it has always shaped the way that people see and report the facts.

The political life of ancient Athens was ceaselessly roiled by strife between the democrats, committed to the principle of government by the people, and the oligarchs, holding out for government

by the few. The language of the oligarchs reflected their partisanship: For them, democracy was "mob rule," and the celebrated democratic orators, including Pericles, were "rabble rousers." At the same time, they attributed all the truth-abusing rhetoric to the other side.

In one of his dialogues, Plato (who was no admirer of Athenian democracy) has his character Socrates sardonically describe how the oratory of men like Pericles transforms the facts, right down to Socrates' own self-image: "Each time, as I listen and fall under their spell I become a different man—I'm convinced that I have become taller and nobler and better looking all of a sudden.... The speaker's words and the sound of his voice sink into my ears with so much resonance that it is only with difficulty that on the third or fourth day I recover myself and realize where I am."

Demosthenes, one of the city-state's greatest democratic orators, denounced the political dishonesty he saw as a form of treason. In the two-tier system of Athenian democracy, a small council of citizens framed the proposals that would then be debated and voted upon by the full citizen body. Demosthenes charged that the proposals emanating from the council were founded on deliberate falsehoods: "In a political system based on

Please turn to the next page

The most recent of Dr. Goldstein's many books is *"Plato at the Googleplex: Why Philosophy Won't Go Away."*

### INSIDE



#### WILCZEK'S UNIVERSE

Remembering sunny England, breakneck thinking and the joy of knowing Stephen Hawking.

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#### BOOKS

Lit cigarettes, smoking dances: The hit-filled Broadway life of choreographer Bob Fosse.

**C9**



#### TABLE TALK

The internet has sold us on visions of perfect cooking, but what about the food?

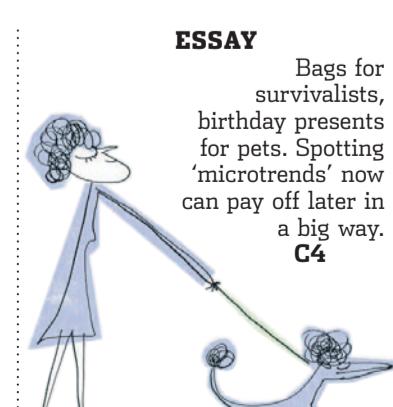
**C3**



#### WEEKEND CONFIDENTIAL

Milton Glaser has given us 'I ❤ NY' and other famed logos—and decades of poster art too.

**C11**

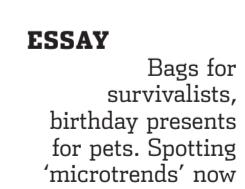


#### ESSAY

Bags for survivalists, birthday presents for pets. Spotting 'microtrends' now can pay off later in a big way.

**C4**

### INSIDE



#### INSIDE

Bags for survivalists, birthday presents for pets. Spotting 'microtrends' now can pay off later in a big way.

**C4**

## REVIEW

# The Trouble With Tribal Truths

*Continued from the prior page*

speeches, how can it be safely administered if the speeches are not true?"

His accusation occurred in the course of an attack against a rival orator whom Demosthenes accused of being in the paid employ of a foreign tyrant, Philip of Macedon. It was Philip, he charged, who was manipulating Athenian democracy from afar, determining which proposals the council sent for the consideration of the people at large. The only thing missing in this affair—a secret dossier by an ancient counterpart to Christopher Steele.

Almost all of the familiar ingredients of political intrigue were present in ancient Athens: conspiracies and coverups, lies and misinformation—not to mention powerful oratory that, by appealing to irrational emotions, transformed the very sense of the facts.

Has our own tense historical moment contributed anything new to the ways in which politics warps the truth? I think it has. It's a phenomenon both linguistically interesting and politically distressing, and it has erupted across the ideological spectrum. It's what I'd call pseudo-asserting: It has the appearance of an assertion of truth, but it's a different form of utterance altogether.

Genuine assertions have the concept of truth baked into them. No one has to say, "The statement that the Eagles won the Super Bowl is true," or "The statement that the statement that the Eagles won the Super Bowl is true is true," ad infinitum. They just say, "The Eagles won the Super Bowl." Of course they are asserting it's true; that's what it means to assert anything about anything.

It's also why we give a hearing to what people assert: because we have something to gain from learning the truth and know that others might know what we don't. It is among the reasons that we evolved the capacity for language in the first place.

Even though asserting may be the most basic act that we perform with language, there are many other things that we do with words—other "language games" we play, as the philosopher Ludwig Wittgenstein put it. We use words to emote, to command, to make promises. We even get ourselves hitched by uttering "I do" under the appropriate circumstances.

One of the things that we sometimes do with words is to pledge our allegiance—which has everything to do with the phenomena of post-truth. In today's political discourse, we have taken to repurposing certain propositions so that pronouncing them is not so much an assertion of truth as a pledge of allegiance to our political tribe. In these acts of pseudo-assertion, the information being conveyed isn't about the topic of the proposition at all; it's about the political loyalties of the speaker.

Consider two different propositions, from opposite ends of American politics:

(1) "The only way to stop violent crime is to allow citizens to arm themselves," and (2) "For a person of privilege to make creative use of the culture of the underprivileged is an act of aggression and abuse." The information that we can glean from these statements isn't about the putative topics—gun control or cultural "appropriation," respectively. It's about the political identity of the speaker. Such assertions are tribal banners, and offering counter-evidence isn't likely to get you very far.

Indeed, a pledge of political allegiance achieves greater authenticity if it flies in the face of counter-evidence, especially if that evidence comes from "so-called experts." My insistence that "Human actions have no impact on global warming" gains immeasurably, as a pledge, from the fact that 97% of climate scientists disagree with me; it highlights the depth of my commitment to the cause.

Similarly, to show my solidarity with others who wish to ban "Frankenstein" foods, I can insist that "Genetically engineered crops are unsafe for humans and animals," even as I'm presented with an exhaustive study by the National Academies of Science concluding that there is no such evidence.

These pseudo-assertions aren't just tribal markers, of course. They also purport to say what is and isn't true. And that's where we get into trouble—in the very fact that their persuasive potency, as pledges, is often a function of how far they depart from the best available evidence.

Democratic debate is never a strict weighing of evidence; emotional appeals to party, cause and country are always part of the mix. But our readiness today to proudly defy evidence is very troubling. It undermines our commitment to the truth—and our capacity to reach any sort of middle ground or consensus.

The repurposing of truth-valued propositions for political ends isn't exactly new under the sun, but its prevalence today

does seem like a genuinely new phenomenon. How did this happen? How have propositions easily tested by evidence become retooled as oaths of tribal loyalty, not only impervious to counter-evidence but positively reveling in it?

Some might blame the truth-disparaging theories that have long been incubating in certain corners of the academy, which go by the names of relativism and postmodernism. Relativists deny that there is any truth that holds objectively for all. "Truth," on this view, is just a matter of perspectives, whether of individuals or cultures; it can make no universal claim.

Postmodernists take this relativism to its logical conclusion, asserting that the discourse of "truth" is a subterfuge concealing the structures of power. After all, once we cease with all the bother about objective truth, what is left but a zero-sum contest among rival interests? For postmodernists, the relations of dominance and subordination constitute all that is human—not only our social and political milieus but also our various "discourses," including that of science. As they see it, the use by scientists of terms such as "evidence" and "scientific method" are mere bids for power.

Though postmodernism would seem to be a challenge to every sort of truth claim, postmodernists are, in practice, almost invariably on the political left. They don't just describe the structures of power they have supposedly discovered—they defiantly oppose them. How this normative imperative arises out of the theory isn't clear, but it may be that leftist politics comes first for postmodernists and their theory dutifully follows after.

As a political matter, the difficulty with the postmodernist vision—of truth supplanted by power struggles—is that it can just

as easily fit with any right-wing view. If truth has no deeper basis than power, who's to say that the assertions of Trump supporters are wrong? They won, after all, and isn't that what truth, ultimately, is about?

I'm no fan of postmodernism, but I somehow doubt that this obscure academic ideology is responsible in any meaningful way for our post-truth woes. For one thing, the writings of postmodernists are so opaque and filled with jargon that I've often wondered whether the authors themselves have any idea what they're trying to say. It's hard to see how they could exert much influence outside of their own small coterie.

I would say instead that the downgrading of

truth, both within the academy and without, share a common cause—namely, the promotion of political ends above all else. We have lost the capacity to limit the reach of our ideologies and the identities that go with them. Perhaps modern life has so unsettled traditional identities that many of us have nothing better to fall back upon than the crude claims of politics. And it is certainly the case that new media bear some of the blame, with their unprecedented capacity to distort and heighten every point of ideological disagreement and to disseminate it far and wide.

But having such differences, as all societies do, does not demand that we give up on the truth as a thing apart, as a possible common ground on which to meet. We simply have to check our tribal reflexes as best as we can and confront each other as citizens—each of us with some part to play, some evidence to contribute, in the good-faith effort to govern ourselves.

In Plato's most famous dialogue, the Republic, Socrates falls into conversation with the bold and intimidating Thrasymachus, who is a sophist—that is, one who offers instructions on how to argue a case, no matter its merit. Sophistry was a respected profession in Plato's Athens. It is partly due to Plato's writings that the term eventually took on its pejorative meaning.

Like many sophists, Thrasymachus is dismissive of the whole idea of objective truth, most especially when it comes to questions of right and wrong—that is, justice. Like some ancient postmodernist, Thrasymachus believes that truth is just a cover for pursuing one's own interests, but as a privileged son of power, he's perfectly content with this arrangement. As he insists to Socrates, "Justice is nothing other than what is advantageous for the stronger"—in his mind, a good thing.

In the famously long and winding conversation that follows, Socrates guides Thrasymachus and his other interlocutors through many difficult philosophical questions. His answer to the challenge of Thrasymachus ultimately consists of this: That none can maintain the justice of their commitments, whether in philosophy or politics, without also committing firmly to the pursuit of truth.

Giving up on the truth, then as now, means that we're left with nothing but sophistry.



PLATO, above, decried the oratory of leaders like Pericles for distorting reality.



FROM TOP: DE AGOSTINI/GETTY IMAGES; MARCUS YAM/LOS ANGELES TIMES/GETTY IMAGES

PROTESTERS and counterprotesters argue during President Trump's visit to San Diego on March 13.



## WILCZEK'S UNIVERSE: FRANK WILCZEK

### With Hawking And the Cosmos In Sunny England

**WHEN I HEARD** that Stephen Hawking had passed away on March 14, my thoughts immediately flew back to 1982, when I first got to know him well. That was long before his best-selling "A Brief History of Time" made him a big celebrity.

Hawking had already been confined to a wheelchair for several years, but he still had enough strength to control it electrically with his hands. He could also still speak, though it was very difficult to understand him, because his voice was soft and his articulation slurred. He was usually accompanied by a "translator"—a graduate student or postdoc who was accustomed to Hawking's speech patterns and would repeat what he said.

We were at a workshop on cosmology at Cambridge University. Stephen had co-organized the workshop and chosen a group of about 15 people, mostly in their 30s, to attend. Many of us later became leaders in the field, but at the time we were certainly not.

In fact, most of us were outsiders to cosmology, doing our main work in the fields of particle physics and quantum-field theory. We felt as though we were a band of insurgents, hungry to seize some territory. It was remarkable that Hawking, already a leading figure in classical cosmology, not only welcomed us in but led the charge.

It was a very unusual conference, lasting over a week, with a loose schedule of formal talks and lots of time for informal discussions. Cambridge was at its glorious best, lush and green and fair, so we spent a lot of time outdoors.

That conference has approached legendary status in the scientific community, as the moment when the "inflationary universe" model came of age and began to be predictive. The central realization that emerged has its roots in Hawking's famous earlier discovery—that black holes emit what came to be known as Hawking radiation or, as he liked to put it, that "black holes ain't so black."

Back in 1972,

Hawking had showed that the distortions in space-time accompanying the formation of a black hole cause particles to be produced. When space-time is rapidly expanding—as occurred during the early moments of the big bang—a similar process causes the universe to fill with various exotic forms of matter.

People came into the workshop with different ideas about the amount of such matter and how uniformly it would be distributed. The answers to those questions are central to cosmology, because all the structure in today's universe grows from those initial seeds of non-uniformity.

Going into the conference, estimates of the size of the effect ranged from essentially zero to values too large to describe our universe. By the end, a consensus had emerged. It is consistent with observations and has held up to this day.

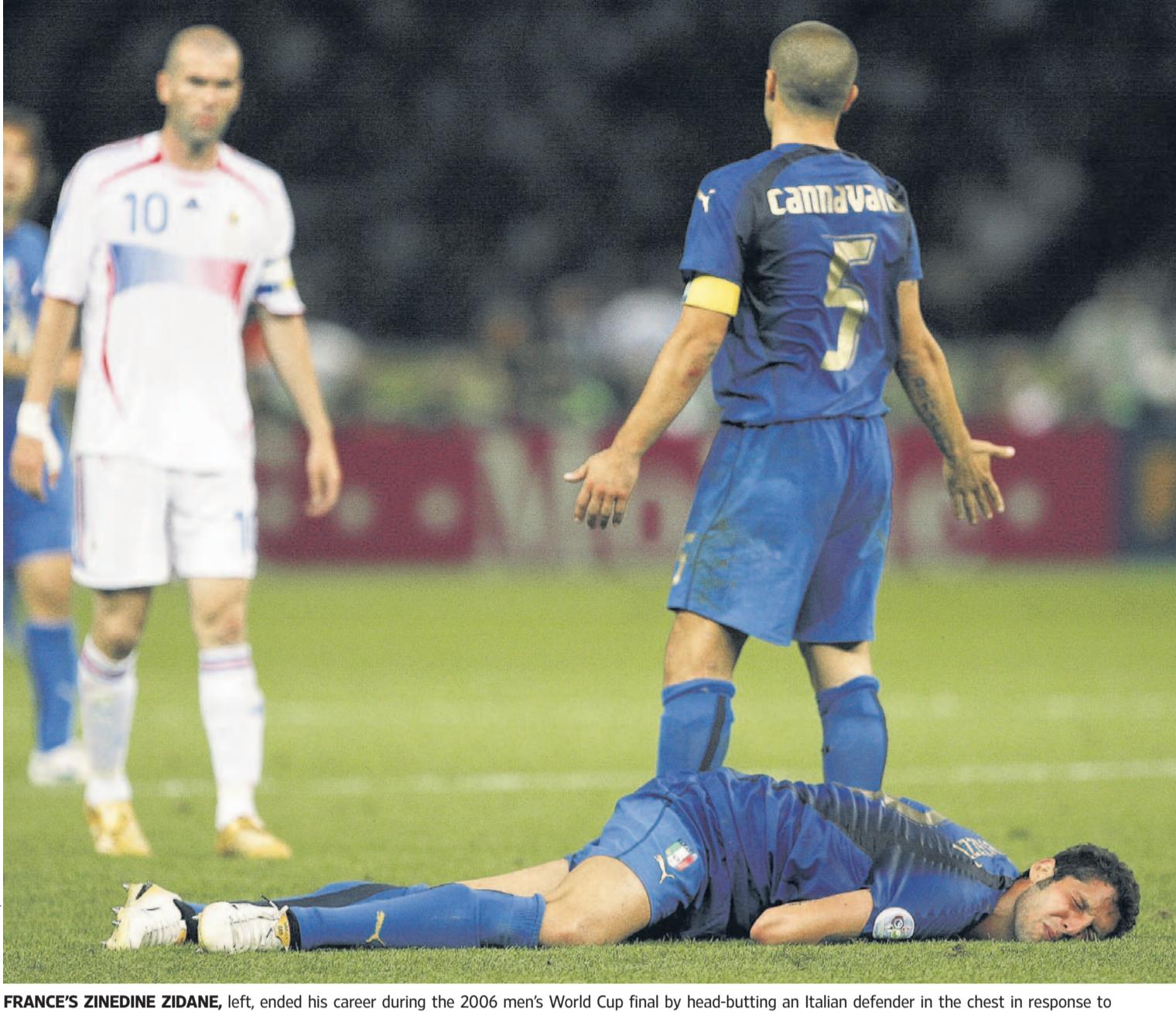
At the same conference, axion cosmology was born. Axions are a hypothetical particle whose existence would explain why the laws of physics look almost the same if you run events backward in time. At the conference, we realized that the early universe can produce axions abundantly. They might provide the universe's "dark matter," which astronomers have observed but not yet identified.

I spent a lot of time with Hawking during the conference. Soon I could understand his speech without an interpreter. It was a joy to probe his deep knowledge and opinions and to share family experiences and jokes.

One day, my very young daughter crawled up and started playing with his shoelaces. He watched her succeed in untangling them and then told her, with a gleam in his eye, "Good work." And then, turning to me: "Now, about the universe...."

It was a magical time, when the universe, channelled through Hawking, paid a visit to Cambridge.

## REVIEW



FRANCE'S ZINEDINE ZIDANE, left, ended his career during the 2006 men's World Cup final by head-butting an Italian defender in the chest in response to a series of muttered insults; his dramatic blow spurred a swirling global conversation.

# Soccer Without The Melodrama? No Thank You

The arrival of video replay may fix referees' botched calls, but it could ruin cherished aspects of the game

BY LAURENT DUBOIS

**SOCER IS** the most popular sport on the planet and one of the most widely shared forms of human culture. Yet in the U.S., even after decades of growing success as a youth activity, the game still doesn't feel fully at home. Its greatest chronicler, the Uruguayan writer Edouardo Galeano, once quipped that in the U.S. "soccer is the sport of the future and always will be."

Now soccer is about to adopt a technology that has been central to big-time American sports for years: video replay. For the first time, referees at this summer's World Cup—soccer's quadrennial international championship tournament—will be able to halt play and point to a video booth for a ruling on certain disputed calls. Fallible spur-of-the-moment rulings will give way to careful frame-by-frame analysis, and players won't be able to rely as much on their own theatrics to draw down penalties on their opponents.

Americans who are skeptical of soccer may be inclined to celebrate any effort to impose some rationality on the game. But I worry about this encroachment of technology, because it's likely to dilute what makes the sport so absorbing to me and millions of other fans around the world. What soccer's detractors tend to hate about the game are not flaws, but rather fundamental and cherished aspects of the language of the game.

Soccer can be beautiful. I feel captivated when I watch an unexpected play come together, a series of passes coalescing into something magnificent, the players connected intricately through movement and position. "Behind every kick of the ball there has to be a thought," declared the Dutch soccer player Dennis Bergkamp.

In certain moments, you see what players have imagined take form in front of your eyes, and the abstract becomes real. Such plays are part of the mesmerizing ebb and flow of the game, but they very rarely produce a goal. When they do we fans become a shouting,

cheering, joyous collective.

But as much as I thrill at watching a well-executed play unfold, I also love the unpredictable drama of the game, its capacity to draw out the full spectrum of emotions. People in so many different cultures love soccer precisely because its structure allows the play to mirror the contradictions of the human condition itself. Soccer becomes infinitely more fascinating once you learn to appreciate, rather than lament, its theatrical dimensions.

Tellingly, many of the most remembered and discussed events in the history of soccer are moments of transgression. During a 1986 Men's World Cup game against England, Diego Maradona famously scored a goal with his hand, a complete violation of the rules that he got away with because the referee didn't see it. Argentine fans still delight in this "hand of God" goal.

In 2006, the great French player Zinedine Zidane ended his career during the men's World Cup final by head-butting an Italian defender in the chest in response to a series of muttered insults. He got a red card and probably condemned his team to defeat, but his dramatic blow spurred a swirling global conversation, generating songs, poems and even philosophical treatises. It ultimately helped to cement his status as one of the great players in the game.

Yes, soccer also can be boring, unfair and deeply frustrating. The game takes away one of our most basic evolutionary triumphs—the ability to use our opposable thumbs to hold things—and reserves it for just one player, the goalie, and only in a confined space. The other players must use the rest of their bodies to

## Many of the sport's most remembered events are moments of transgression.

favorite sport, but it tied for second among adults under 35. It is gaining larger television audiences, and the most-watched games in U.S. history involved the women's World Cup team in 2011 and 2015.

For these devoted American fans, as for other fans around the world, the language of the game is just fine as it is.

Dr. Dubois is a professor of history and romance studies at Duke University and the author of "The Language of the Game: How to Understand Soccer," to be published by Basic Books on March 27.

## TABLE TALK: BEE WILSON

# The Unappetizing Reality of Online Food Videos

IT LOOKED LIKE a perfectly healthy modern breakfast. In January, a vegan blogger in San Francisco posted on Instagram a fruity pink pudding made from chia seeds, garnished with blueberries and gorgeous white flowers: paperwhite narcissus. The chia pudding quickly attracted more than 2,000 likes. "Top with almond butter and coconut and enjoy!" the post advised.

There was just one snag. Paperwhite narcissus isn't edible. As British botanist James Wong remarked on Twitter, the flower contains the alkaloid lycorine, which, when consumed, can cause unpleasant symptoms including "itching, swelling, (and in quantity) nausea, vomiting and convulsions."

The Instagram post did say that the flowers were not to be eaten. Still, it's odd to put something poisonous on your breakfast just for the look of it.

We humans have always eaten with our eyes—but only in our screen-filled era have we become so fixated on the look of food at the expense of everything else. From

açaí bowls to rainbow bagels, Insta-gram cuisine sells us the strange notion that the way food looks is more important than the taste. Charles Spence, a psychology professor at the University of Oxford, spends his days researching the multisensory aspect of eating. He told me recently that he is sad that we have reduced food to what he calls "eye-appeal."

The more we stare at lovely images of perfect dishes online, the further we seem to get from the true meaning of cooking and eating. Forget flavor or texture or nutrition. Forget an ugly-but-good brown stew enjoyed with family. What matters most is whether your dinner is visually "shareable."

A 20-something student tells me that her friends will cross town to photograph themselves eating a "wellness bowl" at a particular cafe—it comes in a stylish ceramic dish with photogenic spiralized beetroot. "It doesn't even taste great," she complains.

The digital age reveals us to be even more obsessed with food than we ever realized. In 2015, the digital publisher BuzzFeed launched Tasty, which features overhead videos of hands doing speeded-up cooking—dishes like chicken fajita party ring

## The internet has sold us a vision of perfect food.



and five-layer cookie "box" brownie cheesecake. By June 2017, its videos had racked up a total of one billion hits.

In some ways, it is heartening that so many people around the world choose to spend their idle moments watching hands chop onions, whip eggs or slather honey and butter over carrots. I take it as a sign that we modern humans are more innocent than we sometimes give ourselves credit for. In our secret moments, we aren't all vicious egomaniacs. Millions of us, it seems, desire nothing more than to see mac and cheese bubbling in a pan or bread rising and browning in an oven.

The question is whether watching all these cooking videos actually makes us any better at feeding ourselves.

Tasty recently launched its first cooking appliance, the Tasty One Top, a \$149 "smart induction cooktop" that connects with an app to automatically cook recipes such as fried chicken. (It changes the tem-

perature and power settings on its own and has an internal thermometer.) It is featured in Tasty videos and marketed as being "perfect for Instagram." Reviewers have complained about slow, uneven cooking. But the pentagon shape of the burner looks sharp in overhead photos.

The internet has sold us a vision of perfect food that is far from perfect. In his 2017 book "Gastrophysics," Dr. Spence explains that he has found that after people have been exposed to an excess of delicious-looking food images, they find it more difficult to resist eating sugary snacks afterward. It is as if the virtual food messes with our ability to respond normally to real food.

There's something poignant and ironic about our addiction to all these highly curated online meals. I can't help feeling we wouldn't stare so hungrily at cooking videos were it not for the fact that our screen-dominated routines make it even harder for us to sit down and enjoy the messy pleasures of real edible food. Remember food?

## REVIEW

# Small Trends Can Be BIG

'Go' bags for survivalists, scary Korean cosmetics masks, birthday presents for pets: Cultural shifts just beginning to show themselves can be big business tomorrow

BY MARK PENN

**WHEN MOST PEOPLE** think of trends, they think of huge economic and social changes, such as the shift to cloud computing or the migration of people away from rural areas to cities. But many of the most surprising and influential developments in modern society involve smaller numbers of people, as few as 1% of the population. I call these microtrends, and they are having an outsized effect on our economy, culture and politics.

Microtrends are all around—and spotting them early can give you a clearer sense of what the future holds. Here are several unfolding now, and the potential opportunities and impacts they bring with them:

#### NONAGENARIANS

For Americans, the odds of living past 90 are going up. Today, if you reach 80, there's a 30% chance of getting to 90. The number of nonagenarians in the U.S. has more than tripled since 1980, to 2.5 million, according to the Census Bureau, which projects that there will be 8 million in that age group by 2050.

Less smoking, more exercise and better cancer treatments account for a substantial part of this demographic shift, which is prompting efforts for more progress. Dollars are flowing into research on diseases suffered primarily in old age, such as Alzheimer's. Home health aides are in huge and rising demand. The growing need for elder care has prompted some breakthrough ideas in robotics, and driverless cars stand to increase mobility for an expanding elderly population.

People living into their nineties will be eligible for about double the retirement benefits of those who live the average life expectancy.

As the nonagenarian share of senior citizens increases, it will sharpen the debate over the retirement age.

Developed nations that need to support populations this old will need some combination of longer working careers, more immigration of younger workers, and sharp jumps in labor productivity—or face severe budget crunches. At least there will be a lot more grandparents.

#### UPTOWN STONERS

A 2016 survey of marijuana users by the branding consultant Miner & Co. Studio found that more than 80% had full-time jobs, more than 60% had household incomes of at least \$75,000 and were married or living with a partner, and more than 40% were parents of children under 18. As smoking marijuana becomes legal in many parts of the country, the grunge that has long surrounded pot culture will be replaced by pri-

vate clubs, spas, marijuana bars and high-end baked goods. Discriminating consumers with money will look for new ways to cut loose safely.

The weed industry is just in its infancy, about \$7.2 billion in annual revenue in the U.S. as compared to over \$200 billion for the liquor industry, but it is growing at 17% a year, according to the analytics firm New Frontier Data. The growth is largely fueled by a surge in recreational use, which increased by an astounding 184% just from 2014 to 2015.

The biggest profits will come from the top-earning 25% of consumers, who will increasingly seek luxury drug experiences. In Las Vegas, where recreational use became legal last July, limousine companies are offering "cannabis tours" complete with pickup from the airport. High-style products are already popping up, such as Beboe's \$25 tins of low-potency marijuana-infused pastilles, available in California dispensaries.

Arrests for marijuana purchase have dropped significantly, though Attorney General Jeff Sessions has injected new uncertainty by revoking the Obama's administration's no-prosecute policy in states that have legalized. Nationally, 64% of Americans are now in favor of legalizing marijuana for recreational use, according to an October Gallup poll, about double the support in 2000. The trend, and the taxes and profits that follow, appear to have unstoppable momentum.

#### SINGLE WITH PET

Young adults are getting married, on average, five years later than their peers of the 1970s, which roughly doubles the time they have between graduating from high school and starting families. Many are reveling in their extended freedom, but others are taking on a new responsibility: They are becoming pet owners.

Seventy percent of millennials—those born after 1980—have a pet, according to the Harris Poll. They spend more on their pets than their elders do and dote on them in other ways: They are the most likely to have pet insurance and to lavish their pets with birthday presents, according to the poll.

But their busy, work-filled lives translate into some bored cats and dogs who sit at home all day, waiting. More and more office buildings are catering to pet owners by allowing pets to come to work, something that 16% of millennials surveyed in 2015 say they do frequently or occasionally. Upscale condos are offering dog runs and in-house walking services.

This is all fodder for dog walkers, pet hotels and the overall pet industry, which already has grown to roughly \$70 billion in annual revenue from just \$17 billion two decades ago, according to market research by the industry. Millennials alone are estimated to spend more than \$6 billion a year on pet services.

#### KOREAN BEAUTY

South Korea has successfully tapped into the demand for simple,



#### In Las Vegas, legalized pot has spawned cannabis tours by limousine.

two realty companies. Survivalrealty.com and United Country Real Estate in Kansas City, Mo., are selling survival plots and "off-grid" retreat homes around the U.S. and elsewhere, some specifically outfitted with two sources of water and solar energy panels. Preppers are especially buying up properties in what they call the "American Redoubt" in Idaho, Montana, Wyoming and inland areas of Washington and Oregon—as well as in New Zealand.

Behind each of these microtrends is a group of people passionate about their peculiar preferences. For businesses large and small, that's an opportunity to satisfy new needs in the marketplace. For the rest of us, it's a look at developments that may come to include us one day.

*Mr. Penn is the author of "Microtrends Squared" (with Meredith Fineman), to be published by Simon & Schuster on March 20. He is a former adviser to President Bill Clinton and Hillary Clinton and president of the Stagwell Group.*



#### WORD ON THE STREET: BEN ZIMMER

## The Many Faces of Being Blindsided

**WHEN REX TILLERSON** was dismissed as secretary of state earlier this week, he learned the news from President Donald Trump's Twitter feed. Or as the Voice of America reported the news, "Tillerson Blindsided, Fired by Trump as U.S. Top Diplomat." Mr. Tillerson wasn't the only one who was reportedly caught unawares. CNN carried the headline, "Republicans in Congress Blindsided by Tillerson Firing."

This is hardly the first time that Mr. Trump's abrupt decision-making has been described this way. Just last week, when he accepted an invitation to meet with North Korean leader Kim Jong Un without consulting first with the State Department, the Washington Post's headline read, "Trump's North Korea Gambit Blindsides U.S. Diplomats."

The verb "blindsides" means to catch someone off guard, a metaphor that comes from the football field. But the roots of the expression go all the way back to medieval times.

#### Will 'Tillersoned' take its place?

Starting in Middle English, "blind side" could refer to a direction in which a person is not looking—appearing in the phrase "upon the blind side" as early as 1390 in John Gower's extended poem, *"Confessio Amantis"* ("The Lover's Confession"). By approaching from the "blind side," an assailant might find a vulnerable angle of attack.

The term was already moving in a more figurative direction when it appeared in the earliest known dictionary of English slang, published in 1699. In "A New Dictionary of the Canting Crew," detailing the lingo of London's criminal underworld, "blind side" was defined as "every man's weak part." Later, in an 1821 essay, the English writer Charles Lamb observed, "All people have their blind side—their superstitions."

"Blind side" first entered the world of sports via the game of rugby. An 1899 history of the game explained that "to make use of the blind side of the scrummage" could often lead to a successful play. American football soon adopted it as well. In his 1952 autobiography *"My Kind of Football,"* New York Giants coach Steve Owen recalled getting tackled by the great Jim Thorpe, who then dispensed some advice: "Son, never take your eyes off their wingback, because he can hit you from the blind side something awful."

Michael Lewis's 2006 book, *"The Blind Side: Evolution of a Game,"* detailed how the position of left tackle became highly prized in football, seen as the key to protecting the quarterback's vulnerable "blind side." (The movie adaptation focused on the story of a skillful young left tackle, Michael Oher.)

Football players began turning "blindsight" into a verb, meaning to strike on the blind side, as early as 1955, when an aging linebacker named John Rapacz related how he got injured on a play: "He blindsided me, and there went the knee." From the gridiron, the word got extended for all sorts of unpleasant surprises. It became popular in politics in the 1970s, as when Oregon Gov. Tom McCall, in the midst of the Watergate scandal, sought reassurance from President Richard Nixon that Republicans would not be "blindsided by any more bombs." Nixon responded, "If there are any more bombs, I'm not aware of them."

Mr. Tillerson's unceremonious dismissal might provide a new addition to the lexicon. Rather than saying someone has been blindsided, some online wags have suggested using "Tillersoned" instead—especially to describe getting dumped via social media.

**Answers to the News Quiz on page C13:**

**1.B, 2.D, 3.A, 4.D, 5.C, 6.C, 7.B, 8.C**

# BOOKS

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Saturday/Sunday, March 17 - 18, 2018 | C5

## An Artist in Iron

Why we liked Ike, the American hero of World War II who presided over the early Atomic Age

### The Age of Eisenhower

By William I. Hitchcock

Simon &amp; Schuster, 648 pages, \$35

### Eisenhower

By Louis Galambos

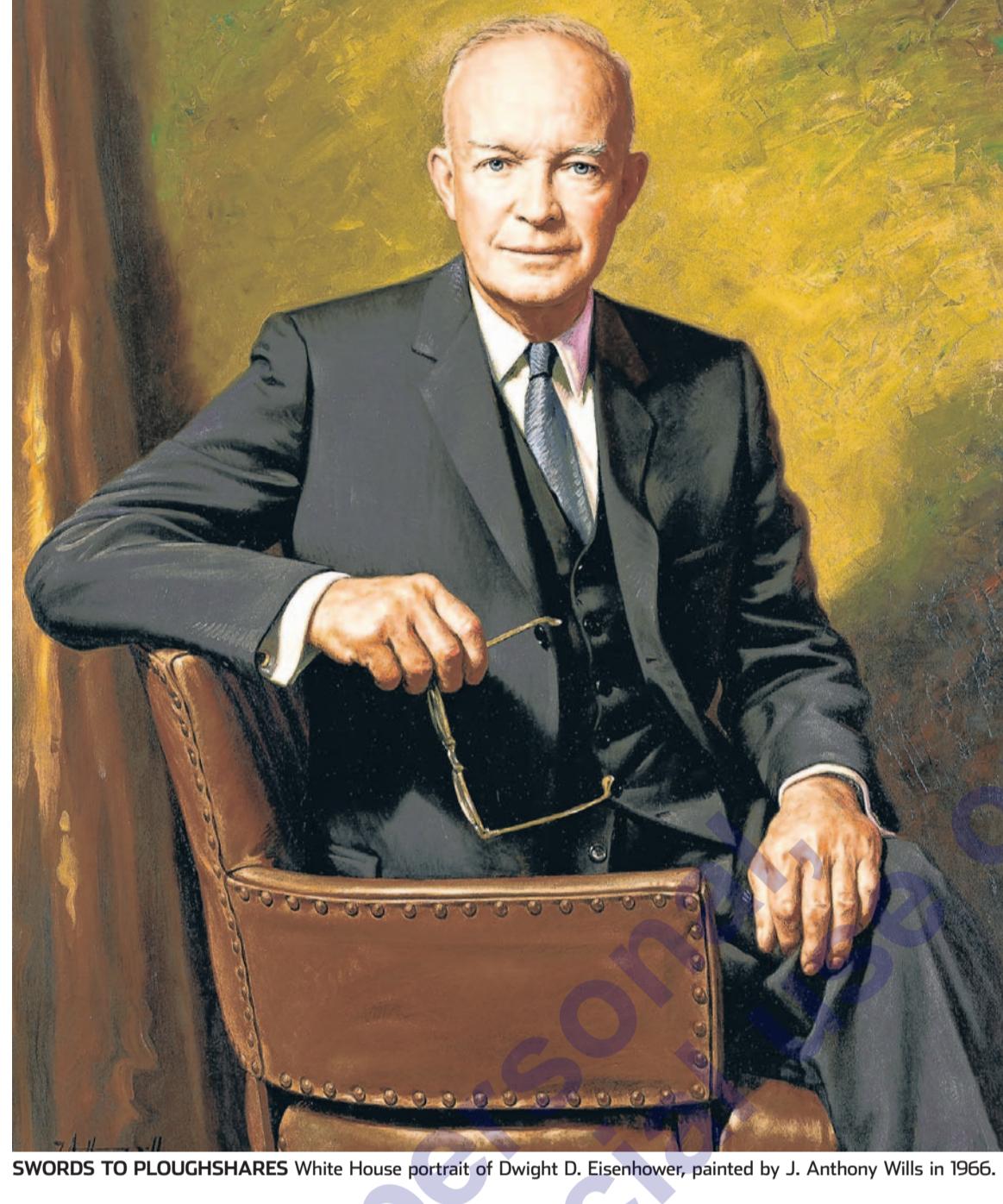
Johns Hopkins, 280 pages, \$26.95

BY RICHARD RHODES

**DWIGHT D. EISENHOWER**, a small-town Kansas boy who became the Supreme Allied Commander Europe and a two-term president of the United States, once explained that his German family name translated as "iron-hewer." An *Eisenhauer* was no mere blacksmith, though, the president added: He was "something of an artist in iron, a man who literally hewed metal into useful and ornamental shapes, such as armor, weapons, etc." Characteristically, Eisenhower tucked this nominal predestination away in a footnote on page 56 of his serene post-presidential memoir "At Ease: Stories I Tell to Friends" (1967). He knew his abilities. Preparing to deal with him, you would do well to look past the big Eisenhower smile.

And in truth, Dwight Eisenhower was a mystery to many of those who favored and most of those who opposed him. Louis Galambos, a professor of history at Johns Hopkins and editor of the Eisenhower papers, resolves some of that mystery in his succinct, insightful portrait, "Eisenhower: Becoming the Leader of the Free World," while the fundamental purpose of William I. Hitchcock's expansive new biography, "The Age of Eisenhower: America and the World in the 1950s," is to demystify the 34th president. In doing so, Mr. Hitchcock, a professor of history at the University of Virginia, hopes to convince any remaining skeptics that "Ike" was not the lackluster, golf-playing mediocrity his critics believed him to be, but one of our most effective and consequential commanders in chief.

Though both of Ike's parents had attended college, a rarity in post-Civil War America, the Eisenhowers of Abilene lived in near-poverty on the wrong side of the tracks. David, Ike's father, had escaped farming into business, but his dry goods store had failed when drought impoverished its rural customers. David tried again in



THE WHITE HOUSE HISTORICAL ASSOCIATION

SWORDS TO PLOUGHSHARES White House portrait of Dwight D. Eisenhower, painted by J. Anthony Wills in 1966.

Denison, Texas, where Ike was born in 1890, the third of seven Eisenhower sons (one died in infancy), but after struggling in Denison as well, he returned his family to Abilene in 1891 and settled into working as a mechanic at a large dairy, a bitter man.

Ida, Ike's mother, a cheerful and deeply religious Virginia woman, worked to keep the peace in her house full of quarrelsome males. David was a brutal disciplinarian. Ike remembered

all his life one confrontation with his father, when David was beating Ike's older brother Edgar relentlessly with a harness strap for skipping school. Only 12 years old, Ike lept onto his father's back to restrain him. No one should be whipped like that, he told him, "not even a dog."

The distinctive temperaments of Eisenhower's father and mother became his firm guideposts—war and peace, attack and supply, masculine

and feminine, sternness and serenity. Their son would wage war as his father would have waged it, with a cold and unrelenting ferocity. He would wage peace as his mother would have waged it, shrewdly, but with patience and remarkable good will.

And no one messed with the Eisenhower brothers, six strong. Did that sanguinary brotherhood teach Ike to delay until he could attack in overwhelming force? To Churchill's and

Stalin's increasing frustration, that was the strategy he applied on a massive scale to invade Europe across the Normandy beaches in June 1944, landing some 156,000 troops against fierce German resistance. It was the largest seaborne invasion in history but organizing it had delayed until more than a year after the Red Army had broken the German advance on the Eastern Front at Stalingrad, the turning point of the war.

Young Ike aspired to no military future when he applied to West Point in 1910; he simply wanted a college education, and the U.S. Army's academy was free. He was a middling student, graduating 61st in a class of 164, and a troublesome one at that, given to chal-

His latest biographers agree: The man from Abilene was one of our most effective presidents.

lenging authority. As a young officer, quickly identified as a talented trainer and football coach (he'd played football at West Point until a knee injury benched him), he missed service in the Great War training men to drive tanks. Afterward, for too many years, he was shuffled from base to base filling staff duties and coaching football.

But older and wiser officers saw something special, even unique, in Eisenhower, believed another world war was coming, and singled him out for tutoring and mentoring. He paid tribute in "At Ease" to the most memorable among them, Gen. Fox Conner, the commander of Camp Gaillard in the Canal Zone, whom he served as executive officer and studied under for three years, from 1922 to 1925. Conner fed Ike books, which they discussed by firelight while on extended horseback reconnaissance. He also drilled him in tactics, debated him in philosophy, speculated with him on the nature of man. After Conner's tutorials, Ike was always number one in his class.

Eisenhower suffered under the devious, imperious Douglas MacArthur in the Philippines in the 1930s. But Army Chief of Staff George Marshall had been watching his progress. Marshall pulled Ike up through the ranks

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## Return to the Street of Crocodiles

### Collected Stories

By Bruno Schulz

Northwestern, 269 pages, \$17.95

BY RUTH FRANKLIN

**IN THE EARLY 1930S**, Bruno Schulz was a high-school teacher of art and handicrafts in Drohobycz, a modest town in what was then eastern Poland. To get his students' attention, he sometimes told fables in which a pencil, a water jug or a stove turned into an animate object. On his own time, using broad, thick lines of pencil or charcoal, he drew scenes of women and men engaged in sadomasochistic activities, and had them bound under the title "The Booke of Idolatry," which he gave out to his friends. He also wrote letters in which, apparently as an afterthought, he included lengthy postscripts describing, in phantasmagorical language, scenes and stories from his childhood. "Loneliness is the catalyst that makes real-life ferment, precipitates its surface layer of figures and colors," he wrote.

On Easter Sunday 1933, Schulz packed up copies of his postscripts in a suitcase and traveled to Warsaw. He had decided to present them to Zofia Nalkowska, an influential author and playwright, and to ask her to help him find a publisher. Somehow, through an intermediary, this inconsequential-seeming figure finagled an appointment. Nalkowska listened to him read the first page aloud; then she asked to see the rest. By evening, she had come to a verdict: Schulz was the most important discovery in recent Polish literature. The postscripts were published in 1934 as "Cinnamon Shops"; another volume, "Sanatorium Under the Sign of the Hourglass,"

followed in 1937. Schulz was said to be working on a novel called "The Messiah" when the Nazis occupied Drohobycz in 1941. He died the following year in a Gestapo shooting spree; the novel, along with nearly all of his other papers, has been lost.

In the decades since Nalkowska first read his manuscript, Schulz has been discovered anew by readers and writers in each generation. Isaac Bashevis Singer called him "a surrealist, a symbolist, an expressionist, a modernist" and compared him to both Kafka and Proust, but said he went further. Cynthia Ozick counts him "among those writers who break our eyes with torches." His life story inspired parts of David Grossman's "See Under: Love" (1986); novelists Nicole Krauss and Jonathan Safran Foer both cite him as an influence. But despite the enthusiasm of his illustrious admirers, Schulz's work has been strangely difficult to find in English. The stories in "Cinnamon Shops," translated from the Polish by Celina Wieniewska, appeared in America (under the title "The Street of Crocodiles") in 1977 as part of the influential "Writers From the Other Europe" series, edited by Philip Roth for Penguin in the 1970s and 1980s, which also introduced the English-speaking world to the work of Milan Kundera, Danilo Kiš and others. The

Complete Fiction of Bruno Schulz" (1989) brought together both volumes of Schulz's stories in Wieniewska's translations, illustrated with his own drawings, but it has long been out of print.

Now, with the appearance of this finely realized new translation by



VISIONARY Self-portrait by Bruno Schulz.

Madeline G. Levine, Schulz is poised for rediscovery by a new generation of readers. Ms. Levine sticks closely to the syntax of the original while giving free rein to the wildness of Schulz's imagery and the often nonsensical sequences of events. Wallpaper trees, detaching from the wall, drop their leaves and flowers; a man's face dissolves into "the knots and

rings of an old board from which all recollections have been planed away"; a garden, "turned surly and careless, let itself go wild and unkempt" until it finally "lost all measure and fell into a rage." Picture the dreamscapes of Chagall come to life, but perceived through a dark veil, the boundary between imagination and reality shimmering and porous.

As a graduate student in Polish literature, I was tasked with translating a few of Schulz's stories: a fiendish exercise for a language learner, since little meaning can be deduced from context. In the title story of "Cinnamon Shops," the narrator—a stand-in for the young Bruno—is walking through the town alone at night on an errand for his parents, deviates from his route and finds himself outside a part of the school building he has never before seen.

Wandering inside, the boy discovers a luxurious apartment, furnished with tapestries and mirrors; outside, a droshky driver invites him for a ride and then abruptly jumps out, leaving him the reins. He and the horse continue on their own through snowy woods and hills until the horse collapses with a wound on its belly. "My dear one, it's for you," the horse tells him, and shrinks to the size of a toy. All this is presented not as a dream sequence, as it might be in a Singer story, but as an alternate way of existing in the world.

The world of Schulz's stories is the world of his childhood, filtered through the broken stained-glass window of his mad, visionary imagination. He was born in Drohobycz in 1892 and grew up in an apartment on the town square, where his father ran a dry goods shop. Even before he could talk, he later recalled, he "covered any piece of paper and the edges of newspapers with scribbles that caught the attention of those around me." He was a soft-spoken, frail and neurasthenic child; his father, who was already 46 when Bruno was born, also suffered from poor health. Schulz initially tried to study architecture in Lviv (then

Schulz published just two books before the Gestapo shot him, but his surreal stories remain influential.

Lwów), but he had to take time off for illness, and the outbreak of war in 1914 forced him to abandon his studies. When his father died the following year, Schulz saw the "happy epoch" of his life as irretrievably over. The family business was liquidated, and the destruction of the war obliterated the building in which he had grown up. "Even before a new apartment building stood on the site of the old Schulz house, Bruno Schulz began his own reconstruction of it—in a literary mythology," writes Jerzy Ficowski in "Regions of the Great Heresy" (1975), a fragmentary biography of the writer. Schulz himself called the stories a "spiritual genealogy."

Only a few characters regularly appear in Schulz's stories—the narrator,

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## BOOKS

'The soundest fact may fail or prevail in the style of its telling.' —Ursula K. Le Guin

# Quarks and Quandaries

**What Is Real?**

By Adam Becker

*Basic, 370 pages, \$32*

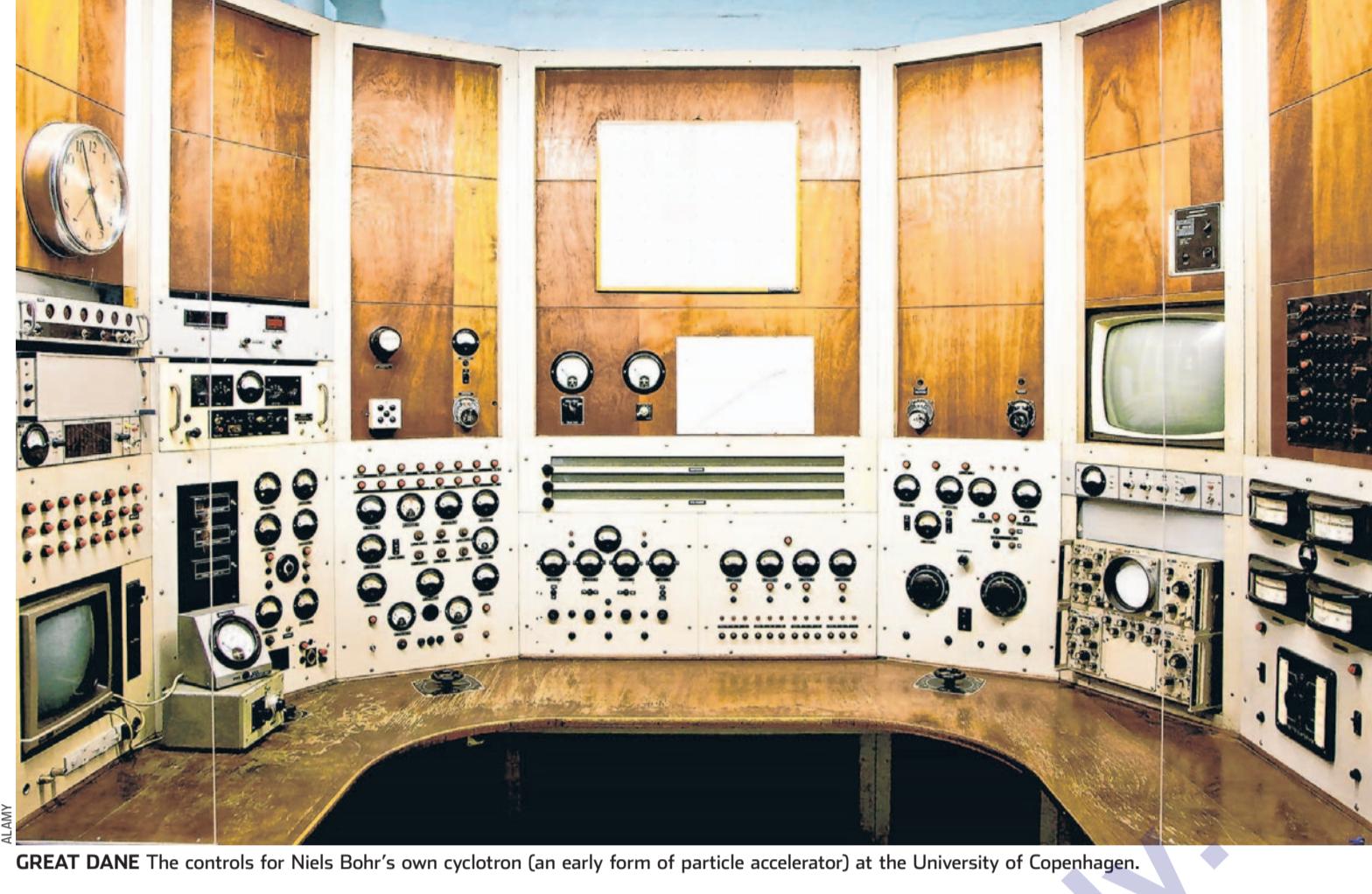
BY ANDREW CRUMNEY

**IF QUANTUM MECHANICS** can be said to have a capital city it is surely Copenhagen, birthplace of the physicist Niels Bohr (1885-1962) and of the formalism he and others developed to make sense of the subatomic realm. Their approach, the "Copenhagen Interpretation," is expounded in every textbook. Yet it has been questioned many times, and in "What Is Real?" Adam Becker tells a fascinating if complex story of quantum dissidents. Two of the most important not only displeased Bohr, they also attracted the attention of the FBI.

Bohr's mumbled utterances were famously obscure, adding to his sage-like status, but his views were clarified in part by debates with Einstein, whose remark that "God does not play dice with the universe" encapsulated the key issue. Each face of a die has a 1-in-6 chance of landing uppermost when the cube is rolled; but if we knew enough about the forces on its atoms, we could predict exactly which number would come up. Quantum odds are instead governed by "wave functions," and the question was whether the waves they describe arise from deeper "hidden variables"—analogous to the atoms of a die—or whether (as Bohr believed) probability itself is a fundamental feature of reality. Einstein thought the former; the idea of unexplained randomness horrified him.

A further issue was that wave functions are spread out over space, and particles aren't. When an electron hits a detector, does its wave instantaneously collapse to a point? Bohr proposed a principle that he called "complementarity"; the fundamental units of matter or light were neither wave nor particle but could be considered either. An alternative theory imagined particles riding on "pilot waves" as physically real as dice. Then in the 1930s it was proved mathematically that under very general assumptions, hidden variables could not exist. This "no-go theorem" killed much of the opposition to Bohr, and few questioned its validity. One who did was the German mathematician Grete Hermann. "But nobody listened to her," Mr. Becker writes, "partly because she was an outsider to the physics community—and partly because she was a woman."

Another critic was David Bohm. A protégé of Robert Oppenheimer on the Manhattan Project, Bohm revived



**GREAT DANE** The controls for Niels Bohr's own cyclotron (an early form of particle accelerator) at the University of Copenhagen.

pilot-wave theory in a 1952 paper. That, and his left-wing political activism, made him an outsider in two senses. He was suspended from his post at Princeton—despite Einstein's intervention—and moved to Brazil, where he found himself having to surrender his U.S. passport. Eventually he settled in London, pursuing his own kind of physics until his death in 1992.

Bohm's pilot waves circumvented the no-go theorem at the cost of allowing what Einstein had called "spooky action at a distance," in which a measurement in one place seems to influence what could instead have been measured elsewhere. This idea—"non-locality"—was taken up by John Bell, a young Northern Irish physicist working at the CERN laboratory in Switzerland, now the home of the Large Hadron Collider. Bell showed how the spooky non-locality might perhaps be tested experimentally.

Bohm and Bell play two of the starring roles in Mr. Becker's book. The third is Hugh Everett, whose answer to the problem of wavefunctions collapsing was that they don't: The universe instead branches into every possible outcome. After presenting the theory in his Ph.D. dissertation, Everett worked as a

defense analyst and consultant, thus able to fund the hedonistic lifestyle he favored: "fine food, cocktails, cigarettes, travel—and women." On one occasion, seeing what were clearly government agents on a flight, he took photographs of them, saying that the photos were "for my files." Visited later by the FBI, he assured the officers that it was a joke, not mentioning that his own security clearance was probably far higher than theirs.

The three rebels make intriguing heroes in Mr. Becker's informative and enjoyable book. Their stories illustrate how personality, prestige and prejudice can play a role in elevating or marginalizing ideas in physics, as in any other branch of academic life. Mr. Becker takes a frankly partisan view, and while he acknowledges technical problems on all sides of the debate, his reasonable desire for a coherent narrative somewhat elevates the claims of the dissidents against the mighty Bohr. At times Copenhagen almost seems like the heart of an evil empire.

Moreover, it's not entirely clear what the "Copenhagen Interpretation" really is. The term was coined by Werner Heisenberg, possibly as part of his own postwar rehabilitation strategy. Having led the Nazi atomic-

bomb project, he was eager to be back in the right club and played up the idea of a solid consensus among physicists. The success of quantum theory as a predictive tool led many to take the pragmatic approach of "shut up and calculate," a phrase often attributed to Richard Feynman but origi-

Many physicists sidestep the philosophical puzzles altogether, preferring to 'shut up and calculate.'

nated, Mr. Becker says, from an article by David Mermin. Philosophical questions could be laid aside in favor of investigating experimental results. Mr. Becker argues that the strategic and economic significance of physics in the U.S. after World War II helped reinforce this attitude, strengthening resistance to alternative views.

Doubtless there is some truth in that claim, but while Mr. Becker's admirably thorough research has included interviews with numerous notable physicists, his tales of young researchers committing career suicide by challenging Copenhagen orthodoxy

should be taken with a grain of salt. There are many reasons why a presentation can go badly or a career can stall; it's not always because the world is out to get you. The theories of Bohr, Bell and Everett all had problems of their own, and gray areas of contention are often presented here as settled issues, painted in overly sharp contrast. Bell's tricky experiment was perfected and successfully performed by Alain Aspect in 1982. For Mr. Becker, it stands as a blow against Copenhagen—"one of the final cracks in the edifice of silence." For many physicists it was the exact opposite, a posthumous victory for Bohr over Einstein.

History is written by the victors,

and journalism is the first draft of history. Since the quantum contest is still being fought, we should perhaps consider "What Is Real?" to be journalism rather than history. That is in no way meant pejoratively: Adam Becker has written an excellent, accessible account of an intricate story. Whether he has chosen to wear the right uniform will be for future readers to judge.

*Mr. Crumey is the author, most recently, of "The Great Chain of Unbeing."*

## The Age of Eisenhower

Continued from page C5

of geriatric generals to plan the war that began catastrophically for the United States when the Japanese destroyed most of the nation's Pacific fleet at Hawaii's Pearl Harbor, on Dec. 7, 1941. Germany declared war four days later.

In May 1942, Marshall sent Eisenhower, now a general, to England to assess command operations there. Ike reported them lacking. By July he had won appointment as commanding general of the entire European theater of operations. By November he became supreme allied commander of the impending allied invasion of North Africa as well, a sideshow that British Prime Minister Winston Churchill convinced President Franklin Roosevelt to support and both Eisenhower and Marshall deplored. They fought and won it anyway. The invasion of Sicily followed. In December 1943 Roosevelt appointed Eisenhower supreme allied commander of the combined American, British and French forces in Europe. It was after that appointment that he planned and executed the D-Day invasion across the English Channel at Normandy.

Unlike his flamboyant longtime friend Gen. George S. Patton, who commanded the U.S. Third Army and whom he commanded in Europe, Eisenhower was no war lover. Victory in Europe, the defeat of Nazi Germany and the culmination of a vast enterprise of hard work, heroism and unspeakable tragedy, he announced this way: "The mission of this Allied force was fulfilled at 0241, local time, May 7, 1945." Recalling the moment later, he wrote, "We had no local victory celebrations of any kind, then or later."

After all that—Mr. Galambos calls him "the leading American military hero of World War II"—it's difficult to

understand how anyone could imagine Dwight Eisenhower to have been lazy, unimaginative or stupid.

The curiosity of his election as president is how much his relationship with the Republican Party prefigured Donald Trump's. (I see no other parallels between the two men, I hasten to add.) The party was hide-bound in 1952, when Eisenhower ran, dominated by far-right conservatives to whom the war hero was anathema. Republicans had been 12 years out of power, however, and were sufficiently hungry to return to office to shoulder even a moderate, as Eisenhower was. (He had debated which party to join; both wanted him for a candidate.) He threw them a bone—young Red-baiter Richard Nixon as his choice for vice president—and, tucking their tails, they nominated him.

America liked Ike: He beat Adlai Stevenson by an electoral margin of 442-89, which meant everywhere except in the South, still solidly Democratic. "The right wing of the party would never forgive Eisenhower," Mr. Hitchcock observes, "or be reconciled to his leadership."

Mr. Hitchcock discusses the full range of challenges that occupied Eisenhower across the eight years of his presidency (1953-1961), from school desegregation to building the interstate highway system to presidential heart attacks. Like Eisenhower himself, however, he devotes the majority of his attention to foreign affairs: ending the Korean War, unleashing CIA covert action, pushing to the

nuclear brink against Mao's China on Taiwan's behalf over the disputed islands of Quemoy and Matsu (a threat which "deeply alarmed the European allies," Mr. Hitchcock writes, "who now feared more than ever that the United States might trigger a global nuclear war"), untangling the mess



**GRAND OLD CANDIDATE** Eisenhower campaigning in Lubbock, Texas, in 1952.

that the British, French and Israelis inflicted on themselves when they invaded Egypt in 1956 and seized the Suez Canal.

The 1950s saw the full elaboration of the Cold War between the United States and the Soviet Union. More than any other Western leader, Eisenhower set the terms. He conceived the conflict comprehensively as involving

not only military preparedness but also intelligence, covert action, technological supremacy and what Mr. Hitchcock calls "the full mobilization of American society": "elaborate security measures to combat domestic spying," "a nationwide manpower program, emphasizing scientific and technical training to serve military needs," "stockpiling and securing of vital raw materials and key industrial plants," "huge continental defense systems, with early-warning radar and a large air force that could meet Soviet intruders," "longer tours of duty for draftees, inclusion of women into the armed services" and "a better public effort to explain to the American people why such a militaristic mobilization of their society was needed."

The U.S. nuclear arsenal was to be the backbone of Eisenhower's strategy for restraining the Soviet Union. He affirmed that strategy in a secret October 1953 National Security Council report, NSC 162/2, which asserted, "In the event of hostilities, the United States will consider nuclear weapons to be as available for use as other munitions." His secretary of state, John Foster Dulles, made that dangerous policy public in a speech in

January 1954, speaking of "a deterrent of massive retaliatory power"—massive retaliation, as it came to be called.

With relatively inexpensive nukes, Eisenhower could contain conventional military expenditures and balance the federal budget. But the U.S. stockpile when Ike took office was limited, 841 atomic bombs and not yet any hydrogen bombs, the first of which had been

tested only days before his election. Yet increasing the nuclear stockpile, threatening to use nukes in a conventional conflict, and a new policy of sharing them with NATO allies might make the U.S. look like a warmonger.

To counter that impression, Eisenhower announced a new program he called Atoms for Peace. In a speech to the United Nations General Assembly in late 1953, he offered to contribute "normal uranium and fissionable materials" to an international atomic-energy agency and invited others—meaning the Soviet Union—to match the U.S. effort. The most important responsibility of the new agency, he said, would be to devise methods for applying atomic energy in agriculture and medicine, and "to provide abundant electrical energy in the power-starved areas of the world."

Under Atoms for Peace, the U.S. donated more than 40,000 kilograms of uranium to nuclear research reactors all over the world. But secretly, at the same time, Eisenhower sponsored the production of an arsenal of some 19,000 nuclear weapons totaling 30,000 megatons of explosive force, the equivalent of 10 tons of TNT for every person on earth.

Throughout his rich narrative, Mr. Hitchcock wrestles with the question of who gave us the military-industrial complex that Eisenhower famously warned against in his farewell address. On the evidence, a leading miscreant was Eisenhower himself, striving to protect his cherished country with overwhelming force, an artist in iron. He survived six heart attacks before congestive heart failure finally took him, at 78, on March 28, 1969. Iron indeed.

*Mr. Rhodes's next book, "Energy: A Human History," will appear in May.*

## BOOKS

'The past resembles the future more than one drop of water resembles another.' —Ibn Khaldun

# Why History Goes in Circles

BY ERIC ORMSBY

**IBN KHALDUN** pops up in the most unexpected places. This late medieval Tunisian-born thinker (1332-1406) has been celebrated by historians, economists, sociologists and ethnographers, not to mention scholars of Islamic thought, often rather vaguely and without any precise understanding of the nature of his ideas. He has been called "the father of sociology" or the first "philosopher of history," among other honorifics. In 1935 the popular English historian Arnold Toynbee, the author of "A Study of History" in 12 volumes, waxed rhapsodic over Ibn Khaldun's accomplishments, claiming that his "Muqaddimah" ("Introduction" in Arabic) was "undoubtedly the greatest work of its kind that has ever been created by any mind in any time or place." It doesn't detract from Ibn Khaldun's genuine originality to note that this claim is the sheerest hyperbole. Yet it had the happy effect of putting Ibn Khaldun back on the intellectual map, and it contains an element of truth: His speculations on history were unprecedented, his theories both novel and persuasive.

As Robert Irwin notes in his excellent "Ibn Khaldun: An Intellectual Biography" (Princeton, 243 pages, \$29.95), his subject's influence has also been pervasive, if often subterranean. To take one surprising example: On Oct. 1, 1981, President Ronald Reagan alluded to him in a press conference when he invoked "a principle that goes back at least, I know, as far as the 14th century, when a Muslim philosopher named Ibn Khaldun said, In the beginning of the dynasty, great tax revenues were gained from small assessments. At the end of the dynasty, small tax revenues were gained from large assessments." (The president added—O forlorn hope!—"And we're trying to get down to the small assessments and the great revenues.") As Mr. Irwin shows, Ibn Khaldun's cyclical notion of history also underlies classic works of science fiction, such as Isaac Asimov's "Foundation" trilogy and Frank Herbert's "Dune." No other Muslim author, let alone one writing in high-flown classical Arabic, has had comparable influence on thinkers and scholars in both the Islamic world and the West.

Mr. Irwin, a novelist as well as a scholar of medieval Islam, traces the vicissitudes of Ibn Khaldun's tumultuous career in a vivid narrative. Ibn Khaldun was both a thinker and a man of action who observed the workings of courts and rulers up close. Under the Merinids and the Nasrids of North Africa and Spain, he served variously as an official secretary, a chancellor, a judge and a diplomat. He was a trusted negotiator: In 1364 he was sent on a mission to Pedro of Castile, a Christian potentate known as "Pedro the Cruel," who ended up offering him a position (he prudently declined). When Damascus was besieged by the Mongols under Tamerlane, Ibn Khaldun was lowered from the city walls in a basket to conduct negotiations. Again he was

successful and offered a job by the conqueror (again he prudently declined).

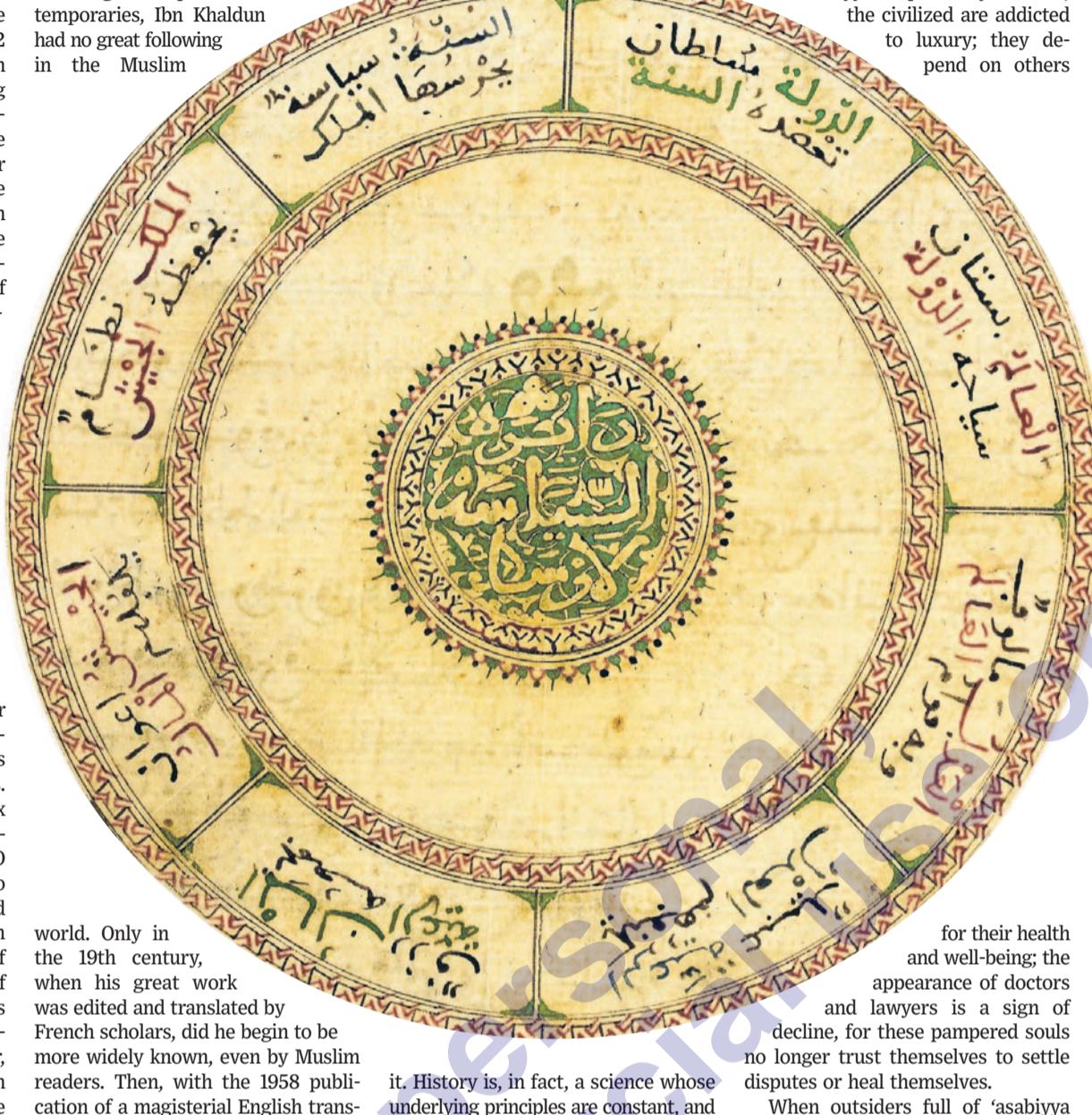
Ibn Khaldun suffered all the ups and downs of a courtier close to power. He was elevated to high position only to find himself discarded and even imprisoned. Ibn Khaldun was only able to write his "Muqaddimah" when he took a kind of sabbatical for four years at a remote castle in Algeria, where, he tells us in his "Autobiography," he wrote "with words and ideas pouring into my head like cream into a churn."

Though he impressed his contemporaries, Ibn Khaldun had no great following in the Muslim

group toward power and "royal authority," another key term in Ibn Khaldun's thought. Yet that same impulse drives it toward civilization, an ultimately fatal destination.

For Ibn Khaldun, the world is divided between the civilized urban dwellers and the outsiders—the nomadic unsettled tribes, barbarians, desert Arabs or Bedouin. Those outsiders are self-reliant and self-sufficient; though plagued by illness and malnutrition, they are healthier in spirit; they possess little in goods but have

'asabiyya in spades. By contrast, the civilized are addicted to luxury; they depend on others



world. Only in the 19th century, when his great work was edited and translated by French scholars, did he begin to be more widely known, even by Muslim readers. Then, with the 1958 publication of a magisterial English translation of the "Muqaddimah" by Yale orientalist Franz Rosenthal in three massive volumes, Ibn Khaldun's thought was revealed in all its intricacy to Western scholars. Rosenthal's translation incorporated readings from at least four original manuscripts as a way of correcting the often unreliable Arabic editions and remains authoritative. An abridged one-volume translation is available as "The Muqaddimah: An Introduction to History" (Princeton, 465 pages, \$24.95).

The "Muqaddima" was written as an introduction to Ibn Khaldun's huge history of the Berbers and Arabs in North Africa, titled "The Book of Lessons" ("Kitab al-Ibar"), which runs to seven dense tomes in the standard edition. Though in the actual history he adheres to the centuries-old, rather stodgy conventions of Arabic histori-

it. History is, in fact, a science whose underlying principles are constant, and there are factors that determine it, from the geographical and environmental to the political and social. At the same time, it is God who establishes these patterns, and history stands as a series of lessons and admonitions for the living.

What mechanisms govern how dynasties rise and fall? The question preoccupied Ibn Khaldun rather obsessively. A dynasty comes to power only if it possesses an intense feeling of solidarity within its founding group, he suggests. This is his famous concept of 'asabiyya, that fierce cohesion that unites a clan or tribe in unbreakable bonds of loyalty and common purpose. When this "group feeling" (as Rosenthal renders it) is allied with religious zeal, its adherents are virtually unbeatable. 'Asabiyya has as a corollary an ambition for dominance; it impels a

group toward power and "royal authority," another key term in Ibn Khaldun's thought. Yet that same impulse drives it toward civilization, an ultimately fatal destination.

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'asabiyya in spades. By contrast, the civilized are addicted to luxury; they depend on others

**WHO'S IN, WHO'S OUT** A table of contents listing kings and rulers, from a 15th-century Ibn Khaldun manuscript.

a kind of memento mori for the living: We too will pass away, as our predecessors did. And even though Ibn Khaldun's cyclical view might be seen as a tragic vision, with the seeds of decline hidden in the very impulse toward civilization, he notes the persistence of crafts and trades and social traditions. These survive the collapse of kingdoms as "habits" of being. The baker, iron worker and scholar endure while the king and his minions perish.

Mr. Irwin is especially good at pointing out the apparent contradictions in Ibn Khaldun's thought. His rationalism must be seen within a wider context. He was as interested in magic and the occult as he was in the laws of history. His piety is as conspicuous as his rationalism. Scholars like Stephen Frederic Dale, author of the insightful 2015 "The Orange Trees of Marrakesh: Ibn Khaldun and the Science of Man" (Harvard, 383 pages, \$31),

Ibn Khaldun's insight: Dynasties rise and fall for predictable reasons. Thus history can be studied as a science.

have treated Ibn Khaldun primarily as a philosopher. Mr. Irwin disagrees, pointing out that he disparaged Aristotle, the dominant figure in the Islamic philosophical tradition, and was contemptuous of earlier Muslim philosophers. And the author's discussions of Ibn Khaldun's involvement in Sufism, on which he wrote his first known work, are inconclusive but serve to show that this strange and ambiguous thinker was far more complex than has been assumed.

More than a mere intellectual biography, Mr. Irwin's work has a personal element for the author, whose "Memoirs of a Dervish" (2011) was a delightful account of his own experiences as a novice in a North African Sufi convent. There he showed a remarkable ability to view Islam from the inside without sacrificing objectivity—or a sense of humor. Here he likewise retains a healthy sense of perspective about his ambitious project. "I have spent most of my life," he writes, "communing with a man who has been dead for over six hundred years, a man whose ways of thinking are very different from my own. It has been a kind of séance and, as is so often the case with séances, it has sometimes been difficult to interpret the messages coming across the centuries." In Robert Irwin, Ibn Khaldun has finally found a biographer and interpreter almost as versatile and learned as he was himself.

*Mr. Ormsby is the author of "Theodicy in Islamic Thought," recently re-issued in the Princeton Legacy Library.*

# Do Not Speak, Memory

## Never Remember

By Masha Gessen  
*Columbia Global Reports*, 158 pages, \$27.99

BY ANDREW STUTTAFORD

**IMAGINE A GERMANY** where the Third Reich's monuments abound but memorials to the Holocaust are scarce. Hitler is venerated by millions and his dictatorship given a positive spin by an authoritarian state that never definitively broke with the Nazi past. Replace Germany with Russia, Hitler with Stalin, and the Third Reich with the Soviet Union and that is pretty much the situation that prevails in Russia today.

The unbroken connection to the Soviet era is key to understanding "Never Remember," a short, haunting and beautifully written book by Masha Gessen, the Russian-American journalist who is one of Vladimir Putin's most trenchant critics. About halfway through, Ms. Gessen tells how Irina Flige, an activist who spent decades trying to restore to public view memoirs of what occurred under communism, has concluded it is wrong to see the problem as forgetfulness because, as Ms. Gessen summarizes it, "forgetting presupposes remembering—and remembering had not happened . . ." In Ms. Flige's words, "historical mem-



MAMA The only image Elizaveta Delibash found of her mother (above), executed in 1937, came from a Soviet case file.

ory can exist only when there is a clear line separating the present from the past. . . . But we don't have that break—there is no past, only a continuous present." In contrast to Germany, there was no reckoning. There was no Nuremberg.

Ms. Gessen offers up various explanations for this, including the long duration of Communist rule and the ways in which the categories of victim and perpetrator overlapped. The trauma was something that Russians inflicted on one another. In a sense they still do. Ms. Gessen is evidently saddened and frustrated by the spectacle of a people—her people—wandering through a manufactured reality unbothered by, or oblivious to, the obscenities or in-

congruities that surround them. Some of the old regime's statues were, in the false democratic dawn of the 1990s, defaced and toppled or—in the case of one statue of Stalin—dug up and exiled to a sculpture park of shame in central Moscow. Now, however, the statues stand in the same place proudly, cleaned up but unexplained, sharing space with a rare commemoration of the Soviet regime's victims as well as statues of poets, writers, and—why not?—Adam and Eve.

The melancholy that saturates Ms. Gessen's prose is reinforced by pages filled with Misha Friedman's bleakly evocative photographs, images that convey unease, absence and loss. The huts and barracks of the Gulag, ram-

shackles to start with, and often designed to be temporary, have often just rotted away—"only the barbed

Russians wander through a manufactured reality, prevented from coming to terms with their own past.

wire remained," Ms. Gessen writes. Other sturdier structures survive, either ignored—one of Mr. Friedman's photographs is of a ruined prison on the edge of a housing complex—or inaccessible, swallowed up in the

vastness of Siberia. One camp—just one—not far from the Urals has been restored, a project begun, tellingly, on the private initiative of two local historians but now taken over by the state. While, as Ms. Gessen notes, it has not been turned into some defense of the Gulag, its message has been muffled, shrouded in a deceptive neutrality. Ms. Gessen herself is no neutral (she describes the "distinguishing characteristic of the Putin-era historiography of Soviet terror as . . . [saying] in effect, that it just happened, whatever").

This is an angry book. Ms. Gessen makes her case with a series of vignettes ranging from the discovery of a mass grave in northwestern Russia to a trip to the region of Kolyma in the country's far east. ("If the Gulag was anywhere, it was in Kolyma.") The years of glasnost and Boris Yeltsin finally provided pitifully small scraps of comfort to the descendants of the disappeared—a photograph, a death certificate, something—yet the Gulag's poison continues to seep through the generations. When Ms. Gessen visits Kolyma's "capital" in 2017, all the people with whom she has contact are later visited by the FSB, the successor to the KGB.

*Mr. Stuttaford, who writes frequently for the Journal, works in the international financial markets.*

## BOOKS

'For us, the best time is always yesterday.' —Tatyana Tolstaya

FICTION CHRONICLE: SAM SACKS

# Life Will Deceive You Later



**TATYANA TOLSTAYA** opens her story collection "Aetherial Worlds" (Knopf, 241 pages, \$25.95) by addressing the

elephant in the room, the question of her loaded last name: "My grandfather Aleksey Tolstoy, a famous Russian writer, attended the Saint Petersburg Technological Institute in his youth, starting in 1901, thinking he would like to become an engineer." Aleksey was a distant relative of Leo Tolstoy (Ms. Tolstaya's great-granduncle) as well as one of Russia's earliest science-fiction novelists. His imagination proved to be too vivid for engineering—a family trait, Ms. Tolstaya notes in a mischievous little humblebrag, that has passed down to her, too.

But if you were expecting writing in the grand and portentous manner of "War and Peace," think again. Ms. Tolstaya seems wonderfully unintimidated by her ancestry. "Aetherial Worlds," in a high-spirited translation by Anya Migdal, is playful and poetic, with a lightness that verges on flippancy. Even when Ms. Tolstaya writes about adulthood her setting is the world of children, which outwardly resembles ordinary life yet is touched by fantasies, ghosts and magic.

A fine example of the book's quotidian mysteries is in "Passing Through," about the secret world where socks go when they disappear from the dryer. In "A Young Lady in Bloom," drawn from Ms. Tolstaya's university years working for the Leningrad post office, the telegrams she delivers conjure daydreams about their recipients, extravagant melodramas spawned from "bits and pieces of other people's stories." The title story springs in part from Ms. Tolstaya's decision to have a patio built behind a new house, an imposition of the solid and factual upon the "green abyss" of the empty back yard.

Mingling memoir with flights of fancy, many of the stories follow Ms. Tolstaya's extended travels to the U.S., France and Italy. (In "See the Reverse" she goes to Ravenna to recapture the scene on a postcard her beloved late father once sent her.) A sense of permanent impermanence, both forlorn and liberating, inflects her reveries, and never is Ms. Tolstaya more luxuriantly homesick than when she recalls her childhood. The resplendent story "The Invisible Maiden" describes her charmed summers in the family dacha and it shows this foxy, original writer at her most sublime, when memory fuses with wonder, and wonder with worship:

If you're a young lady with a braid, of an age of yearning and expectation, and it's a white night June evening of unfading light,



**POSTCARD PERFECT** A clock tower on a hill in Ravenna, Italy.

and no one is sleeping, and there is no death, and the sky seems full of music, it feels right to go stand on this portico, hugging a stucco-covered column, watching the sea of lilac bushes cascading down the steps, and breathing in the scent of its white misty foam, the scent of your own pure flesh, the scent of your hair. Life will deceive you later, but not just yet.

Tom Rachman's third novel, "**The Italian Teacher**" (Viking, 341 pages, \$27), presents a far darker view of what it's like to descend from genius. The story centers on Charlie "Pinch" Bavinsky, the son of the famed postwar expressionist painter Bear Bavinsky. Bear is a charismatic, singleminded, controlling, egomaniacal, philoprogenitive, philandering absentee-father—someone who cares more about his art than his "actual creations," as one of Charlie's numerous half-siblings complains. Like his discarded mother, Natalie, Charlie is tormented by the sensation that he'll always be an afterthought, a footnote to his own life story.

In brief, punctuated episodes spanning six decades, from 1955 to the present year, Mr. Rachman dramatizes Charlie's painfully earnest efforts to gain his father's approval, or at least hold his attention. He tries his hand at painting (he quits when Bear tells him he's no good), then at art history. Finally, having settled into a quiet career as a language instructor, he aims his sights on managing his father's estate. It's a long, unbroken run of humiliations and you can't help wishing that Mr. Rachman had refreshed the stale air of rejection by getting outside

of Charlie's point of view from time to time. Instead, the book's emotional range is restricted to self-loathing and regret, and it would take a genius (or a Joseph Heller) to work successfully with such a limited palette.

Unexpectedly, relief does arrive in the novel's curveball final act, about Charlie's role in shaping Bear's post-

In her new collection, Tatyana Tolstaya mingles memoir with flights of fancy, wonder with worship.

humorous legacy. With these spoiler-sensitive twists the book seems to change from a sulky character study to a wicked satire of artistic arrogance and the accidental nature of immortality. I think the shift should have come sooner—though I'm conscious of Bear's pronouncement that "it used to be, when a guy couldn't paint, he ended up a critic."

John Edgar Wideman, a writer shaped by his hometown, Pittsburgh, returns to fiction for the first time since 2010 with the story collection "**American Histories**" (Scribner, 227 pages, \$26). The "histories" of the title are both national and personal. With the scrupulous intelligence and meditative intensity that define all this author's work, the stories move from subjects like the Civil War and Nat Turner's rebellion to Mr. Wideman's family's tribulations, the two threads twining so intricately that they're impossible to separate.

The collection's theme is set in the opening story, "JB & FD," an

imaginary dialogue between John Brown and Frederick Douglass. Though both men were united in their hatred of slavery, they disagreed about the methods to end it. Brown chose wrath and martyrdom, while Douglass's tools were reason, eloquence and decency. "I shall continue my work here in the North," he tells Brown. "Offer my life, not my death, to my people." The argument is re-enacted in the autobiographical story "Maps and Ledgers," which details the shocking epidemic of violence that has infected the author's family: his brother and son have each committed a murder, and his nephew was killed in cold blood. Mr. Wideman took Douglass's path, fleeing the circumstances of his birth and becoming successful and respected within "an empire ruled by and run for the benefit of a group to which I did not belong." But the persistence of catastrophe makes him dream of Brown's bloody revolt.

Mr. Wideman's explicit subject is racial injustice but his treatment of it quietly deepens into existential horror. "Writing Teacher," about his difficulties helping a student who tries to write optimistically about oppression, runs up against "the sadness of wanting things not to be the way they indisputably are." "Williamsburg Bridge" relates the cold-eyed contemplations of a man preparing to jump to his death in the East River. There is perhaps no more frightening emotion than despair, especially when felt with clarity and intellectual rigor. This, then, is not a book for the unwary. Mr. Wideman possesses a true and terrible vision of the tragic.

SCIENCE FICTION: TOM SHIPPEY

## The Fire This Time



**OTHERWORLDLY** cities modeled on real ones have been a standby of fantasy, from Superman's Metropolis through China Miéville's Un Lun Dun to Michael Swanwick's Babel, with its haunts and kobolds, ethnic politics and human ward-healers. In "**The Sky Is Yours**" (Hogarth, 457 pages, \$27), Chandler Klang Smith gives us another one with Empire Island, which looks very like the chief city of our Empire State. It even has a Metropolitan Library with stone griffins, instead of lions, flanking the steps.

Empire Island hasn't been the same since the dragons appeared in the sky. They torched the towers, and remain a constant threat. Some say the city isn't fit for human occupancy any more. But where could the inhabitants go? To them, the rest of the world consists of Upstate, the Sprawl and the In hospitable West, none of them viable choices.

Not that this matters to the families at the top, like the Ripples and the Dahlbergs. Duncan, the Ripple scion, has his own show on the Toob and a marriage contract with the Baroness Swan Lenore Dahlberg. But then his HowFly malfunctions and ejects him on to the garbage island out in the bay, where he meets Abby, a waif. She is everything Baroness Swanny isn't: trusting, thin and sexually dynamic.

Baroness Swanny also has too many teeth, growing in rows like a shark's. Some of them are not where you expect teeth to be, which makes Dunk and Swanny's wedding night a memorable disaster. Soon all three of them are on the run, exploring Empire Island's many underworlds, like the criminal realm of Eisenhower Sharkey, who controls the market in "chaw," the cheap drug of choice. Do they have a future? Does the city?

If they do, it depends on the dragons. Can anyone figure out the patterns in their behavior, and work out what they want? That requires someone who can talk to magic animals, like Dunk's loyal apehound Hooligan, the intelligent "lab rats" who infest the city, and the vultures out on Abby's Hoover Island.

It's a mesmeric world, comic in the way teenage voyages of self-discovery inevitably are, but with an undertone of menace, horror, even hints of allegory. Satire, too. Dunk's mother, Katya, a former stripper now a trophy wife, is a product of the National Modeling Bureau on a far continent. Swanny's mother, Pippi, teaches courses for affluent daughters in Reproductive Health, Gemstones of the World and, of course, Prenups and Divorce.

Fantasy, sure, but recognitions flare. Ms. Smith's imagination is inexhaustible. "**The Sky Is Yours**" is a great and disturbing debut, which colonizes a new realm of the magic city.

# Collected Stories of Bruno Schulz

Continued from page C5

often called Józef; his father, Jakub; the housemaid, Adela; rarely, his mother. The deceptively ordinary settings, usually the family apartment or the streets around it, give way to a world in which people and animals can shape-shift and the known world becomes radically defamiliarized. In "The Windstorm," Schulz's language—nicely echoed by Ms. Levine's translation—mimics the chaos of the world outside: "Attics [are] attacking each other," "Buckets, barrels, and bottles bunched up, potters' clay pots dangerously dangled." It's intentionally overwhelming, a proliferation of style that transports the reader. In "The Night of the Great Season," which begins with the premise that "every once in a while eccentric time brings forth from its womb different years, peculiar years, degenerate years onto which, like a sixth little finger on a hand, grows a thirteenth false month," a nighttime visit from another cloth merchant ends with the bales of cloth "vomiting violently" from the shelves.

Jakub, the dominant figure of these stories, is strange, mercurial and often frightening. A series of stories about mannequins imagines him as a kind of God capable of recreating man in a new mold. He is "fascinated by boundary forms . . . like the ectoplasm of somnambulists, pseudomatter, the cataleptic emanation

of the brain that in certain instances grew out of the mouth of a sleeping person into an entire table and filled an entire room, like a lushly expanding tissue, an astral dough on the border between body and soul." In "Cockroaches," the little boy is un-

rage, shrinks to the size of an insect and scuttles off, using two splinters for crutches.) "Reality takes on certain shapes merely for the sake of appearance, as a joke or form of play," he once wrote in a letter. "One person is a human, another is a cockroach, . . .

Everything that happens on the workbenches takes place to some degree on my skin." He broke off his engagement out of fear that he would not be able to support both himself and his wife. As war approached, he wrote to an acquaintance that he would "most willingly retire with some one person into complete quiet and, like Proust, set about the ultimate formulation of my world." It's hard not to read Schulz's fate back into his work, in which beauty alternates suddenly with violence, the landscape itself can deceive and disorient, and chaos is always a breath away.

Poland was invaded by the Nazis on Sept. 1, 1939, prompting Soviet counter-aggression; the Soviets took Drohobycz a few weeks later. Schulz was unable to publish under the new regime but could earn money through "craft painting," work that included a portrait of Stalin for the town hall. (It was destroyed by jackdaws, to Schulz's satisfaction.) When the Nazis took over in June 1941, Schulz, denied any means of earning a living, submitted artwork to the Judenrat so as to earn the status of a "necessary Jew." His art caught the eye of Felix

Landau, the Nazi commandant, who commissioned Schulz to paint murals depicting fairy tales in the bedroom of his young son. In November 1941, when Schulz, together with the rest of Drohobycz's Jews, was forced to move to the ghetto, he entrusted his manuscripts to Catholic friends. His biographer searched for them for more than 50 years, and found almost nothing.

When 50 million lives are lost in a war, it feels secondary to mourn the disappearance of paintings and poems. Yet whenever people die, art becomes a casualty, too. Among the works of Schulz's believed to have been lost are a book of four long stories; the unfinished novel "The Messiah," which Schulz read parts of to friends; another novella in German; and various other tales, unfinished works, fragments and diaries, as well as notes made in the ghetto for what Schulz called "a work about the most awful martyrdom in history." In 2001, the murals in what used to be Landau's villa, covered by a coat of whitewash, were discovered by a German documentary filmmaker. If our world is truly as open to possibility as Schulz believed, it is still conceivable—if just barely—that other works might turn up. Until then, the "Collected Stories" is a remarkable legacy.

*Ms. Franklin is the author of "Shirley Jackson: A Rather Haunted Life."*



**STRANGEWAYS** Bruno Schulz's painting 'Spotkanie' ('The Meeting'), 1920.

certain whether his father has metamorphosed into a condor or a cockroach. Schulz, who admired Kafka enough to help his fiancée translate "The Trial" into Polish, seems to have loved this image: In another story an ancient aunt, suffering a paroxysm of

but shape does not penetrate essence, is only a role adopted for the moment, an outer skin soon to be shed."

Schulz's stories won him recognition among Poland's elite, including a major award from the Polish academy of literature, but the last years of his

## BOOKS

'I think Balanchine and Robbins talk to God, and when I call, he's out to lunch.' —Bob Fosse

# That Fosse Flair

**Big Deal**

By Kevin Winkler

Oxford, 350 pages, \$29.95

BY JOHN CHECK

**ALL THEIR WORK** had come to nothing: The show would not go on. The cast of "Pleasures and Palaces" had endured a disappointing tryout in Detroit, their work buffeted by negative reviews. There had been talk of another tryout in Boston before opening on Broadway, but now neither would happen: The producer decided to close the show. Nevertheless, at the last rehearsal, the cast put on a special performance for an audience of one, the show's director and choreographer, Bob Fosse. Fosse had been working on a new version of "Tears of Joy," a number that had given him fits, and the cast wanted to demonstrate that they had learned his intricate moves. Afterward, they sang and danced numbers from other Fosse shows. "That's the kind of loyalty the man inspired," remembered Kathryn Doby, one of the dancers present at the rehearsal.

Their loyalty was understandable, as Kevin Winkler makes clear in "Big Deal: Bob Fosse and Dance in the American Musical," a biography that views the choreographer's art through the lens of his life. To start with, Fosse was very successful. By 1965—when "Pleasures and Palaces" founded—he had already won Tony Awards for choreographing "The Pajama Game" (1954), "Damn Yankees" (1955), "Redhead" (1959) and "Little Me" (1962). His musical staging of "How to Succeed in Business Without Really Trying" (1961) contributed heavily to the show's long run on Broadway. As a dancer, he had the goods, as demonstrated by his performance in the 1953 film "Kiss Me Kate" or the 1958 Hollywood adaptation of "Damn Yankees."

The foundation of Fosse's success was laid in his early years. Born in Chicago in 1927, he began taking dancing lessons at the age of 9. By the time he was 13, he and another boy had teamed up to form the Riff Brothers, a tap-dancing act that performed at nightclubs, theaters and beer gardens. They performed at burlesque houses too, and it was there that Fosse was exposed to the seamier side of show business. The impressions of those early years stayed with him, as he readily acknowledged, and he drew on them all throughout his life. After spending a year in the Navy, he moved to New York, worked as a dancer, and met Mary Ann Niles, who became his professional partner and, in time, his first wife.

**MYSTERIES: TOM NOLAN**

**CHRIS CHERRY**, the 26-year-old sheriff of Big Bend County, Texas, has a formidable beat to cover in J. Todd Scott's "High White Sun" (Putnam, 466 pages, \$26). In Mr. Scott's exciting and roughly lyrical thriller, Cherry and his cohort of deputies confront some 8,000 square miles of Trans-Pecos terrain. "As far as the eye can see, that's my responsibility," the young lawman is wont to say from his base in the border town of Murfee.

It's a charge that weighs heavy on the recently elected sheriff, ever conscious of his need to protect the "kids I'm putting out there to get hurt." Level-headed caution is his preferred operative setting—in contrast to his veteran deputy, Ben Harper, who argues for a more aggressive form of policing: "There are wolves in the world, Chris. These criminals... outlaws... bad men.... Sometimes we gotta be the wolves."

One such bad man is John Wesley Earl, an ex-convict and a leader of a white-supremacist gang who has taken up residence, along with his thuggish clan, in the nearby (and ominously named) ghost town of Killing, "where the rocks were the color of long-dried blood and the sand was as pale as bleached bone."

When a well-liked local is found beaten to death, evidence and common sense point to Earl's gang. But higher authorities are quick to demand that Sheriff Cherry suspend his efforts to connect the killing crew to this homicide. Earl and his outfit, an FBI man explains, are subjects of a



STEPPING OUT Dancers perform Fosse's choreography in a scene from the 1969 film 'Sweet Charity.'

Two traits were apparent from early in Fosse's career: He was extraordinarily ambitious and he possessed nearly limitless energy. About his ambition, Mr. Winkler relates an account from the filming of "Kiss Me Kate." Hired for the supporting role of Hortensio, Fosse approached the show's choreographer, Hermes Pan, about the possibility of choreographing a number of his own. Pan, impressed by Fosse's dancing skill no less than his pluck, told him to go ahead. The payoff was "From This Moment On," and it is a joy to behold. "The number's highlight," writes Mr. Winkler, "arrives when the lights drop and the tempo downsize to a big band fanfare. The cheerful musical comedy dancing of the preceding hour and forty-five minutes is forgotten as a blast of jazz adrenaline jumps off the screen" as Fosse dances a duet with Carol

Haney. Mr. Winkler analyzes their gestures, some of them small (their cool finger snaps, for instance) and others large (such as Fosse's virtuosic backflip), arguing that the number introduces nothing less than "a new dance vocabulary."

The discussion of "From This Moment On" illustrates a difference between "Big Deal" and "Fosse," Sam Wasson's fine biography from five years ago. Mr. Wasson's book concentrates more on Fosse's life than on his art. Mr. Winkler takes something of the opposite approach. Not only was he a professional dancer, he also took part in the 1982 Broadway revival of "Little Me," and thereby had the chance to work for Fosse, who had been brought in to stage one of the numbers. Writing with authority and economy, Mr. Winkler helps readers see more deeply into the movements that pass brilliantly before their eyes.

The energy Fosse expended in pursuit of his ambition came at a cost. Ever the perfectionist, he labored incessantly over all his projects; 16-hour days were common. "Cigarettes," he claimed, "were identified with work," and seldom was he seen without one depending from his lips. (In his 1979 film, the autobiographical "All That Jazz," the Fosse character even smokes in the shower.) For years, he employed a round of amphetamines to wake him up in the morning and barbiturates to help him fall asleep at night. A heart attack at the age of 47 put him out of commission for a few months, but before long he resumed his arduous schedule, making a minimum of concessions to his mortality. He died of a heart attack at the age of 60. Fittingly, he spent the last day of his life in rehearsal.

One of Mr. Winkler's stated goals is to examine the impact of "each of the

important women in [Fosse's] adult life." The most significant of these was Gwen Verdon, his third wife. It was Verdon who was responsible for originating the title role in Fosse's 1966 musical, "Sweet Charity." Later, to help with the 1969 film version, she gave up the chance to make her Broadway debut as a dramatic lead in Tennessee Williams's "The Seven Descents of Myrtle"; Verdon even coached Shirley MacLaine, who would play Charity in the film, and Debbie Allen, when Ms. Allen was cast in that role for the 1986 stage revival. Verdon remained, until her death in 2000, a "living repository for Fosse's work."

As a young dancer, Fosse performed at burlesque houses—an experience that would stay with him the rest of his life.

The high point of Fosse's career came in 1973 when he won an Academy Award for "Cabaret," a work depicting an aspiring nightclub singer in Weimar Germany as the Nazis came to power. That same year he also won three Emmy Awards for his contributions to "Liza with a 'Z,'" a variety program starring Liza Minnelli, and two Tony Awards for "Pippin," a musical about a young prince's quest for meaning and adventure. Further accomplishments awaited him, but never again would Fosse's star shine so bright.

Mr. Winkler is a fan of Fosse's work, but not uncritically so. The 1975 musical "Chicago," he argues, would have had a longer run had it not been in direct competition with that musical theater colossus, "A Chorus Line." By contrast, he holds that "Big Deal" (1986) suffered from a weak book (written by Fosse) and that it needed the help of a veteran writer who "could have brightened the characters and quickened its pace."

"To have worked with Bob Fosse is to have had your hand directly on the pulse of life," Ben Vereen once wrote. Fosse's dancers and actors saw firsthand that he poured his life and energy into his work. More important, he had the gift of inspiring them to achieve more than they thought imaginable. This is why the cast of "Pleasures and Palaces" rallied around him that bleak day in Detroit, singing and dancing for him one last time: It was, as Mr. Winkler writes, "the purest, most meaningful way for them to say 'thank you.'"

Mr. Check is a professor of music at the University of Central Missouri.

# A Killing in Texas

**MYSTERIES: TOM NOLAN**

covert investigation that must not be jeopardized. Neither Cherry nor Harper, though, is quite able to obey this order to stand down.

"High White Sun" is the sequel to Mr. Scott's "The Far Empty" (2016), in which many of this book's characters first appeared. The author, a real-life DEA agent, gives you everything you could want in a West Texas crime saga: generational conflicts; the sights and smells of an exotic landscape; the ghosts of monsters and loved ones past. And a dose of well-earned wisdom: "No matter what people said,"

Investigating a murder, the young sheriff of Big Bend County obeys his instincts and defies his superiors.

reflects the widower Harper, "dying was easy.... It was living that was twice as hard."

"Easy answers, easy answers," laments Commissario Guido Brunetti, the Italian police-detective featured in Donna Leon's droll and intelligent series of Venetian procedural novels, "why did people always want easy answers?" A visit from a school teacher ("the Professoressa") near the start of Ms. Leon's latest book, "The Temptation of Forgiveness" (Atlantic Monthly Press, 300 pages, \$26), prompts Brunetti's silent rhetorical question. The woman, a colleague of the detective's wife, thinks that her teenage son is on drugs—but she doesn't know which drugs or where

he gets them. "Can you do anything?" she asks. Not much, thinks the Commissario. But he's moved by the woman's distress and decides to take the Professoressa's case.

His private mission soon becomes more of an official matter when the woman's husband—an accountant—falls (is pushed?) off a bridge late one night and ends up in a coma. As

allows her access to databases where no ordinary officer would dare to tread. Complicating his job, though, are changing social attitudes and shifting notions of right and wrong. "People cared if the state cheated them," Brunetti notes, "not if someone cheated the state." His wife observes: "Stealing and cheating have become so normal that we're ready

Angeles, begins with this startling sentence: "Mas Arai was worried that the customs officer at Kansai Airport would find his best friend, Haruo Mukai, inside his suitcase."

Admirers of this semireluctant amateur sleuth, now 85 years old, need not be concerned: Mas has not been transformed into a gruesome killer. His friend's body is in the form of ashes, which Mas is transporting for burial to an island off their boyhood city of Hiroshima, where he has not set foot in 50 years.

Yet Mas (a survivor, like his late friend, of the 1945 atomic-bomb blast) is in Japan only a day when he finds the corpse of a teenage boy floating just off the shore. Mas had seen this lad on the island ferry, being bullied by other kids. The police at first put forward the notion that the lonely, introverted youngster committed suicide—a theory that Mas angrily rejects: "Whether or not the islanders believed it, this was about murder."

After seeking out the boy's mother, Mas decides to investigate the facts behind the victim's death (while also looking for his friend's ashes, which have somehow gone astray). Along the way, he uncovers other sorts of truths: how Japanese and Americans are not so different after all, and how a person (be it the dead boy, his single-parent mother or his own deceased friend) can be judged in any number of ways depending on one's perspective. As big a revelation as any to Mas is learning that, to his Japanese kin, he is far from the "ordinary man" that, in California, he has always seen himself to be.



Brunetti makes his tactful way through a Venetian maze of office politics, family connections and moral conundrums, his focus switches from school children procuring narcotics to old people victimized by greedy and unethical medical professionals.

The Commissario receives essential help putting these pieces together from a pair of colleagues—one who is able to alter her accent, behavior and empathy to accommodate any witness or suspect, and another whose computer wizardry

to dismiss anything that seems to be a small crime."

Brunetti, too, is tempted, out of kindness, to let his ultimate culprit at least partly off the hook. But then—inspired in part by the Greek tragedies he reads and ponders in the evenings—he allows fate the freedom to play out its hand.

**"Hiroshima Boy" (Prospect Park, 212 pages, \$16)**, the final book in Naomi Hirahara's compelling series featuring Mas Arai, a retired Japanese-American gardener living in Los

## BOOKS

'Presidents come and go, but the Supreme Court goes on forever.' —William Howard Taft

## CHILDREN'S BOOKS: MEGHAN COX GURDON



## Of Every Stripe



BRENDAN WENZEL'S

2016 picture-book debut, "They All Saw a Cat," was so poised, fresh and accomplished that it couldn't help raising hopes of more good things to come. Isn't it nice when hopes are justified? With "Hello Hello" (*Chronicle*, 52 pages, \$17.99), Mr. Wenzel shows the same confident lightness of touch in creating effects that are surprisingly substantial.

At one level, the book introduces 2- to 5-year-olds to a cavalcade of wild creatures rendered in jolly collage, each animal linked to the next by a common trait. A striped tiger salamander is followed by a tiger, then a cheetah and then a spotted yellow boxfish as we read: "Hello Stripes / Hello Spots." At another level, the book is a subtle exhortation to notice the beauty and variety of animals, especially rare and endangered ones. This is a demand that arises a lot in picture books and can easily shade into dreariness or didacticism, but Mr. Wenzel manages to avoid both with his ebullient artwork (see above) and optimistic tone.

All but one of the prehistoric creatures stalking through "In the Past" (*Candlewick*, 48 pages, \$17.99) have long since gone extinct. Large and small, they spring to thrilling new life in Matthew Trueman's dramatic mixed-media illustrations. In this terrific picture book for 3- to 7-year-olds, we see the coiled terror of the snaky *Titanoboa*, a mist of blood around his attacking jaws. And here is the nightmarish *Yutyrannus*, feathered like a chicken and built like a *T. rex*. David Elliott has written captivating odes, at turns jaunty and wise, for each animal. Of the tiny trilobite, ancient ancestor of the modern tick, Mr. Elliott writes: "So many of you. / So long ago. / So much above you. / Little below. / Now you lie hidden / deep in a clock, / uncountable ticks / silenced by rock."

The South American predators in Sara Varon's endearing graphic novel "New Shoes" (*First Second Books*, 208 pages, \$17.99) don't look

remotely threatening. With her rounded body and googly eyes, for instance, the jaguar who walks on hind legs through Ms. Varon's bright cartoon panels seems just as amiable as the story's hero, a donkey (and shoemaker) named Francis. And she is.

When Francis meets the jaguar, Harriet, deep in the Amazonian jungle, she points to the exotic plants around her little house and confesses, "I'm a bit of an amateur botanist." She also turns out to have created a special hybrid grass. Francis has been

The animal world in all its beauty and variety, from tigers to trilobites to hippy-hopy toads.

using the grass to weave the uppers for the shoes he makes, little realizing that the middleman who brings him the stuff, a monkey named Nigel, has been stealing it. Ms. Varon smugly neat little facts about the flora and fauna of Guyana into this good-natured tale of adventure and comity for readers ages 6 to 10.

"In the middle of a puddle / in the middle of a road / on a teeter-totter twig / sat a teeny-tiny toad," begins Peggy Archer in the lolling picture book "A Hippy-Hopy Toad" (*Schwartz & Wade*, 40 pages, \$16.99), illustrated by Anne Wilsdorf. Snap goes the twig, flinging the tiny toad onto the limb of a tree, where he's startled by a bird. Down he jumps into a flower, only to be strafed by a passing bumblebee. Each change in location, and each new creature he meets, occasions another verse of what feels like a traveling song. "Chirp! went the cricket. / Treeeee! went the toad. / And he chased the chirpy cricket to the gravel down the road." Ms. Wilsdorf's ink-and-watercolor pictures capture both the comedy and peril of the little toad's adventures in this wonderful read-aloud for children ages 3-7.

## FIVE BEST: A PERSONAL CHOICE

Jeffrey Rosen  
on presidents and the Constitution

## Our Chief Magistrate and His Powers

By William Howard Taft (1916)

**1 THE ONLY PRESIDENT** who also served as chief justice, Taft delivered this lively collection of lectures while teaching constitutional law at Yale. In the book, he attacks Theodore Roosevelt's theory that the president was a "steward of the people" who could do anything that the Constitution or the laws didn't specifically forbid. On the contrary, Taft insists, the president can only exercise those powers that the Constitution and the laws specifically allow. In addition to defending the Framers' vision of a constitutionally constrained presidency against new populist threats, Taft offers an invaluable (and still relevant) primer on the constitutional scope of the president's power to pardon, fire executive officers and make war without congressional approval. To top it off, he tells some good jokes on himself: When Taft informs a mother that her son can join West Point despite his physical shortcomings, she exclaims gratefully: "Mr. Secretary, you are not nearly so fat as they say you are."

## Constitutional Government in the United States

By Woodrow Wilson (1908)

**2 IN 1885**, Woodrow Wilson's book "Congressional Government" criticized the Framers' system of checks and balances and advocated instead a parliamentary system on the British model, in which the majority party would have complete power to legislate, with "no effort . . . to give the minority a



CHIEF William H. Taft, 1923.

share in law-making." But the presidency of Grover Cleveland, who cast a record number of vetoes in his first term, changed Wilson's mind and led him to reject the "Whig" view that the presidency was essentially a ministerial office designed to implement the will of Congress. In this 1908 revision, Wilson praised Alexander Hamilton, adding that the next president should be "a man . . . who has the personality and the initiative to enforce his views both upon the people and upon Congress." Despite this transparent plug for his forthcoming presidential campaign, Wilson once again assailed the Madisonian separation of powers. "We must think less of checks and balances and more of coordinated power," he concluded, "less of separation of functions and more of the synthesis of action." His vision of the constitutionally unconstrained presidency didn't end well.

## Untrodden Ground

By Harold H. Bruff (2015)

**3 HAROLD H. BRUFF** makes clear how much the modern presidency has evolved from the Framers' conception of the office as a ministerial check on the legislative supremacy of Congress. Presidents in the Founding era refused to exercise their implicit constitutional power to recommend legislation out of a fear of corrupting the legislators. The presidential veto, too, was dormant until Andrew Jackson made it the central weapon in his war against the Bank of the United States, which he claimed violated the Constitution. Mr. Bruff emphasizes how many of the struggles over presidential powers have focused on the president's right to fire executive-branch officials, including the battle that culminated in the failed impeachment of Andrew Johnson for firing his secretary of war. In an opinion by Chief Justice Taft, the Supreme Court later held that the law restricting Johnson's power was an unconstitutional restriction on the president's ability to remove his subordinates. But during the Reagan administration, the court upheld Congress's power to restrict the president from firing independent prosecutors, over the lone dissent of Justice Antonin Scalia. This question may be back before the court soon.

## The Forgotten Presidents

By Michael J. Gerhardt (2013)

**4 BY FOCUSING** on presidents widely viewed as ineffective, such as Van Buren, Tyler,



MR. ROSEN is president and CEO of the National Constitution Center. His latest book is 'William Howard Taft.'

Arthur and Cleveland, Michael J. Gerhardt challenges the myth that, except for Lincoln and Jackson, 19th-century presidents were weak. On the contrary, he argues: Their "strong assertions of their prerogatives" alienated critical consistencies and often placed them on the losing side of history. Still, there is much to learn from the constitutional arguments of the forgotten presidents, including William Henry Harrison's Whig view that the veto should be used to protect "the people from the effects of hasty legislation where their will has probably been disregarded or not well understood." Although this view is the opposite of the modern conception of presidential power, Harrison was channeling Madison's view that the role of the president is to promote thoughtful, reasoned deliberation over time.

## James Madison: Writings

Edited by Jack Rakove (1999)

**5 THE LIBRARY** of America's collection of Madison's writings is the best introduction to the Father of the Constitution's limited conception of executive (as well as legislative and judicial) power. Madison repeatedly insisted that the Constitution created not a direct democracy but a representative republic and that large assemblies, such as the unchecked democracies in Greece and Rome, led inevitably to the rule of demagogues and the mob. Madison believed that the president should defer to the supremacy of Congress and that Congress should have a veto over hastily passed state laws, so as to give the people a chance for sober second thoughts. He thought also that the large size of the Republic would make it hard for factions to mobilize based on passion rather than reason and to elect demagogic leaders. Social media, the internet and the rise of other populist, balkanizing technologies are now calling Madison's constitutional vision into question.

## Best-Selling Books | Week Ended March 11

With data from NPD BookScan

## Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
I've Been Thinking ... Maria Shriver/Pamela Dorman Books	1	2
12 Rules for Life Jordan B. Peterson/Random House Canada	2	4
The Rock, the Road, and the Rabbi Kathie Lee Gifford & Rabbi Jason Sobel/Thomas Nelson	3	New
Food: What the Heck Should I Eat? Mark Hyman/Little, Brown and Company	4	1
There's No Place Like Space Tish Rabe/Random House Books for Young Readers	5	3
<b>Nonfiction E-Books</b>		
Weekends at Bellevue Julie Holland/Random House Publishing Group	1	-
Stop Complaining Gwen Rich & Adam Rich/Cranberry Press	2	New
I'll Be Gone in the Dark Michelle McNamara/HarperCollins Publishers	3	1
Bachelor Nation Amy Kaufman/Penguin Publishing Group	4	New
12 Rules for Life Jordan B. Peterson/Random House Canada	5	4
Educated Tara Westover/Random House Publishing Group	6	5
The Rock, the Road, and the Rabbi Kathie Lee Gifford & Rabbi Jason Sobel/Thomas Nelson, Inc.	7	New
The Nazi Officer's Wife Edith Hahn Beer/HarperCollins Publishers	8	-
The Subtle Art of Not Giving a F*ck Mark Manson/HarperCollins Publishers	9	8
Food52 Mighty Salads Editors of Food52/Potter/Ten Speed/Harmony	10	-

## Nonfiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
12 Rules for Life Jordan B. Peterson/Random House Canada	1	3
I've Been Thinking... Maria Shriver/Pamela Dorman Books	2	2
The Rock, the Road, and the Rabbi Kathie Lee Gifford & Rabbi Jason Sobel/Thomas Nelson	3	New
Food: What the Heck Should I Eat? Mark Hyman/Little, Brown and Company	4	1
The Subtle Art of Not Giving a F*ck Mark Manson/HarperOne	5	10
You Are A Badass Jen Sincero/Running Press	6	-
The Sun and Her Flowers Rupi Kaur/Andrews McMeel Publishing	7	-
Educated Tara Westover/Random House	8	8
There's No Place Like Space Tish Rabe/Random House Books for Young Readers	9	5
Fire and Fury Michael Wolff/Henry Holt & Company	10	9

## Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Green Eggs and Ham Dr. Seuss/Random House Books for Young Readers	1	1
I've Loved You Since Forever Hoda Kotb/HarperCollins	2	New
One Fish Two Fish Red Fish Blue Fish Dr. Seuss/Random House Books for Young Readers	3	2
Dog Man and Cat Kid (Dog Man 4) Dav Pilkey/Graphix	4	5
The Cat in the Hat Dr. Seuss/Random House Books for Young Readers	5	3
<b>Fiction E-Books</b>		
Burn Bright Patricia Briggs/Penguin Publishing Group	1	New
The Escape Artist Brad Meltzer/Grand Central Publishing	2	New
The Woman Left Behind Linda Howard/HarperCollins Publishers	3	New
A Wrinkle in Time Madeleine L'Engle/Farrar, Straus and Giroux	4	-
High Voltage Karen Marie Moning/Random House Publishing Group	5	New
The Great Alone Kristin Hannah/St. Martin's Press	6	2
Marriage of Inconvenience Penny Reid/Cipher-Naught	7	New
Red Sparrow Jason Matthews/Scribner	8	6
Until Harmony Aurora Rose Reynolds/Aurora Rose Reynolds	9	-
Not Quite Crazy Catherine Bybee/Montlake Romance	10	New

## Fiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
A Wrinkle in Time Madeleine L'Engle/Square Fish	1	-
Burn Bright Patricia Briggs/Ace Books	2	New
The Escape Artist Brad Meltzer/Grand Central Publishing	3	New
Red Sparrow Jason Matthews/Pocket Books	4	7
The Great Alone Kristin Hannah/St. Martin's Press	5	4
Green Eggs and Ham Dr. Seuss/Random House Books for Young Readers	6	2
I've Loved You Since Forever Hoda Kotb/HarperCollins	7	New
Camino Island John Grisham/Dell	8	-
Little Fires Everywhere Celeste Ng/Penguin Press	9	-
The Woman Left Behind Linda Howard/William Morrow & Company	10	New

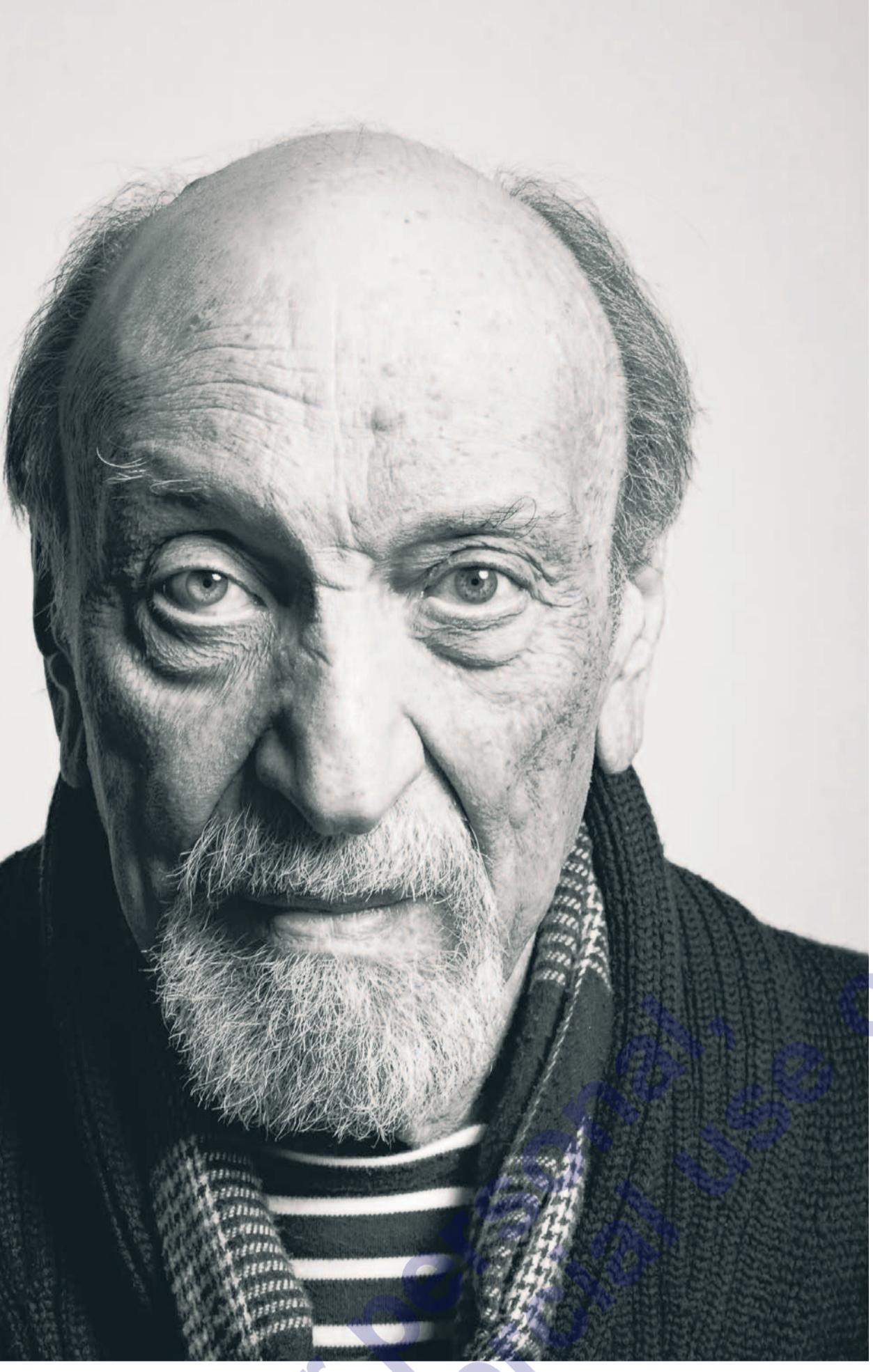
## Methodology

NPD BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation's book sales. Print-book data providers include all major booksellers (now inclusive of Walmart) and web retailers, and food stores. E-book data providers include all major e-book retailers. Free e-books and those sold for less than 99 cents are excluded. The fiction and nonfiction lists in all formats include adult, young adult, and juvenile titles; the business list includes only adult titles. The combined lists track sales by title across all print and e-book formats; audio books are excluded. Refer questions to Peter.Saenger@wsj.com.

## Hardcover Business

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
StrengthsFinder 2.0 Tom Rath/Gallup Press	1	2
Emotional Intelligence 2.0 Travis Bradberry & Jean Greaves/TalentSmart	2	4
Principles: Life and Work Ray Dalio/Simon & Schuster	3	5
Crushing It! Gary Vaynerchuk/HarperBusiness	4	3
Total Money Makeover Dave Ramsey/Thomas Nelson	5	7
The Five Dysfunctions of a Team Patrick Lencioni/Jossey-Bass	6	10
Extreme Ownership Jocko Willink/St. Martin's Press	7	6</td

## REVIEW



AXEL DUPEUX FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL: ALEXANDRA WOLFE

# Milton Glaser

The graphic designer on his long career—and his famed 'I ♥ NY' logo

**IN 1977**, graphic designer Milton Glaser was sitting in the back of a taxi on his way to a meeting with New York state officials who were looking for ways to drum up tourism. New York City was in the midst of a crime wave, and the state needed help. An idea came to him: four simple characters, which he scrawled on the back of a spare envelope with a red crayon. That drawing was an early draft of his now-famous "I ♥ NY" logo.

His sketch had the four characters straight across. He later stacked the first two above the NY. (He now says he may have been

subliminally influenced by Robert Indiana's "Love" artwork, which has "LO" on top of "VE.")

"I thought that logo was going to last a month, and now you can't go anywhere without seeing it 10 times a day," Mr. Glaser says. He didn't charge the state for the design. The logo, which is owned by the state's economic development agency, still generates about \$1 million a year in licensing fees.

Mr. Glaser, 88, says that the logo is important to him "because it transformed the way people see things, and it also helped the city at a time when it was des-

perate for a shift of consciousness," he says.

He has applied that same exacting simplicity—as well as his philosophy that design can change how people see the world—to countless logos, posters, newspaper and magazine designs, and more recently, to home products. His new book, "Milton Glaser Posters," includes 427 works from the past six decades—including his 1967 Bob Dylan poster for Columbia Records, a profile view of the singer with wild, swirling, multi-colored hair against a white background.

For the Dylan poster, Mr. Glaser says that he was influenced by a series of self-portraits by Marcel Duchamp, started in 1957, in which the artist's profile appears as a black silhouette on different colored backgrounds. Only he didn't realize it at the time. "When I first encountered the Duchamp self-portrait...I filed it away in my brain to use at some future time," he writes in the book. "The difference between influence and plagiarism is not always clear."

Growing up in New York City, he discovered he had a knack for drawing at an early age. Today, he

has no plans to retire; he prefers to work. "The act of making something, seeing something that has never been materialized, is as deeply pleasurable...as any other thing I do," he says.

Early in his career, he co-founded a firm with three other designers. To make a living, he also taught at the School of Visual Arts, where he still teaches a design class every fall. He did illustrations for magazines and eventually became involved in designing, or redesigning, the look of publications. He co-founded New York magazine with Clay Felker in 1968 and in 1973 redesigned Paris Match magazine (which, he notes, he did in just three days, at the owner's request).

In 1977 he created the classic logo for DC Comics: concentric circles with DC in the middle and four stars in the outer ring. In the 1980s, he designed Brooklyn Brewery's logo—a flamboyant cursive "B" inside a circle, with the brewery's name written in capital letters in an outer ring. Mr. Glaser thought the circle called to mind a beer coaster

**'I don't consider design a limited activity.'**

and the 'B' evoked the look and shape of foam.

More recently, Mr. Glaser has branched out into making products.

Many, including his wall clocks and watches, have a colorful, bold, minimalist aesthetic. He doesn't see physical objects as a departure. "I don't consider design a limited activity," he says. "Design is intent, intent to communicate something to somebody so they move to action, and that includes practically everything in the world, from making a lunch date to designing an office building."

Can the sort of commercial design for which he's famous be considered art? He argues that it can be: He defines art as any form of communication that changes how a viewer or listener perceives the world. "If it doesn't do that," he says, "it's not art, no matter how decorative it is, no matter how amusing it is, and no matter how expensive it is."

Mr. Glaser lives in New York City with his wife, Shirley. They spend a few months a year north of the city, in Nyack. He says that he prefers spending his time working rather than doing hobbies. "I used to go to movies as a kid," he says. "In recent years I find I don't have the time to go to particularly mediocre movies."

He's more selective about his projects lately. His recent work includes the logo for the Bread Alone bakery, a marketing campaign for Jet Blue's New York hub and the logo and interior details for the Rubin Museum of Art. "I don't want to take any work that I'm not interested in doing, and one of the consequences of having a large operation is that you're always taking work to cover the staff costs," he says.

These days, he has just one assistant. "I want to see how good I can get until I die," he says. "So I'm still trying."

## MOVING TARGETS: JOE QUEENAN

# My Plan to Stop Hating March Madness

**PEOPLE CAN TEACH** themselves to like just about anything. If you really put your mind to it, you can teach yourself to like broccoli or marzipan or "Cats" or Ed Sheeran—simply because you don't want to feel cut off from everybody else who seems to be enjoying these things.

This is the way I feel about March Madness, the three-week NCAA tournament that began this week. I know that I can teach myself to get excited about college basketball. I know it.

Under duress, I have taught myself to enjoy amateur photography, sixth-grade student recitals, short stories by Ann Beattie and the banjo. I developed a vague interest in Lithuanian history because I thought it might get me a raise from my first boss, he being of the Baltic persuasion. It worked. I taught myself to enjoy movies about hobbits and English boarding-school child magicians because I knew it would

please my kids. Now I am ready to climb the steepest, most daunting mountain of all.

For too long I have estranged myself from my countrymen every spring because of a pathological and undeniably unpatriotic aversion to college hoops. I have ridiculed the pathetic shooting, the media hype, the matador defense, the pathetic shooting, the crooked coaches, the hyperventilating announcers, the lying, thieving athletic directors, the moronic sideline reporters, the annoying, self-involved mascots and the pathetic shooting. In my defense, I have never ridiculed the hardworking referees or the ebullient cheerleaders.

Like everyone else in America, I will fill out a bracket. I will place bets. I will wax philosophic about ancient, storied rivalries that stir the echoes every time North Carolina's Tar Heels and Duke's Blue Devils take the floor. Maybe it's not the echoes.

**I will give in and stop ridiculing the pathetic shooting.**



Maybe it's the embers. Whatever.

Of course I will need someone to root for. Because my alma mater St. Joe's didn't make the tournament, I will root for Penn, the only Philly team invited to "the dance" that is actually located within the city limits. I will do this despite the fact that Ivy League basketball is even more

inept than regular college basketball. Sorry, that just slipped out.

I have vowed to stay up all night watching Wichita State duke it out with Marshall, Purdue lock horns with Cal State Fullerton, Gonzaga go toe to toe with UNC Greensboro. I swore to be right there screaming my support for both Lipscomb and Radford, institutions of higher learning of whose existence I was previously unaware.

Such is the madness of March. I will do everything in my

power to revel in the glories of the tourney. I will watch every game, every shot, every interview. I will not ridicule the uniforms. I will not ridicule the coaches' hair. I will not ridicule the pathetic shooting. And I will pray that by some miraculous turn of events Radford gets to play for the national championship on April 2. Against Lipscomb.

There is only one thing I will not do. I will not root for Villanova, an accursed crosstown rival of my alma mater and all the other schools in Philadelphia and indeed of all humanity. If Villanova gets to the finals, I will either smash the television or root for Kansas or Kentucky, perhaps even South Dakota State. I will do so while wearing my well-worn "Friends Don't Let Friends Go to Villanova" shirt.

It is possible to stop hating college basketball. It is not possible to stop hating Villanova. Don't ask—it's a Philly thing.

## REVIEW

 EXHIBIT

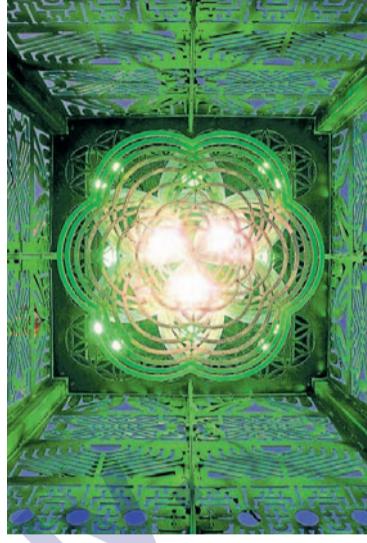
## Burning Man WITHOUT THE BURN



▲ Three of these mushrooms, which first appeared at Burning Man in 2016 as 'Shrumen Lumen,' will be featured in the show. Artist collective Fold-haus used an origami fold pattern to create shapes that could withstand desert winds and weather.



▲ Marco Cochrane exhibited this 55-foot-tall sculpture, 'Truth Is Beauty,' at Burning Man in 2013. The Renwick will feature a smaller version, about a third as high, in the gallery. At the base of the original, in several languages, was text asking: 'What Would the World Be Like If Women Were Safe?'



▲ This large-scale metal sculpture, from 2010, is called 'Future's Past.' As artist Kate Raudenbush describes it: 'A monument to man's technological advancement has been mysteriously abandoned to time and left to seed. In its place, a monument to nature grows out of its fertile ground.'

◀ Artists Michael Garlington and Natalia Bertotti created 'Totem of Confessions' at Burning Man in 2015. This photo plus a new work by the artists will be included in the Renwick's exhibition.

CLOCKWISE FROM TOP: RENE SMITH; KATE RAUDENBUSH; DANIEL L HAYES; ELEANOR PREGER

## PLAYLIST: DUNCAN HANNAH



## The Fallen Idol

A painter hero-worshipped Lou Reed... but then he met the singer

Duncan Hannah, 65, is a painter whose work is in the collections of the Metropolitan Museum of Art and Minneapolis Art Institute. He is the author of "Twentieth-Century Boy: Notebooks of the Seventies" (Knopf). He spoke with Marc Myers.

I kept getting into trouble in early 1971. It was my last semester of high school, and I was feeling hedonistic. We lived in Hopkins, Minn., a suburb of Minneapolis, and I wanted out. That fall I'd be studying art at Bard College, a train ride away from New York City. I couldn't wait.

I was determined to become a painter, though I didn't actually know one. I had self-published several underground comic books. Painting in New York had long been a romantic ideal.

Driving home alone one night from a party in my mother's Buick station wagon, I was listening to FM radio. At some point, the DJ said in his flat voice, "This is a new cut off 'Loaded' by the Velvet Underground—'ROCK & ROLL.'"

I already knew the music of Lou Reed and the Velvets. Much of it was dark and difficult. But "Rock & Roll" was user-friendly and accessible, al-

**'I knew all about great artists acting badly.'**

most playful. Reed sang a sweet story: "Jenny said when she was just 5 years old / There was nothing happening at all / ... Then one fine mornin' she puts on a New York station / ... You know her life was saved by rock 'n' roll, yes rock 'n' roll."

My hair stood on end. I was euphoric. The guitar solo was trance-y, and Reed's phrasing was so New York. He sounded like the mayor of the

place. I couldn't wait to get there.

In 1973, I was sitting in the back of Max's Kansas City in New York with a friend who had managed the Velvets. Lou came in very drunk, and my friend called him over. Lou sat down next

to me in the booth and ordered two tequilas.

He and my friend began talking, and I kept trying to jump into the conversation. That was a mistake. I pissed off Lou, who became menacing and cruel before finally leaving.

I was 20 then and knew all about great artists acting badly, but it was a drag. I still listen to the Velvets today, but Lou Reed's solo albums didn't survive that night. I wish I'd never met him.



FROM LEFT, Doug Yule, Lou Reed, Maureen 'Moe' Tucker and Sterling Morrison of the Velvet Underground, photographed in 1970. The band formed in the mid-1960s.

## ASK ARIELY: DAN ARIELY



## No Bribes for Behaving

## Hi, Dan.

I'm raising two teenagers and have discovered just how hard it is to teach them to be polite, to clean up after themselves and to leave the house on time. Would it make sense for me to pay them for better behavior? —Billy

Simple rewards might seem like a good idea, but they often have unintended consequences. Consider the case of Kelly the dolphin, who lived in a marine institute in Mississippi. To teach her to keep her pool clean, her trainers started trading her fish for any litter she collected.

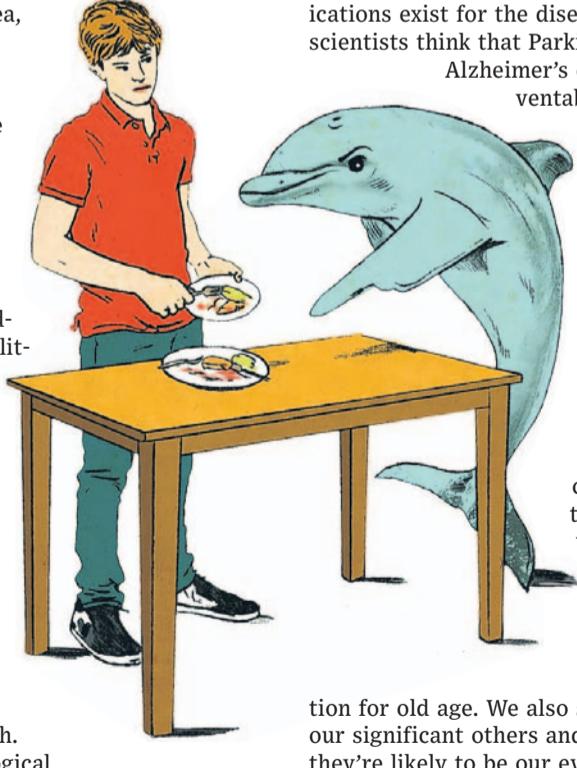
Kelly soon learned that litter of any size would win her a treat. So when a visitor dropped paper into the pool, she would hide it under a rock and tear off one piece at a time to get more fish.

Her response was logical but not exactly desirable.

Something similar can happen with children. In studies conducted in the 1980s, psychologist Barry Schwartz had a teacher pay children for every book they finished. The children started choosing shorter books with large print in order to get more rewards—and they reported liking reading less. I think it's best to teach your children how to act, not how to maximize their pay.

## Hello, Dan.

I recently bought a DNA test to learn about my ancestors' roots. The test had an option to let me find out if I carry DNA mutations that increase



the chances of Parkinson's, Alzheimer's and other diseases. I chose to include those tests, but now I can't help feeling anxious about getting the results. What would you have done? —Natalia

Genetic information is becoming more and more available, for good and ill. Though medications exist for the diseases you mention, scientists think that Parkinson's and most Alzheimer's cases are not preventable, so if I were you,

I would stick my head in the virtual sand and not find out about the DNA mutations. A bad result would cause you needless stress and might weaken your immune system.

We all stand a chance of getting these diseases, and the best way to deal with that prospect is to take better care of our bodies and minds in preparation for old age. We also should be kinder to our significant others and children, because they're likely to be our eventual caretakers.

## Dear Dan,

The state of the world is depressing me. It feels that whatever good I do is a small drop in the bucket compared with a daily flood of illogical, ignorant and evil actions. How can I keep going and find hope? —Stacy

Over the past few years I've spent time with people who had suffered very complex injuries and were trying to regain their drive and sense of purpose. One thing they did was to set achievable goals and measure their progress toward them—the classic idea of "light at the end of the tunnel." If you can focus on positive changes that you can make in the near term, it should help your motivation—and make you happier. Good luck.

RUTH GWILY



## PLAY

## NEWS QUIZ: Daniel Akst

From this week's  
Wall Street Journal

- 1.** President Donald Trump chose Gina Haspel as the first woman to run this federal agency. Which one?
- A. The FBI  
 B. The CIA  
 C. The NSA  
 D. The United States Board on Geographic Names



- 2.** Blancpain persists despite changing times. What is it?

- A. A Quebecois bread avoided by the health-conscious  
 B. A mysterious dental ailment  
 C. An internet company keeping alive telnet, FTP and other hoary protocols  
 D. A brand of Swiss watch

- 3.** Gun maker Remington plans to file for bankruptcy protection. Who owns the enterprise?

- A. Cerberus Capital Management  
 B. Pegasus Capital Advisors  
 C. Centaur Private Equity  
 D. Seventh Generation

- 4.** Theranos Inc. founder and chief executive Elizabeth Holmes settled civil fraud charges filed by the SEC. Which of these did she agree to?

- A. A \$500,000 penalty  
 B. A 10-year ban from being an officer or director of a public company  
 C. Giving up voting control of Theranos

To see answers, please turn to page C4.

- D. All of the above

- 5.** Where do some Navy and Marine medics go for experience with battlefield-type wounds?

- A. Yemen  
 B. São Paulo  
 C. Chicago  
 D. Hollywood

- 6.** "The constituencies who have been beating us up for months will all live to regret what's happening here." Who said that?

- A. Republican Rick Saccone after apparently losing a close House election near Pittsburgh  
 B. Germany's Angela Merkel, starting her fourth term as chancellor, about recent policy compromises  
 C. The CEO of Toys "R" Us, which will sell or close U.S. stores  
 D. Coach Joe Ascacio of the Southern North Carolina Lemurs, after losing a March Madness game

- 7.** David Solomon

became the CEO heir-apparent at Goldman Sachs. What's his hobby?



- A. Collateralized debt obligations  
 B. Djing  
 C. Karate  
 D. Knitting

- 8.** What's the top bond investment so far this year?

- A. Detroit  
 B. New Jersey  
 C. Puerto Rico  
 D. California

## VARSITY MATH

Another workout in logic is in store for the math team.

## Knight Trap

A knight is placed on an infinite chessboard.

If it cannot move to a square previously visited, how can it be moved in as few moves as possible so that it has no more moves available?



Provided by the  
**National  
Museum of  
Mathematics**

For previous weeks' puzzles, and to discuss strategies with other solvers, go to [WSJ.com/Puzzles](http://WSJ.com/Puzzles).

LUCI GUTIÉRREZ

## My Number is 136

Ana and Boris play a logic game. They both know that possibly identical positive integers,  $a$  and  $b$ , are chosen by a third party. Their product is written on Ana's forehead and their sum is written on Boris's forehead. Each can see the other's number but not his or her own. After each

sees the number on the other's forehead, one says to the other, "There is no way you can know your number." The other responds, "I now know my number is 136."

What number is on Ana and what number is on Boris?

+ Learn more about the National Museum of Mathematics (MoMath) at [momath.org](http://momath.org)

## SOLUTIONS TO LAST WEEK'S PUZZLES

## Varsity Math

The thickness of the shell in **The Size of Humanity** would be about 9.1395 ten-thousandths of a millimeter. This is less than a micron (= one millionth of a meter). In **Fish Pond**, the water level is 8 inches above the platform.

## Extra Helpings

STUNTMAN	DRS	REBIRTHS
LEGITIMONS	AOK	EVAPERON
RAIGGEDYANDY	MOSHPIITA	
PVI	SUSAIN	HOOPEL
HEE	SKILLER	
LAOS	INNIE	ASPERES
OUCH	CDR	SYRIAN
ALLAI	TAHT	SACKS
FABFLOUR	SOAMI	BANIC
TURNED	MAL	URANIUMOREO
EFT	NAIT	TROTTER
MIRACLE	ED	EGO
CRUSHEDDRIGE	KAREEM	SSN
ESTH	AVAIL	MADDASHI
EATHER	BTO	DAYIS
SIVELTE	EIN	ALDA
SIMPERS	MARIV	GORY
BIB	SEALIE	MOSES
ACEDIT	DRANO	ANNA
SAFELOVE	END	OUS
IMINLOVE	TRAFFICSCONE	
LETTERED	SEE	CALORIES

## Acrostic

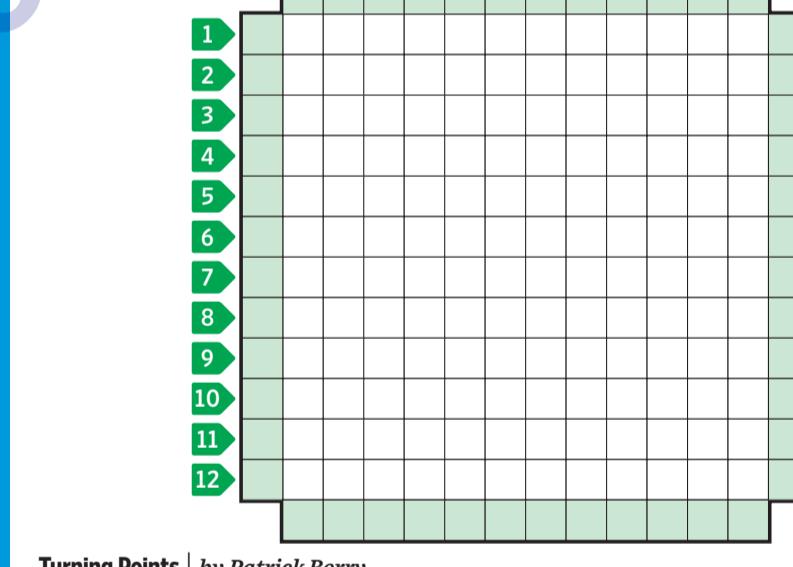
D(avid) Prerau, "Seize the Daylight"—Churchill delivered an eloquent and powerful speech of support. 'An extra yawn one morning in the springtime, an extra snooze one night in autumn is all that we ask.... We borrow an hour one night late in April; we pay it back with golden interest five months later.'  
**A.** Drive! **B.** Pinch-run; **C.** "Rear Window"; **D.** Entwine;  
**E.** Romulan; **F.** Astringent; **G.** "Unforgettable";  
**H.** Salt-N-Pepa; **I.** Europa; **J.** Intrinsic; **K.** Zebulon Pike;  
**L.** Entrapment; **M.** Trefoil; **N.** Howard Hawks;  
**O.** Exchequer; **P.** Denali; **Q.** Athlete's foot; **R.** "You Sexy Thing"; **S.** Liaison; **T.** In hog heaven; **U.** Game plan; **V.** "Hamilton"; **W.** Two cents' worth

## THE JOURNAL WEEKEND PUZZLES Edited by Mike Shenk



## Little Green Men | by Martin Leechman

- Across**
- 1 It's on the school board
  - 6 Plants
  - 12 Galoots
  - 19 Imminent danger
  - 20 Colombian cowboy
  - 21 Insect in a column
  - 22 Model of polar weather?
  - 24 Easing of tensions
  - 25 Hatching spot
  - 26 Polite denial
  - 28 Man o' War, to War Admiral
  - 29 Illusory oasis, e.g.
  - 33 Drain
  - 36 Badgers
  - 39 Homer's neighbor
  - 40 Bolivian bud
  - 41 Burgers served in the dining car?
  - 44 Opener of an inventor's documentation lockbox?
  - 46 Badger
  - 47 Check the price of, in a way
  - 48 Paid for a hand
  - 49 All the rage
  - 50 Text enhancements
  - 54 Odometer increment
  - 56 Get a pool workout
  - 58 Vote predictor
  - 59 Far from demure
  - 62 Rat
  - 64 Park, New Jersey
  - 65 Fantasy flyer
  - 66 Stadium guards in Foxborough?
  - 70 Japan's prime minister
  - 71 Clarifying words
  - 73 Dewy quality
  - 74 Mascara target
  - 76 Dudley often rescued her from Snidely
  - 77 More frilly
  - 78 Sullen
  - 80 Colonel Sanders feature
  - 82 Unmatched
  - 83 Iron production
  - 85 Fair
  - 89 Scheming
  - 91 Old Blood and Guts, before his growth spurt?
  - 93 Vegetable garden in Savannah?
  - 97 Classic Chevy
  - 98 Futuristic Capek play
  - 99 Sometime in the past
  - 100 Copland ballet
  - 101 Savory pastry
  - 102 Part of QED
  - 104 Prettify
  - 106 Break in the action
  - 108 Turn in
  - 111 Stoner beat cop?
  - 118 Run
  - 119 Regretted thirds, perhaps
  - 120 Bête —
  - 121 Forwards, say
  - 122 Composed
  - 123 March 17 honoree, as well as this puzzle's honoree
  - 124 Run
  - 125 Stoner beat cop?
  - 126 Run
  - 127 Composed
  - 128 March 17 honoree, as well as this puzzle's honoree
  - 129 Stoner beat cop?
  - 130 Run
  - 131 Stoner beat cop?
  - 132 Call center staff
  - 133 Discoverers' cries
  - 134 Donald's veep
  - 135 Made a case
  - 136 Airport areas
  - 137 Pipe part
  - 138 Starter follower
  - 139 Regretted thirds, perhaps
  - 140 Break in the action
  - 141 Monopoly deed number
  - 142 Handsome hunks
  - 143 Figure of speech
  - 144 "Delta Dawn" singer Tucker
  - 145 Court sport
  - 146 Auction buy
  - 147 Pertness
  - 148 Historian's focus
  - 149 "The Lord had prepared a great fish to swallow him
  - 150 Northern neighbor of Mich.
- Down**
- 1 Expert with IRS rules
  - 2 2013 Joaquin Phoenix film
  - 3 Curving path
  - 4 Put a spot on, say
  - 5 Language in which "success" is "Qapla"
  - 6 Pre-Pythagorean belief
  - 7 Back muscle, briefly
  - 8 Northern neighbor of Mich.
  - 99 Sometime in the past
  - 100 Copland ballet
  - 101 Savory pastry
  - 102 Part of QED
  - 104 Prettify
  - 106 Break in the action
  - 108 Turn in
  - 111 Stoner beat cop?
  - 118 Run
  - 119 Regretted thirds, perhaps
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  - 127 Composed
  - 128 March 17 honoree, as well as this puzzle's honoree
  - 129 Stoner beat cop?
  - 130 Run
  - 131 Stoner beat cop?
  - 132 Call center staff
  - 133 Discoverers' cries
  - 134 Donald's veep
  - 135 Made a case
  - 136 Airport areas
  - 137 Pipe part
  - 138 Starter follower
  - 139 Regretted thirds, perhaps
  - 140 Break in the action
  - 141 Monopoly deed number
  - 142 Handsome hunks
  - 143 Figure of speech
  - 144 "Delta Dawn" singer Tucker
  - 145 Court sport
  - 146 Auction buy
  - 147 Pertness
  - 148 Historian's focus
  - 149 "The Lord had prepared a great fish to swallow him
  - 150 Northern neighbor of Mich.



## Turning Points | by Patrick Berry

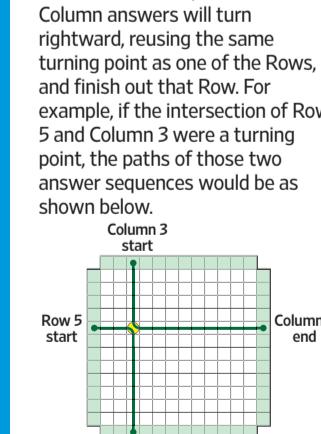
A series of clues is provided for each numbered Row and Column.

Answers to Row clues should be entered into the correspondingly numbered Row in order, but be warned:

At some point within the grid's unshaded area, each series of Row answers will turn downward

and finish out one of the grid's Columns. Likewise, each series of Column answers will turn

rightward, reusing the same turning point as one of the Rows, and finish out that Row. For example, if the intersection of Row 5 and Column 3 were a turning point, the paths of those two answer sequences would be as shown below.



The exact locations of the twelve turning points are for you to discover. When the grid is complete, the letters in the turning points (read from left to right by Column) will spell a category of sorts, and the shaded spaces will contain eight words that fit the category.

## Rows

1 Author whose stories were the basis of "Guys and Dolls"

Unhurried gait

Simon with three Tonys

In order

Surroundings

2 Set a price of

Chomsky of linguistics

Soufflé ingredient

Broadway show set in NYC's East Village

3 Pet in Bedrock

Frame job

Strike down

"The Simpsons" character

Disco —

4 Touchscreen graphic

Skipper's crime?

Trifling sum

5 Tech support caller

Lode-bearing group?

6 Weigh station vehicle

Tidies one's bed, perhaps

Not fatty

7 For the taking

House player?

8 "That's good to hear" (2 wds.)

Gershwin hit from "Girl Crazy" (3 wds.)

9 Extremely popular

Creator of Mr. Darcy and Mr. Knightley

Street urchin

10 Less easy to babysit

Most wary

Not ready for battle?

12 Schwarzenegger, to his fans

Positron's place

11 Voicemail sound

2009 Tennis Hall of Fame inductee

Oscar winner for "Dallas Buyers Club"

## REVIEW



WHERE ART MET CLUBS: New York's Palladium nightclub in 1985, with a mural by Keith Haring.

## ICONS

# Save the Last Design for Me

An exhibit of nightclub fashion, furniture, architecture and art

BY J.S. MARCUS

**THE BEAT GOES ON** from now through September at "Night Fever," a new German exhibit where visitors who may never have made it past the velvet ropes will get to rummage through several decades of nightclub design—complete with vintage fliers, techno-inspired fashion, nightclub furniture and dance-club inspired artworks.

Subtitled "Designing Club Culture 1960-Today," the exhibition at the Vitra Design Museum in Weil am Rhein, just outside the Swiss city of Basel, uses everything from whimsical Italian club decorations of the 1960s to a scale rendering in cork of Berghain, Berlin's long-standing techno temple housed in an old East German power plant.

The French created the discothèque, as its name implies, says Jochen Eisenbrand, the museum's chief curator and co-curator of the new show. The first discos of the postwar years combined live music with records. In the 1960s, a group of iconoclastic Italian architects, collectively known as the Radical Design movement, gave the format a dramatic makeover. Often disdainful of creating ordinary buildings, the architects jumped at the chance to design nightclub spaces.

The show features plenty of photos documenting Italian clubs launched in the 1960s, like Rome's Piper and Florence's Space Electronic, and includes surviving pieces of furniture, like a pink chair with a doughnut-shaped seat from a Bolzano club, Il Grifoncino, by Radical Design architect Cesare Casati.

These Italian clubs had distinctive interiors, marked by bright colors and sleek shapes, and the recovery of their history is "the most exciting part of the exhibition" for Konstantin Grcic, the celebrated German furniture and product designer who also designed the layout of the new Vitra show.

The architects "invented the typology of the club," he says, adding that their approaches to overall club design "are still valid today."

Some of Mr. Grcic's designs are produced by Vitra, the Swiss-owned furniture company that specializes in midcentury modern masters like Charles and Ray Eames and Denmark's Verner Panton along with contemporary figures like France's Ronan and Erwan Bouroullec. Over the years, Vitra has moved from furniture into architecture, commissioning Frank Gehry to create a design museum in 1989 on its Weil am Rhein campus. In the 1990s, British architect Zaha Hadid designed the campus fire station, topped by what looks like a giant shard.

An opening party at that fire station will be as close as the show comes to a real disco. "I was against re-creating a club experience in the exhibition," says Mr. Grcic. Instead he has equipped a gallery with headphones playing four types of music one might have heard in the clubs evoked by the exhibition. There's pre-disco (Barry White, for exam-

ple), disco itself (think Donna Summer), house (featuring a track from Frankie Knuckles, the innovative Bronx-born DJ), and techno tracks, from the likes of Germany's Kraftwerk. A light installation created for the exhibition by Matthias Singer, a Munich-based lighting designer with club events to his credit, will surround listeners.

After Italy, the exhibition makes a stopover in lower Manhattan in the 1980s, where club culture and the art scene overlapped. The show features graphic art by Keith Haring, who first attracted attention for his chalk-based graffiti art in the New York subway. The exhibition includes Haring's 1983 drawing of a DJ, possibly at Paradise Garage, whose resident DJ Larry Levan paved the way for "house music," and a 1985 Haring invitation to a party in honor of Mr. Levan. That year, Haring painted a giant canvas mural that presided over the dance floor at the Palladium, one of New York's top clubs during the 1980s.

The show has a photo of the Palladium interior, whose signature mural is now part of the collection of the Keith Haring Foundation.

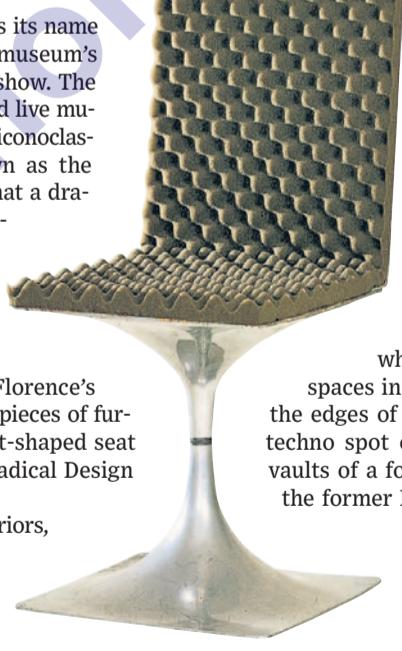
The exhibition then moves back to Europe—in particular to Berlin, where 1990s nightlife took over cavernous spaces in the urban wilderness that still marked the edges of East Berlin. One was Tresor, the go-to techno spot of the early 1990s, created out of the vaults of a former department store on a spot near the former Berlin Wall.

Next comes a pit stop in Antwerp, Belgium, where an ascendant fashion scene held sway in local nightclubs. Techno music is associated with Flemish designer Walter Van Beirendonck, who says his collections in the late 1980s and '90s "fit the atmosphere, look, vibe and energy" of the techno

club scene. Three of Mr. Van Beirendonck's designs are on view in "Night Fever" including his thigh-covering "Hardbeat" boots from his 1989-90 fall and winter collection. He went on to design the costumes for U2's 1997-98 "PopMart Tour."

As the music got harsher, nightclubs spawned more austere and even alienating works of art. "I've Never Been to Berghain," by 38-year-old Berlin artist Philip Topolovac, updates 18th-century architecture cork models of Italian landmarks that travelers brought home from a Grand Tour. The 2016 work, which the artist calls conceptual sculpture, renders the club complex, built as a power plant in a monumental Stalinist style, as an uncanny ochre monolith. (Actually, Mr. Topolovac says, he has been to Berghain a few times.)

The show winds down with recent photographs by Vincent Rosenblatt showing phantasmagoric scenes from a club in northern Brazil in 2016 and 2017. As for "Night Fever," it ends its run Sept. 9, then parties down at the ADAM-Brussels Design Museum on Nov. 23 for the start of an international tour.



ROGER TALLON'S Swivel Chair Module 400 for an unbuilt Paris nightclub (1965).

## MASTERPIECE: 'THE THREE MUSKETEERS' (1844) BY ALEXANDRE DUMAS

## LESS THAN PERFECT HEROES

BY TOBIAS GREY

ALEXANDRE DUMAS was 18 when he first discovered Shakespeare. It was a bowdlerized version of "Hamlet" that a traveling French troupe performed not far from where Dumas grew up. Its impact on his future career was immediate and irreversible: "Imagine a blind man whose sight is restored! Imagine Adam opening his eyes on creation!" wrote Dumas in his memoirs.

What humanizes Shakespeare's play is the unconditional friendship between Hamlet and Horatio. However rash and irregular Hamlet's behavior becomes, his friend's support never waivers. When Dumas wrote "The Three Musketeers" in 1844 he upped Shakespeare's ante by creating a band of four, not two, "inseparables" who remain fiercely loyal to one another in spite of their individual shortcomings.

Today, when foibles are quick to be frowned upon and stones fast to be thrown, Dumas's novel offers a welcome respite in its celebration of masculine imperfection. Originally published as a newspaper serial, "The Three Musketeers" dynamited the codes of staid bourgeois drama. The author's mold-breaking use of short paragraphs and abundant dialogue provided a template for the modern page-turner. Though Dumas was accused of playing fast and loose with history, he actually brought it thrillingly alive. "What he invents seems true," Jean Cocteau wrote, "while the truth of other [writers] seems false and it no doubt is."

The novel begins with an impudent young Gascon, d'Artagnan, heading to Paris in search of fame and fortune. He initially makes enemies of Athos, Porthos and Aramis, three of King Louis XIII's best musketeers, and several challenges to a duel ensue. But the contests never actually occur, because the musketeers divine in d'Artagnan a man who is willing to risk his life and can assist them in their sallies against Cardinal Richelieu's belligerent guards. A rip-snorting new translation of "The Three Musketeers" by the American Lawrence Ellsworth captures all the excitement and flair of Dumas's great historical adventure that spawned several sequels and numerous films, TV series and cartoons.

Far from setting up the musketeers as paragons of virtue, Dumas's first description of them is as "drunk, disorderly and insolent." He continues in a similar vein: They "lounged around the taverns, the public squares, and the sporting greens, making loud remarks, twirling their mustaches, rattling their swords and taking great pleasure in provoking the Cardinal's Guards whenever they encountered them."

The three that d'Artagnan gets to know and befriend are variously described as "vain and indiscreet" (Porthos), "taciturn to a fault" (Athos) and "the most unsocial, least fun-loving musketeer one could ever hope to see" (Aramis). Even d'Artagnan, though more in the heroic Walter Scott mode, has his failings, especially when he masquerades as another man to seduce the novel's arch-villainess, Milady. He is upbraided for this by Athos, who places chivalry above all else. But does the older man hold a grudge against him? You can bet he doesn't.

Of course the musketeers and d'Artagnan, who dreams of becoming one of them, also have their share of gentlemanly and stouthearted qualities, but Dumas is more interested in using their shortcomings to propel his plot. When d'Artagnan quite literally runs into Porthos for the first time, he discovers that the resplendent baldric the musketeer is wearing is a counterfeit. The normally imperturbable Porthos is so embarrassed by d'Artagnan's discovery that he feels honor-bound to challenge him to a duel.

But again, no grudge is held, and the novel's theme that there can be no loyalty without tolerance endures. Although the musketeers' famous motto "All for one and one for all" appears only once in the book, it has persisted in the public imagination. In 1980 the French playwright André Roussin gave a speech to the Académie Française in which he spoke of "The Three Musketeers" in relation to the French Resistance during the Nazi Occupation and all the young people who had been tortured to death for not revealing the names of their comrades. "A lot of them," he said, "had perhaps read 'The Three Musketeers' when they were 12 years old and took away from it this sense of a sacred brotherhood."

Mr. Ellsworth does a wonderful job of communicating the energy, humor and warmth of Dumas's work. This was not always the case with the translations of the 1840s and 1850s—still the ones most likely to be found in American bookstores and libraries—which mimic the rather stiff, elevated diction of writers like Scott and James Fenimore Cooper. Mr. Ellsworth's snappier approach, which included putting back all the racier scenes elided from the Victorian translations, suits Dumas much better.

It also helps to put an end to the lie, persistent in the English-speaking world, that Dumas's brand of popular fiction does not deserve the same attention as more "serious" works. It was not something that Robert Louis Stevenson, who knew a thing or two about writing romantic adventures, would have ever subscribed to. "I do not say there is no character as well-drawn in Shakespeare," he wrote of d'Artagnan. "I do say there is none that I love so wholly."

Mr. Grey is a writer and critic living in Paris.



Ryan Inzana

David Byrne  
finds himself all  
over the world.  
A travel-  
minded Q&A



D4

# OFF DUTY



Dan Neil on  
Alfa Romeo's  
new SUV—  
possibly the  
fastest ever

D11

EATING | DRINKING | STYLE | FASHION | DESIGN | DECORATING | ADVENTURE | TRAVEL | GEAR | GADGETS

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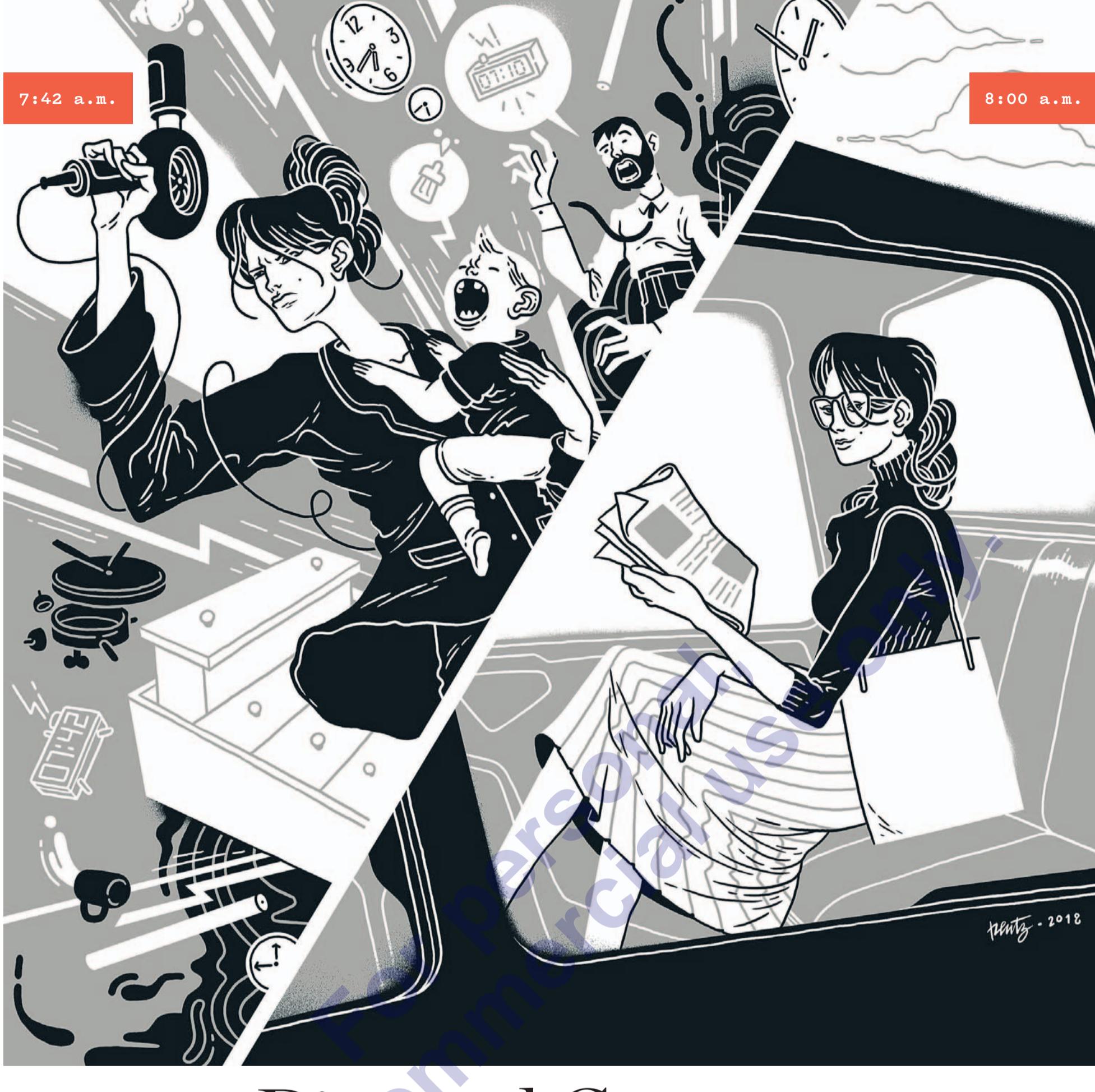
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THE WALL STREET JOURNAL.

Saturday/Sunday, March 17 - 18, 2018 | D1

7:42 a.m.

8:00 a.m.



RENTZ

## Rise and Conquer

From applying mascara on the subway to hiding gym clothes under dressy statement coats, how super-busy fashion insiders speed up the morning routine without sacrificing style

BY MICHELLE RUIZ

JESSICA PALLAY, co-founder of the pregnancy and parenting website Well Rounded, puts her eyeliner on in the subway. "I do everything I have to do for the kids first," said the 39-year-old Brooklyn mom of two. "I get whatever's left."

And stylist Nicole Chapoteau isn't above sartorial trickery to streamline her routine. After dropping off her 7-year-old daughter at school in Queens, and squeezing in a boxing class, she hides her workout leggings beneath a cotton-candy-pink and black-striped Bottega Veneta statement coat and heads straight to an appointment with a designer. "No one notices," said Ms. Chapoteau, 39. "They're all like, 'Wow, that's such a great coat.'"

"Rise and grind" is no longer just a culty CrossFit mantra but a way of life for super-busy working parents and people everywhere with packed schedules. Time hacks—from meal services like

Sakara Life for fast, healthy eating to Lyft for speedy transit—have infiltrated our lives, and yet the daily morning dilemma remains: How can you get ready as quickly and efficiently as possible, without sacrificing style and sophistication?

In the quest for professional—and, in some cases, parental—perfection, we race against the clock to squeeze in breakfast meetings, workouts and frenzied school drop-offs, typically within a window of two hours, max. It all puts a premium on establishing a swift, Beyoncé-style, "I woke up like this" strategy.

"How we start the morning has a big effect on how the rest of the day goes," said productivity expert Laura Vanderkam, author of the forthcoming book "Off the Clock: Feel Less Busy While Getting More Done." A lot of people, she said, "wind up in some sort of frenzy in the morning that doesn't serve them well for every other thing they're trying to do in life"—whether that's launching a startup or being that rare Zen working parent.

I can relate. Show me an "American Ninja Warrior" obstacle course and I'll tell you it looks downright relaxing compared with the daily rush with my toddlers in Manhattan. Most mornings involve a flurry of frozen waffles and tense negotiations over teeth-brushing. After foisting the kids upon my husband (er, lovingly kissing them goodbye) for school drop-off, I'm lucky to speed-shower, throw on ripped Rag & Bone jeans and power-walk to my co-working space with soaking wet hair.

Apparently my slapdash efforts are on trend. "With everything that's happening in this amazing woman's movement right now, I believe it's more about your spirit, as opposed to being perfectly polished and coiffed," said New York City-based hairstylist Matt Fugate.

Indeed, the smartest women take advantage of a zeitgeist that is endorsing ease, while they develop specific get-ready strategies of their own.

On dismal days, I tell myself that model Gigi Please turn to page D2

### [ INSIDE ]



WE'LL ALWAYS HAVE SCHVITZING  
Soak in the steamier side of Paris by visiting its Turkish baths D5



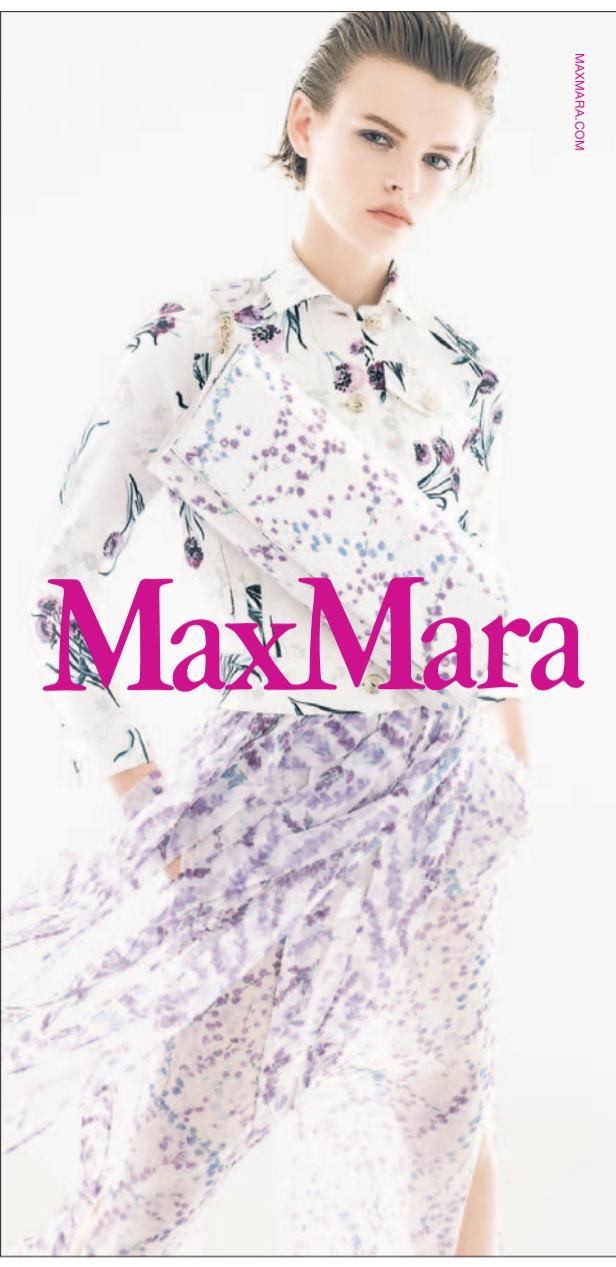
JUST GOING THROUGH A FEZ  
Detour from dinner-as-usual with recipes from the Julia Childs of Morocco D7



TOUGH ACTS TO FOLLOW  
Five impressive Instagram accounts for lovers of design D9

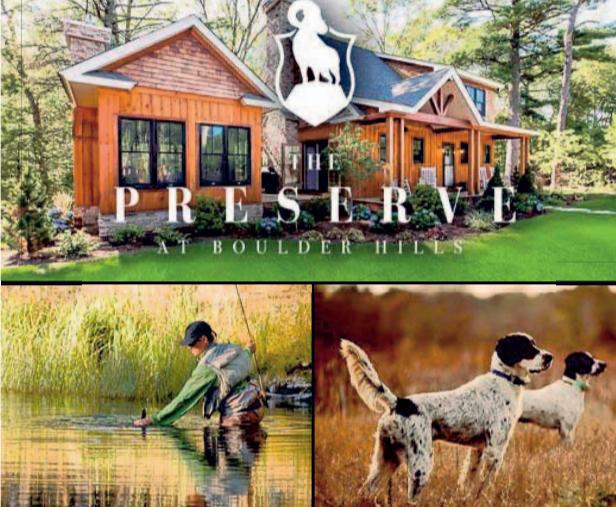


THE KING OF STYLE  
How to co-opt Elvis's love of bowling shirts D3



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## STYLE & FASHION

# FASTER FASHION

*Continued from page D1*

Hadid is also known to go out with slick, damp locks, and that Chanel sent messy topknots down the recent Fashion Week runway in Paris. Fresh, dewy, "no-makeup makeup"—as if you just splashed Evian on your face—is the new gold standard in beauty, thanks to buzzy brands like Glossier and Supergoop. (The latter makes a CC cream that handles SPF, moisturizer and coverage all in one.) And, despite its flirtations with absurdist runway excesses, fashion is locked in a long-term relationship with easy, decidedly adult neutral basics. Think: oversize trench coats and gray suits from the Row. Or the no-guesswork white turtleneck dress created by Phoebe Philo for Céline this spring. Ms. Philo may have exited the brand recently, but her positive impact on our morning routines will continue.

"I basically wear the same thing—a black T-shirt and black trousers—every day. It takes no thought and no time," said Josh Goot, who co-founded Wardrobe.NYC, a new company that creates mini-wardrobes of four or eight "forever pieces," like black blazers and white tees. Adopting a work uniform is one way to end the angst, and time suck, of getting dressed. With the Wardrobe.NYC line, "you could be out of the shower and into an outfit in two minutes," predicted his

expert Ms. Vanderkam. "By not spending 10 minutes debating outfit choices every morning, in a week, you've already bought back an hour."

Some resort to manic night-before prep, showering and laying out outfits before bedtime, but "I would be very careful about pushing too much to the night before," Ms. Vanderkam said. "Then you lose sleep or you lose leisure time, which will make you unhappy in the morning regardless." Better, she said, to approach the morning dash more as: "What can I not do?"

For one: Stop flat-ironing or curling your natural hair. "Trying to bend your hair to somebody else's will is over," said Mr. Fugate, whose clients include Allison Williams and "A Wrinkle in Time" actress Gugu Mbatha-Raw. Women should feel free, he said, to "embrace the catty-wampus."

Woke up with unruly bangs? "Twist and clip them up," Mr. Fugate advised. Instead of bemoaning bedhead, "use the texture to create messy topknot" or an unexpected double-ponytail (with the top of your hair in one elastic and the bottom in another).

To cut down on daily priming, busy women invest in long-lasting beauty treatments. Luisana Mendoza Roccia, 37, co-founder and COO of children's e-tailer Maisonet and a mother of three in Washington, D.C., gets Keratin treatments that smooth her hair for up to 4 months. "It's a huge time-saver," she said. "I let my hair dry naturally, and my Latina curls are totally under control."

Carol Han, 37, founder of digital and social media agency CA Creative (who is also busy planning a September wedding and decorating a Brooklyn apartment) has her thin brows microbladed to spare her the tedious task of filling them in with pencil every day. And she springs for an annual Fraxel laser treatment to help her get bright, healthy skin—so that, in the day-to-day, "I don't have to put anything else on my face," she said—except for Josh Rosebrook sunscreen. "It definitely makes the makeup process quicker when you've got a glowing canvas to start with," said makeup artist Diane Kendall.

Still, in the incessant time-hacking of modern life, some things remain sacred. For Ms. Han, it's 15 minutes of morning meditation to start crazy days on a peaceful note. For Alexandra Macon, 36, co-founder of the wedding website Over The Moon, it's the simple act of bathing—even if it means bringing her 3- and 5-year-old daughters into the shower with her. "That way my shower isn't cut short by someone screaming for me mid-leg-shaving," she said.

My own nonnegotiable self-care ritual (in addition to Pinot Noir in the evening) is a magical tube in my makeup bag that does triple duty to make me look human: I quickly dab Glossier Cloud Paint on my cheeks, my lips and, sometimes, my eyelids, too.

As for my perpetual dark under-eye circles, there's Laura Mercier concealer—and blind confidence.

"I'm a big fan of working with who you are," said Ms. Vanderkam. "It takes time to look like somebody else."

### Le Chic C'est Quick

The spring runway was rife with inspiration for effective shortcuts



### ◀ The Jumpsuit

A grownup onesie by Max Mara that requires zero decision-making. With office-worthy pinstripes, no less.



### The Ankle-Length Coat ▶

Working out after school drop-off? No problem: A long, elegant coat like this Erdem one hides leggings.



### ◀ The Jacket With Flair

Opt for a statement piece like this intriguingly detailed Loewe blazer, which instantly chicifies no-brainer black basics.



### The Gigantic Handbag ▶

With a hold-everything leather tote like Céline's, you won't waste time re-apportioning your stuff for different bags.



### ◀ The Crisp White Shirt

When in doubt, throw on a true minimalist classic, such as this oversized top by Jil Sander.

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## STYLE &amp; FASHION

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# The Kingpin

No one will ever look cooler than Elvis in a bowling shirt, but these new versions will put you roughly in the same league

BY JACOB GALLAGHER

**O**NE DAY IN 1952, in Memphis, Tenn., Elvis Presley walked into the Lansky Bros. clothing store, where Bernard Lansky was tending the till. Elvis, then a 17-year-old usher at the Loew's movie theater around the corner, confidently declared, "Mr. Lansky, I don't have any money, but one of these days I'm going to come in and buy you out." Amused, Mr. Lansky countered, "Don't buy me out, just buy from me." With that, a lifelong collaboration took root. Even as Elvis became a global phenomenon, Lansky Bros. kept him in blue suede shoes and collar-popping shirts. When the controversially gyrating star was invited to perform on "The Milton Berle Show" in 1956, Mr. Lansky outfitted him in the pink and black bowling shirt he wore on air. At the time, lots of men wore bowling shirts on their off days whether they bowled or not, but Elvis took the shirts to the next level with his electric color combinations.

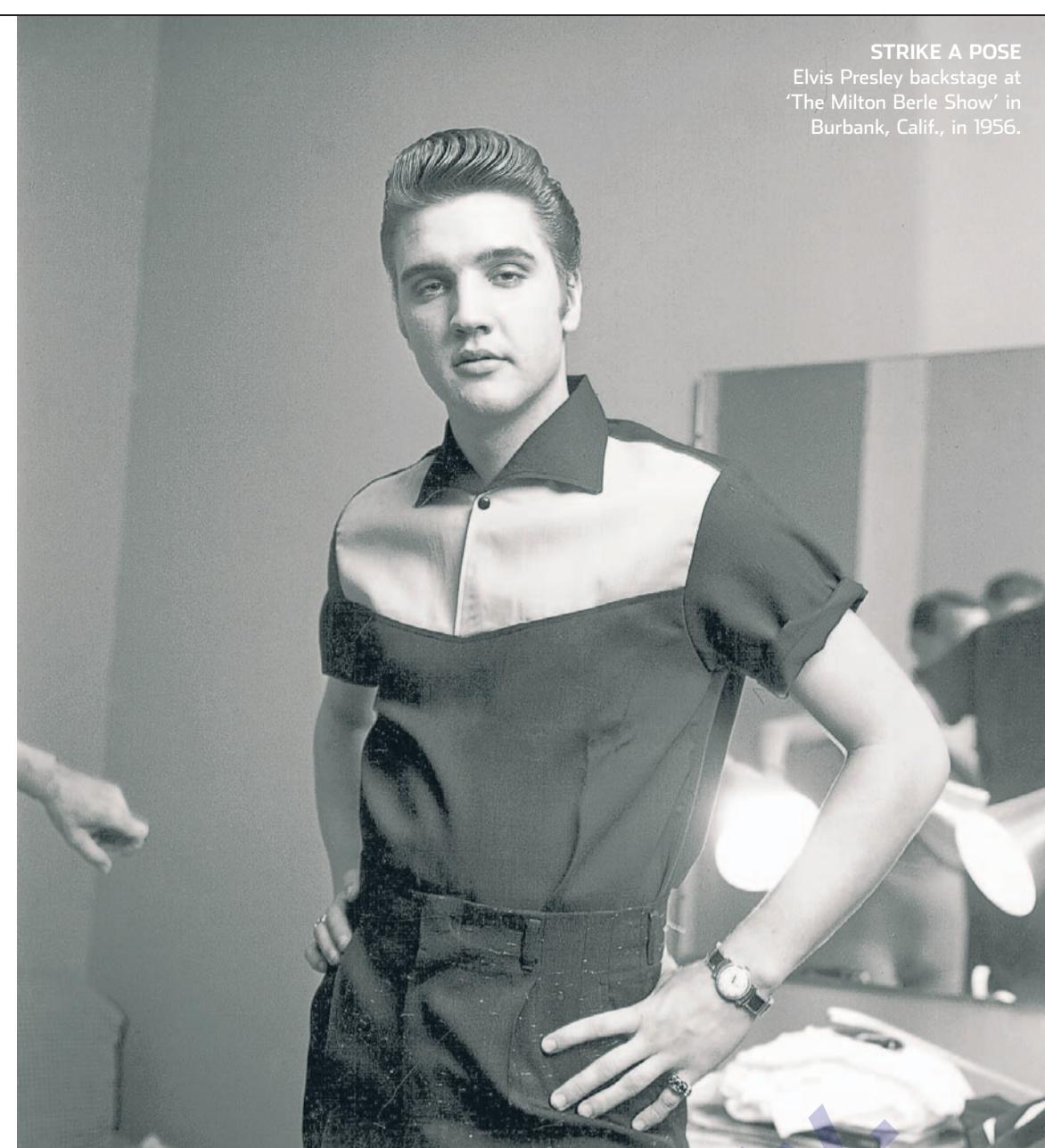
"In the mid-50s when he broke into the scene, Elvis really liberated menswear," said Zoey Goto, a London-based writer and author of the book "Elvis Style: From Zoot Suits to Jumpsuits." Six decades later, fashion has adopted a brash Elvisish sensibility and designers are whipping up their own unconservative bowling shirts. Most notably, Prada and Ami brought them to the European runways in candy-color schemes that might have met with Mr. Lansky's approval. "My dad used to call them his 'lifesaver col-

ors,'" said Hal Lansky, who became president of Lansky Bros. after the passing of his father in 2012. "My dad loved to put those loud colors in the window, and that's probably what drew Elvis to our front door."

The sort of brightly colored open-collared shirts Elvis helped popularize played a role in defining the breezy style of California and Hawaii, too. "It's a very surfer look, like in the '60s when surfers would wear nice suits and camp-collared shirts before changing into their boardshorts to go surfing," noted Kurt Narmore, the designer of Los Angeles-based label Noon Goons. Bowling shirts walk the line nicely between refined and rebellious. Their straight hem and boxy cut create a crisp silhouette, and striking colors and textures make them more interesting than whatever you're probably wearing right now. "It's not your normal oxford shirt or something that's just a regular shirt. It has more flavor, style and flair," said Mr. Narmore.

While Noon Goons does sell a solid black iteration, which would look subtly cool with light-wash jeans, bowling shirts score highest when done up in startling shades and Elvis-friendly patterns. Visvim and Stussy offer shirts in flamingo pink and cornflower blue, while Topman is hyping stripes. Hecho embellished its patchworked bowling shirt with screenprinted characters for an added wink.

The more experimental you get, the more prudent it is to wear solid chinos below (in neutral navy or khaki, please) so you don't look excessively eccentric. Whether you pop the collar like the King is entirely up to you.



**STRIKE A POSE**  
Elvis Presley backstage at 'The Milton Berle Show' in Burbank, Calif., in 1956.

GETTY IMAGES (PRESLEY); F. MARTIN RAMIREZ/WALL STREET JOURNAL, STYLING BY ANNE CARDENAS (SHIRTS)



For the pattern-averse man: Pharcyde Shirt, \$239, [noongoons.com](http://noongoons.com)

For the extravagant man: Leather Shirt, \$2,760, [Prada](http://Prada.com), 212-664-0010

For the hip-but-thrifty man: Stripe Shirt, \$55, [topman.com](http://topman.com)

## WILD THINGS

Unfortunately, men generally avoid eyebrow grooming. We say: Wax away

**CHARLES BARKLEY'S**

co-anchors on TNT have been teasing the NBA Hall of Famer about his shapely eyebrows for years. When Shaquille O'Neal asked him on air if he'd had them spruced up before last month's All-Star Weekend in Los Angeles, Mr. Barkley tartly replied, "No, I haven't had them waxed in a while." Nonetheless, Sir Charles's eyebrows looked good-tidy, neatly arched and glaringly expressive.

"It's entirely acceptable for men to talk about grooming, thanks to those who track every minuscule

change on social media," said Jodi Shays, CEO and founder of West Coast-based Queen Bee Salon and Spa. But it's possible to go too far with eyebrow shaping, cautions Ms. Shays: "No guy wants to walk out of a salon with Kim Kardashian brows."

When done well, however, brow maintenance can ensure "a groomed, yet natural appearance," said Steve Sole, an L.A. finance consultant in his mid-40s, who has his brows waxed monthly. A few pointers to tame those caterpillars:

Easily the most popular method for guys, waxing is "efficient, quick and less painful than plucking," said Ms. Shays. Sticky wax strips are pressed onto the skin, then peeled off, removing unwanted hairs between arches, to clean up a uni-brow, or below the arch, an effect that "gives you a kind of eyelift," claimed Ms. Shays. At a salon, expect to pay from \$10 to clean up stragglers to \$35 for a uni-brow fix.

Mr. Sole, who started having his "thick, out-of-control" brows waxed five years ago to look good for his wedding, hit a salon on his wife's advice, instead of a barbershop, where the comb-and-scissors brow trim rarely yields the best aesthetic results.

Waxing isn't the only route. Sabah Feroz, a brow specialist for Blink Brow Bar London at New York's Saks Fifth Avenue salon, finds threading offers "more control in shaping the brow." During threading, the groomer tightly twists a cotton thread onto a hair to pluck it from the follicle. "It does pinch," said Tyler Williams, 30, a beauty communications

specialist in New York, who has his brows shaped every six weeks or so at \$32 a go.

One caveat: Let the salon know if you're taking any medication, such as Retin-A, that might make your skin sensitive to waxing. "In that case, we would clean up the brows using tweezers," said Andre Nemitz, an educator and Cincinnati-based senior stylist for 18/8, a national men's salon. Sometimes old-school plucking, however scream-inducing, is the only choice.

—Donna Buleco

<img alt="A full-page advertisement for Dolce &amp; Gabbana featuring three models in colorful, patterned dresses posing on a gondola in a canal in Venice. The background shows the Rialto Bridge. The Dolce &amp; Gabbana logo is visible on the gondola. The text reads: 'DOLCE &amp; GABBANA #DGVELEZIA' and 'SHOP ONLINE AT DOLCEGABBANA.COM'. The bottom left corner includes social media handles: @frankieherbert, @kittyspencer, and @\_lauramurray.'/>

## ADVENTURE &amp; TRAVEL

20 ODD QUESTIONS

## David Byrne

The globe-trotting musician on his penchant for two-wheeled exploration, losing his way in a Swedish forest and his devotion to leftovers

**T**HIS SPRING and summer, you may notice a familiar-looking figure pedaling along your local cycling path, and you may ask yourself: "Is that David Byrne, the former frontman of Talking Heads?" It could well be. Mr. Byrne has just embarked on a world tour—taking him to more than 90 cities, from Santiago, Chile, this Friday, to Brooklyn, N.Y., on Sept. 17—to promote his new album, "American Utopia," and he's bringing his bike.

Though this is his first solo record since 2004, these last 14 years haven't been idle ones. Mr. Byrne has racked up countless miles, and he has the projects to show for it. His cycling habit led to his 2009 book "Bicycle Diaries," a collection of essays drawn from his two-wheeled excursions in cities such as Istanbul, Buenos Aires, Pittsburgh and New York, where he lives, as well as Manila, in the Philippines, where he found inspiration for "Here Lies Love," the 2010 disco-musical about Imelda Marcos he created in collaboration with Fatboy Slim. Mr. Byrne's worldly expeditions informed another recent project, called "Reasons to be Cheerful," a collection of pioneering initiatives in wide-ranging fields, from transportation to energy production, all cataloged on a website of the same name. His observations on these initiatives gave rise to a TED Talk-like presentation, which he's given recently in New York, London, Amsterdam and Berlin.

Travel of a more allegorical nature is a recurring motif on the new album. In the lead single, "Everybody's Coming to My House," Mr. Byrne sings, "We're only tourists in this life. Only tourists, but the view is nice," which sums up his engaged approach to life and travel. In other words, Mr. Byrne said, "Life is fleeting. One hopes we participate, and that we don't just watch from the hotel balcony—that we're part of it."

**On tour, we mostly travel by:** bus. It's actually more efficient than flying, unless you own your own plane. You often arrive in a town in the morning, having slept on the bus. So you've kind of gotten a full night's sleep. On European tours, some bands would often travel with their own cooks. Often two people, who would have a stove and an oven inside a road case. Maybe a little fridge in a road case. And within, like, half an hour, boom, boom, boom, boom: They've set it up and made a whole kitchen.

**When I go on tour I always bring:** Tupperware. Takeout containers. It probably wouldn't work for traditional travelers, but because there's a microwave on the bus and a little fridge, I can take leftovers from dinner. I put it in the little containers to stash in the fridge and in the mornings zap it up for a nice breakfast.

A Tern Node D8: Mr. Byrne's preferred mode of transport.

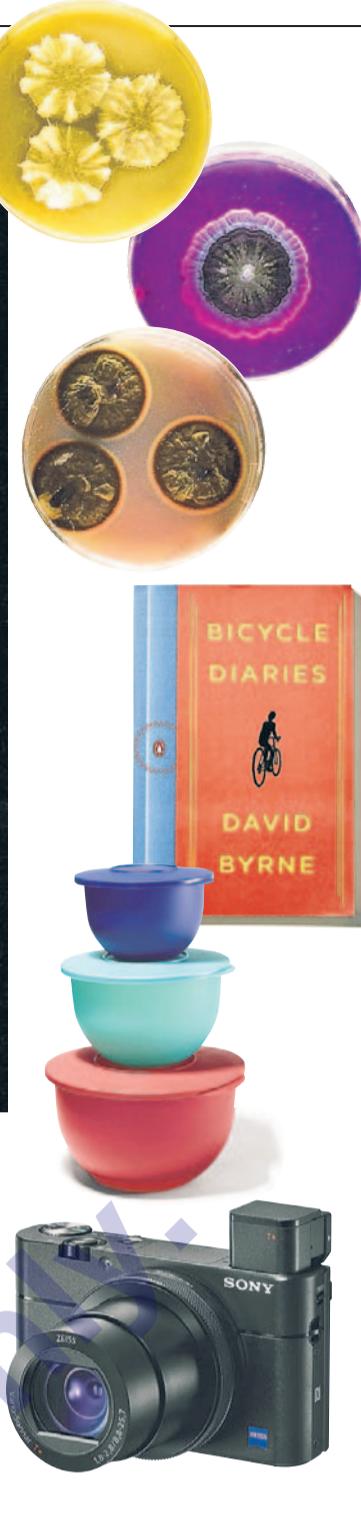


I love re-living the dinner from the day before.

**The other thing I always bring is:** a bicycle. The bike I'm taking with me on tour is a Tern Node D8, which is pretty much a full-size bike but folds in half. Some of the other people on the tour will have similar ones. We slot them in the bus where the luggage goes.

**One side effect of traveling a lot is:** waking up and not remembering exactly where you are. Which can be really funny sometimes. I remember one night at a hotel in Brussels the bed was really high. I woke up in the middle of the night and rolled out of the bed, and boom—onto the floor. Rude awakening.

**When I have down time while traveling:** I'll explore the town on the bicycle. Maybe go to a museum, or do other things. Maybe just wander aimlessly. I love it. I see things from street level that are different from just reading the papers. I remember riding a bike around all sorts of towns before the housing crisis, and just seeing all these houses being built—developments just mushrooming out, everywhere. A lot of them empty. Not all of



## TWO-WHEELED TOURIST

Clockwise from top: David Byrne; petri dishes at Amsterdam's Micropia museum; Mr. Byrne's 2009 book about urban cycling; Tupperware, one of his travel essentials while on tour; his camera of choice, the Sony DSC-RX100; Astana, the capital of Kazakhstan.



them, but a lot of them, and then thinking to myself, people here can't afford this. It doesn't make sense. Something's gone wrong here. You could just see it.

**If I don't have my bike:** I'll try a city's bike-share program, to test whether it works or not. Milan had two competing versions of the Chinese park-anywhere bike startups (Mobike and OFO). They work really well, I have to say. You can find them on your phone and go, oh, there's one right there and just unlock it with your phone. I'm sure [the companies] know how they're going to solve these issues—like the way everybody's going to dump them at the train station at 5:00 p.m.

**Some of the most cyclist-friendly cities are:** Amsterdam or Copenhagen, where everyone's on bikes. But it's when you're in other places that you have a sense of freedom you realize is unique to cyclists. In Rome, where hardly anybody is riding a bike, you realize, "This is perfect!" There's all these twisty little streets (and a couple of hills) and you realize the

traffic is all snarled, but you can just zoom through and get around. The same thing happened in Istanbul, where traffic is atrocious. There's a thrill of being able to say "Ha-ha! I beat the system here!"

**My formative travel memories are:** with my parents. We'd go on little road trips, usually in Canada, to parks and things like that. I remember mosquitoes. And when I was in art school, RISD [Rhode Island School of Design], you could still hitchhike around and explore the country that way.

**A favorite recent discovery was:** Micropia, in Amsterdam. It's a microbe museum. It's the world's only microbe museum, they're proud to tell you. Everything's in jars, and there's microscopes with screens, so you can see little things crawling around. And they had this jar with a tuna salad that had been in there for a good six, seven months. It had completely liquefied. Luckily you couldn't smell it.

**I take photos with:** both [a phone and a] Sony-DSC RX100. It's not a

cheapie camera, but it does fit in the pocket. There's more depth to the image. There's a real lens.

**I've never been to:** much of West Africa or Central Africa. They're on my list. I feel like I might need a way in—somebody not just to help me navigate the roads but to figure out how to behave in a sensible way there. Also, I don't know if I'll ever get there, but I'm fascinated by Central Asia. Uzbekistan, Turkmenistan, Kazakhstan—all the Stans.

**I remember getting completely lost:** while on tour with Talking Heads quite a while ago. We traveled across Sweden and stopped to visit the trumpet player Don Cherry and his wife, Moki. There was a lovely forest across the street [from their house], and I thought I'll go for a walk in the forest. I think it was a planted forest; the trees were all very straight and orderly. After a while I looked around and thought, "Oh, it all looks exactly the same in every direction. How do I get out of here?"

—Edited from an interview by Matthew Kronsberg

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## ADVENTURE &amp; TRAVEL

# Paris When It Steams

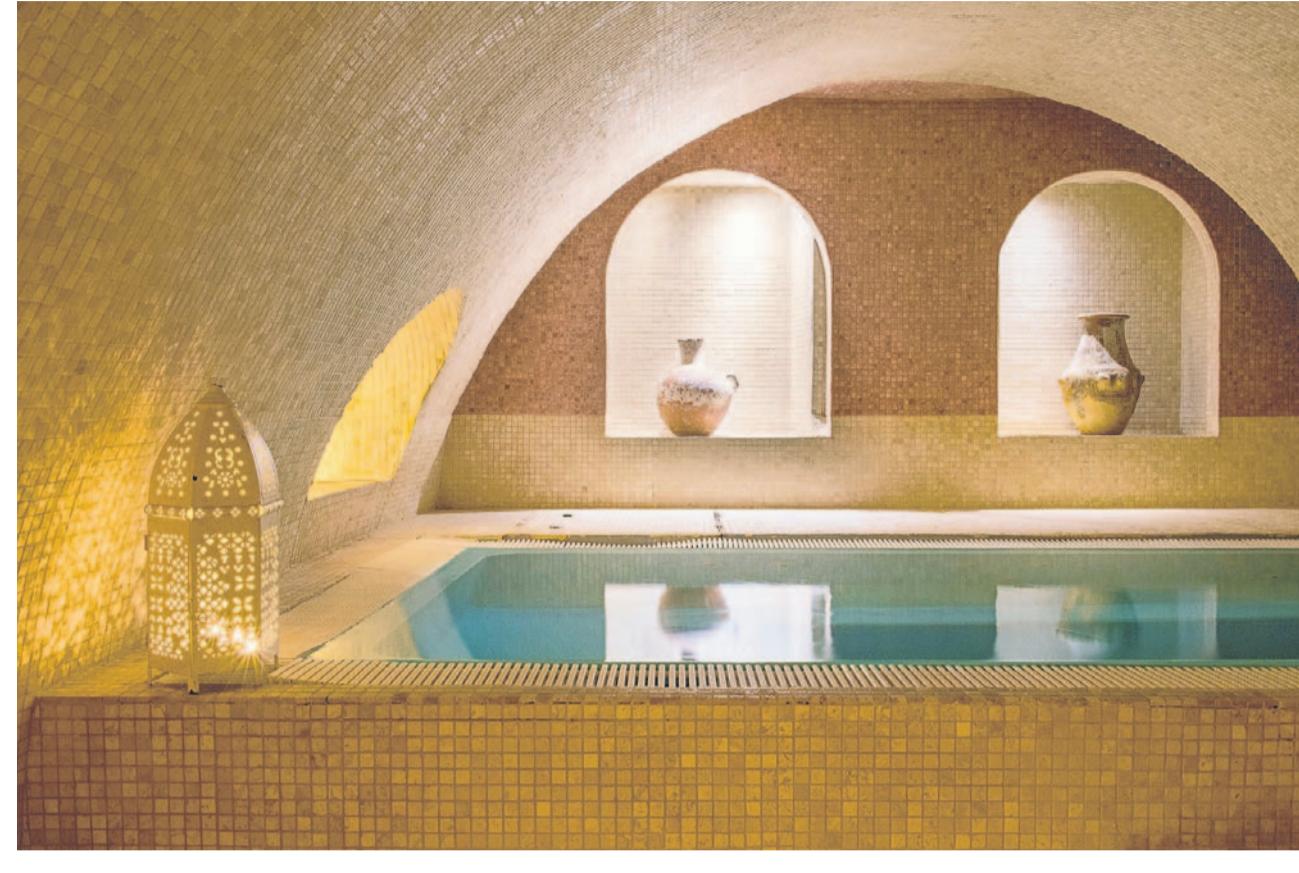
More accustomed to dining her way through the French capital, a visitor seeks out the city's hammams—spas with ancient roots—where indulgence takes another form

BY BETH KRACKLAUER

**WHO KNOWS** how many bottles of wine were consumed? On a rainy Paris night, I hunkered down with a group of friends for a dinner party of roast chickens with potatoes drenched in the drippings. We ate like people younger than we are. Corks continued popping. Dancing ensued.

Wisely, the women in the group agreed to gather the next day at the Grand Mosque of Paris, a Latin Quarter fixture since the 1920s. We wanted to sweat out the residue of the previous night's decisions, and we'd heard the Mosque had a spectacular hammam, or Turkish bath, inside.

Famously a capital of overindulgence, Paris is also a remarkably good place to recover with a good, cleansing schvitz. Public bathing was once a necessity for Parisians with no means of doing so at home. Jews as well as Muslims established baths for ritual cleansing. In the late 19th century, a faddish commitment to hydrotherapy and a fascination with the exotic Near East prompted the construction of Turkish baths, or fanciful approximations thereof, in a number of European capitals. Even today, Paris has its big, theatrical, emphatically orientalized hammams. But France is also home to Europe's largest Muslim population, and its capital boasts a proportional number of smaller neighborhood hammams that cater to them and to anyone else in-



terested in retreating from the clamor of the city into a cloud of fragrant steam.

While some Paris hammams admit men and women on alternating days, the one at the Grand Mosque currently serves only women. We showered, then sprawled on heated marble slabs in the "hot" room, a colonnaded space more accurately described as pleasantly warm, and let our muscles loosen and our pores dilate. When we'd absorbed enough heat, we strolled over to a pool of cold water and splashed our rosy skin or boldly plunged

in. I'd been lectured by a few Parisian friends that wearing my bikini top would be a major faux pas, but the women lounging around this hammam were topped and topless in equal measure. All around us, they rubbed themselves with "black soap," a sticky tar of olive oil and herbs meant to help exfoliate the skin. After a while, a powerfully built attendant came in and examined the bracelets we'd been given at reception, tagged with the treatments we'd paid for. It was time for the *gommage*.

This vigorous scrubbing is

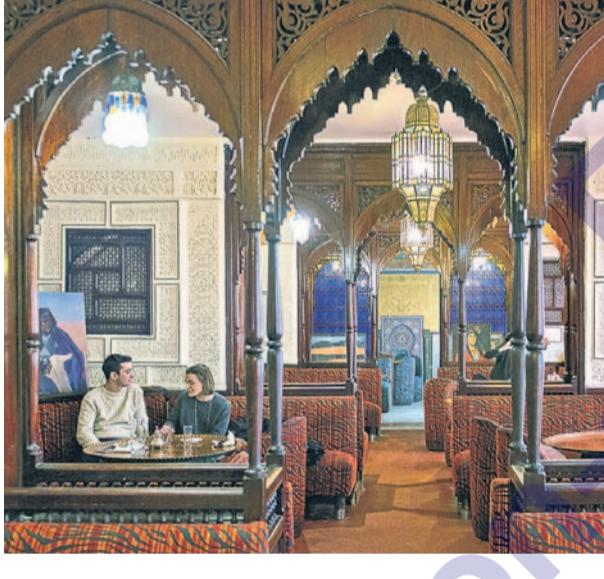
central to the hammam experience. The attendant invited me onto her table and set to work on my steam-softened body with a rough mitt, gleefully pointing out the shocking amount of dead, gray skin she sloughed away. After a thorough rinse-off, I headed into the domed *salle de repos*, paneled in intricately painted wood. Women wrapped in towels lolled on cushions, sipping mint tea from tiny glasses, waiting their turn on the massage tables. The masseuses chatted in Arabic as they casually manipulated shoulders and

limbs—a gentle sort of massage aimed at encouraging circulation. Between the *gommage* and the massage, I felt like a baby at bathtime, capably handled and swaddled, clean and soft and smelling of orange blossoms.

As I visited more hammams, I came to see them less as antidotes to overindulgence and more as portals to a Paris I'd never known. I was steamed, scrubbed, kneaded, nurtured, fed baklava, and even bathed in donkey milk. I paid as little as \$22 for entry and as much as \$250 for a 3-hour spa pack-

**THE SANCTUARY****O'Kari**

Karima Lasfar, a native of Algeria, opened O'Kari in 2009. "All over North Africa, [hammams are] in the culture," she said. "Women take their kids. They go home and then the men come, to talk about science, learning—it's like a library." Though the hammam is traditionally a social space, O'Kari—by far the most tranquil I visited, with its soothing sandstone décor—also makes a comfortable outing for a solo traveler. Outfitted in the odd yet surprisingly comfortable paper thong dispensed at reception, I easily lost track of time, melting in the steam room and floating in the tepid pool. The welcoming staff delivered water infused with detoxifying citron and gently nudged me in the direction of my various spa treatments—the best I found at any hammam. I could see making O'Kari a habit. "In Algeria, we do the hammam once a week," said Ms. Lasfar. "It's about quality of life." 22 rue Dussoubs, [o-kari.com](http://o-kari.com)

**THE CLASSIC****The Grand Mosque of Paris**

Built by the government after World War I as a tribute to North African soldiers who fought for France, the Grand Mosque has a hammam that's big and majestic, but not luxe. The vibe is very YMCA, and the prices are reasonable (about \$22 for entry and \$44 for a 30-minute massage). The minaretted Mosque complex, a community hub, also offers a lively restaurant serving couscous and tagines, a nice shop stocking colorful leather *babouches* (slippers) and other souvenirs of the Maghreb, and a pleasant courtyard where you can pause before heading back out into the city, nurse a mint tea and a pastry sticky with honey, and bask in the equanimity a couple of hours in the hammam will invariably confer. 39 rue Saint-Hilaire, [restaurantauxportesdelorient.com](http://restaurantauxportesdelorient.com)

**THE PEDI CURE****Hammam Pacha**

If you're traveling with a group torn between seeking luxury and wanting something a little cozier, this Left Bank stalwart makes a good compromise. The facility contains both a Turkish-style steam room and a Nordic sauna, as well as a pleasant floating pool. While the quality of spa treatments varies drastically from hammam to hammam, here an air of quiet professionalism reigns. Pro tip: Whatever package you choose, add a 15-minute *massage plantaire*, a foot-and-calf-focused treatment that is a footsore tourist's dream come true. 17 rue Mayet, [hammampacha.com](http://hammampacha.com)

**THE CULTURAL IMMERSION****Les Bains d'Orient at the Institute of Islamic Cultures**

In December, Tunisian actress Rim (Riahi) Belaid, owner of Les Bains d'Orient in Place Stalingrad, opened a second location inside the Institute of Islamic Cultures. It offers the added benefit of the Institute's exhibitions, which help to situate the hammam in its contemporary cultural context. The surrounding Goutte d'Or neighborhood is full of North African and West African shops selling everything from spices to healing potions for hair and skin, to help prolong that hammam glow. 56 rue Stephenson, [lesbainsdorient.com](http://lesbainsdorient.com)

► For two additional hammams in Paris, see [wsj.com/travel](http://wsj.com/travel).

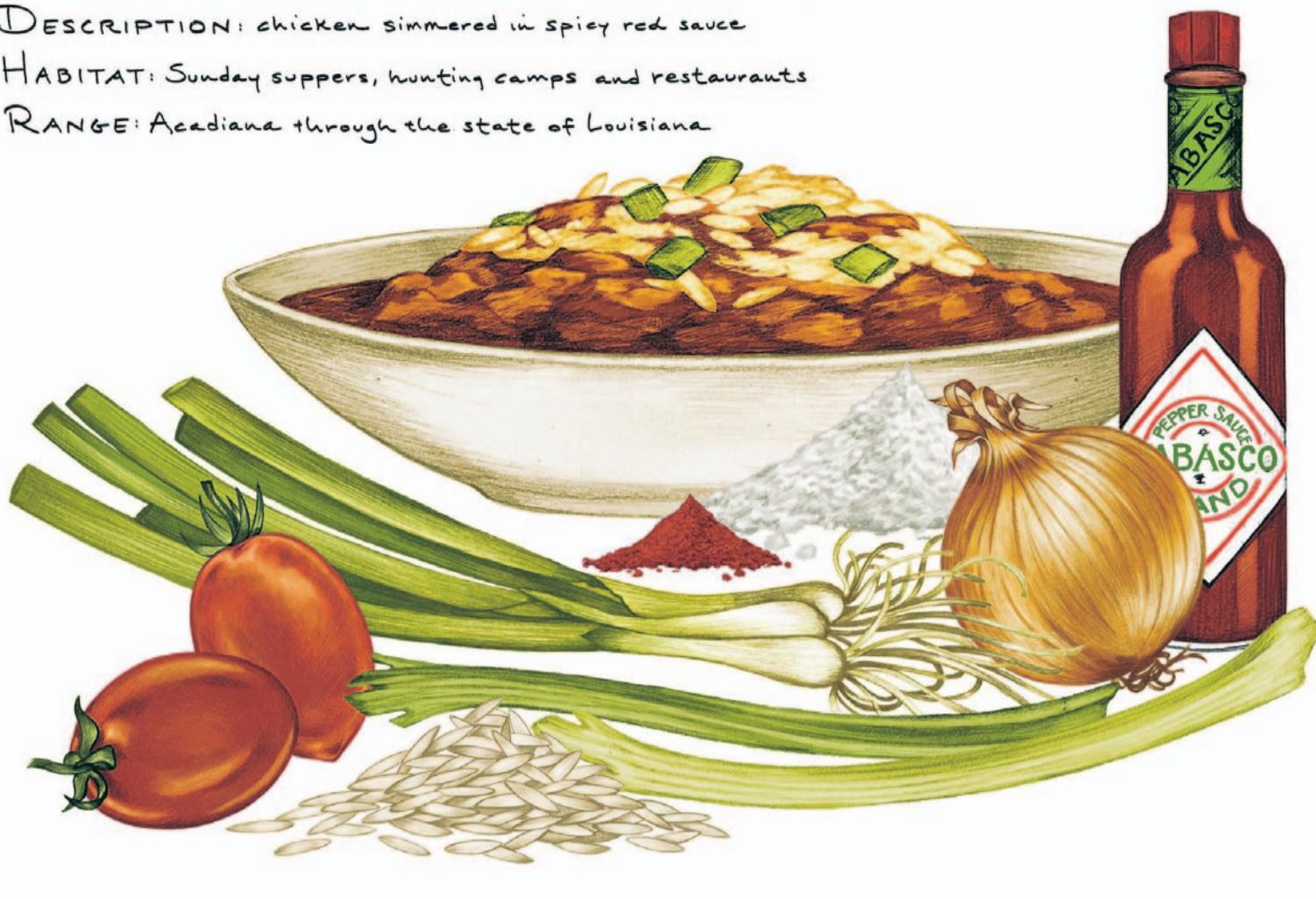


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# EATING & DRINKING

**DESCRIPTION:** chicken simmered in spicy red sauce  
**HABITAT:** Sunday suppers, hunting camps and restaurants  
**RANGE:** Acadiana through the state of Louisiana



UNITED PLATES  
A Field Guide to Regional Dishes

## One-Pot Melting Pot

In Cajun country, they smother everything from chicken to venison to alligator meat in a spicy red sauce piquant. The recipe reads like a history of immigration to Louisiana

BY KEITH PANDOLFI

**G**ROWING UP in St. Martinville, La., Marcelle Bienvenu enjoyed regular helpings of turtle and alligator meat, frog legs and rabbit, courtesy of her father's hunting and fishing trips. He'd brown the meat in an iron skillet, make a nice roux of fat and flour, then simmer that with tomatoes, peppers and hot sauce, among other ingredients, to create a punchy red sauce piquant. "It's something Louisiana hunters did a lot back then, whether they were in their camps or at home," said Ms. Bienvenu, a former Times-Picayune food columnist who now teaches classes on Louisiana cuisine at Nicholls State University. "And it's something they still do."

Louisiana's sauce piquant is as beloved by Cajun home cooks as it is by the Creole gourmands of New Orleans. The name piquant (pronounced PE-KAWNT) is French for tangy or spicy—both signature characteristics of a sauce that chef Paul Prudhomme once suggested should "hover between pleasure and pain when you eat it."

The problem is, the piquants I tasted while living in New Orleans a decade and a half ago hovered somewhere between basic and boring. But recently, after eyeing an enticing photo of a chicken sauce piquant in my beat-to-hell copy of Donald Link's 2009 cookbook "Real Cajun," I wondered what I'd been missing. Like gumbo, sauce piquant is one of Louisiana's polyglot

dishes, combining elements of Cajun, Creole, Italian, French and Spanish cuisines. Surely there must be greater depths to tease out.

Consulting experts in Louisiana, I quickly learned that one seldom finds good sauce piquant in restaurants. It's more of a home-cooked thing, requiring time and attention and—dare I say?—love. Sauce piquant is a natural byproduct of an afternoon spent watching the Saints game or talking about the old times with hunting buddies over a case of Abita Amber. The dish follows some of the basic

eral Cajun chefs that they wouldn't be caught dead cooking with a tomato, since that was mostly a New Orleans (i.e., Creole) thing. So how did it find its way into this iconic Cajun dish?

"That's a good question," Mr. Link said when I pressed him on the issue. "I guess it's just a Cajun deviation of Creole food." A native of Acadiana fluent in both cuisines, Mr. Link then launched into a history of tomatoes in the region. Though native to the New World, this fruit didn't begin making inroads into Louisiana's re-

tage and Cultural Society, which documents Louisiana immigrants from Spain's Canary Islands, I came across a recipe for *guiso de conejo* (rabbit stew) that, aside from an added splash of Sherry, was almost identical to sauce piquant.

Getting to work in my kitchen, I carefully followed Mr. Link's instructions, coating the chicken in a mixture of flour, chili powder, paprika and other spices. I fried the meat in vegetable oil, and I whisked flour into the same oil to make a peanut-butter-colored roux. Then I added my trinity—which immediately made my Brooklyn apartment smell like Acadiana itself—and stirred in chicken stock, fresh and canned tomatoes, and several enthusiastic shakes of hot sauce.

Having commanded Alexa to cue up some Mamou Playboys, I plated my chicken sauce piquant with white rice and inhaled it

standing at my kitchen counter. It was, no doubt, a rich, rustic, truly Cajun-style stew—honestly, among the tastiest one-pot dishes I'd ever made—but the Italian in me longed for more tangy tomato. And so I did what real Cajun cooks do: I improvised, doubling the chopped tomatoes and adding a tablespoon of tomato paste. I also upped my starch game, opening up a bag of Ellis Stansel's Gourmet Rice (arguably the best in Louisiana).

This time, I served my chicken piquant to family and friends for Sunday supper. And after years of underestimating this time-honored Cajun dish, I finally understood what the fuss was about.

### Chicken Sauce Piquant

TOTAL TIME: 1½ hours  
SERVES: 4-6

1 tablespoon salt  
2 tablespoons freshly ground black pepper  
½ teaspoon white pepper  
2 teaspoons cayenne pepper  
2 teaspoons chili powder  
1 teaspoon paprika  
2 boneless, skinless chicken breasts, and 4 boneless skinless thighs, cut into 1-inch cubes  
1 cup all-purpose flour  
1 cup vegetable oil  
2 small onions, diced  
3 celery stalks, diced  
1 tablespoon jalapeño chile, diced  
1 tablespoon minced garlic  
1 tablespoon tomato paste  
5 plum tomatoes, diced  
1 (28-ounce) can crushed tomatoes  
5 cups chicken broth  
1 tablespoon dried thyme  
4 bay leaves  
4 dashes hot sauce  
4 cups cooked white rice  
1 small bunch scallions, thinly sliced

1. In a large bowl, whisk together salt, black pepper, white pepper, cayenne, chili powder and paprika. Add chicken and toss to coat. Add flour and toss to coat.

2. Line a plate with paper towels. Heat oil in a large pot or Dutch oven over medium-high heat until it begins to smoke slightly. Shaking off excess flour into bowl, transfer chicken pieces to hot oil and fry in a single layer, turning occasionally, until golden brown all over, 5-7 minutes. (If necessary, fry in batches as to not overcrowd the pan.) Use a slotted spoon to transfer chicken to paper towel-lined plate. Reserve leftover flour in bowl and oil in pot.

3. Add reserved flour to reserved hot oil and cook over low-medium heat, whisking constantly, to make a peanut-butter-colored roux, about 5 minutes. (If it seems the chicken has absorbed too much of the oil, add another tablespoon or two.) Add onions, celery, jalapeño and garlic, and cook 5 minutes more.

5. Add tomato paste, chicken, tomatoes, broth, thyme, bay leaves and hot sauce. Simmer over low heat, stirring occasionally, until liquid thickens to a light gravy and chicken is fork tender, 45 minutes.

6. Serve over rice, garnished with scallions.

—Adapted from "Real Cajun" by Donald Link

ILLUSTRATION BY LISEL ASHLOCK

### GAMECHANGER



**Steam mussels**  
Sauté garlic and onions in a large pan over medium heat. Add 2 pounds cleaned mussels and cook 2 minutes. Add ½ cup sour beer, cover, and cook until mussels pop. (Discard any mussels that do not open.)

**Braise meat**  
Use sour beer in place of red wine in your favorite recipe for pot roast or coq au vin.

**Make sorbet**  
Let 24 ounces Kriek beer get slightly flat. Dissolve ½ cup sugar in beer. Churn in an ice cream maker according to manufacturer's instructions.

## CRACK OPEN A COOL INGREDIENT

Sour beers are all the rage at bars and bottle shops. It's time they bubbled over into the kitchen

**CONSIDERING HOW MUCH** Americans love beer, we're rather unimaginative when it comes to cooking with it. We add it to batter or chili, maybe, and that's about it. But a budding love affair with sour beers—U.S. sales jumped nearly 20% in 2016—could change that. "These are not big, hoppy IPAs," said Washington, D.C., chef Peter Smith, who mines the world-class Belgian beer list at his restaurant, the Sovereign, for many of his dishes. "They're more comparable to wine or even Champagne."

Traditionally made in Belgium and Germany, sour beers come in a variety of styles: aged and blended gueuzes, cherry-steeped krieks, raspberry framboises and citrus-scented, wheat-based Berliner weisses. Each has a distinct character and history, but they all share a refreshing sour funk. That flavor comes from two sources. Wild yeast collected from the skin of

fruit—commonly Brettanomyces or "Brett," as the beer geeks like to call it—brings on the funk, along with spicy and fruity notes, when used to ferment beer. And helpful bacteria such as Lactobacillus and Pediococcus convert sugar in the brew to acids that lend a tart edge.

Europeans learned centuries ago that a good sour beer can be a boon to cooking. The classic Flemish beef stew *carbonnade flamande* draws body and rich flavor from the ale it braises in, and there's probably not a seafood joint in the Low Countries that doesn't serve mussels braised in fruity lambic. At Sovereign, Mr. Smith has concentrated the flavors of rare sours in a gelée to pair with pâté, and he's churned ice cream with apricot sour ale. At left, a few ways you can use these bracing brews in your own kitchen.

—Jane Black

**Where to buy** There's no need to purchase a pricey sour beer for cooking. But do choose a solid one with no sugar added, such as Oud Beersel's Gueuze (aged lambic) or Kriek (cherry-steeped lambic), or Gueuzerie Tilquin's Oude Gueuze Tilquin à l'Ancienne, all frequently available at Whole Foods (prices vary depending on location). Or ask for recommendations at your local bottle shop.

## EATING &amp; DRINKING

# Fresh Forward

The future of Moroccan cuisine is female. These chefs are serving up light, bright fare with a distinctly cosmopolitan bent

BY ALEXANDER LOBRANO

**R**IUGHT NOW, a few impressive women are redefining Moroccan cooking. All in their 40s and well versed in their country's culinary heritage, they're offering contemporary takes on a cuisine the late French chef Paul Bocuse dubbed one of the world's three greatest.

Cooking has historically been women's work in Morocco, but these restaurant chefs and culinary celebrities have moved beyond domestic anonymity. Their work respects Morocco's traditions by pushing them into the 21st century.

"Any kitchen must evolve or it will die," said Choumicha Chafay, a Casablanca native who has become the country's first TV-star chef with two hugely popular cooking shows. Cookbook author Paula Wolfert, the reigning American expert on Moroccan cooking, has aptly compared Ms. Chafay to Julia Child. Like Ms. Child, the Moroccan chef inspired and instructed the first generation of young people in her country who weren't taught to cook by their mothers, aunts or grandmothers.

"The internet and television have changed the way cooking is perceived in Morocco," said Ms. Chafay. "In the past, people became cooks because they failed their studies. Now kitchen work has become prestigious, and Moroccans are more interested in food and cooking



than ever before."

If Ms. Chafay is a proud advocate of her country's gastronomic traditions and distinctive regional kitchens, she also advocates what she describes as "intelligent evolution." "Our kitchen is like a mosaic, or a reflection of our history, the different ethnic groups that live in our country and its location between Europe and Africa and the Atlantic and the Mediterranean," she said. As she sees it, Morocco has been absorbing new foods and techniques into its cooking for centuries, and is starting to do so again.

Two other top Moroccan chefs, Meryem Cherkaoui and Najat Kaanache, share this cosmopolitan outlook. Both women had extensive experience training and working overseas before they decided to return to Morocco. "I wanted to bring home what I'd learned in France and apply it to Moroccan cooking," said Ms. Cherkaoui.

Similar sentiments brought Ms. Kaanache to Fez. "I decided to buy a little



place in the Medina. I aspire to create the best modern Moroccan restaurant in the world," she said. When I visited the year-old restaurant, Nur, I found her draped in a vibrant cyclamen shawl, tending a stockpot in the kitchen off the dramatic black-and-white dining room. "This town has such great bones," she said. "We make our stocks fresh every single day, since they're the basis of everything we do. The bones are really important to me."

Though Morocco is the homeland of her parents, Ms. Kaanache grew up mostly in Spain. She left home as a rebellious teenager, later starred on a Basque-language soap opera and pursued a swashbuckling gastronomic career cooking with everyone from Grant Achatz at Alinea in Chicago to Rene Redzepi at Noma in Copenhagen. When a contentious restaurant project flamed out in Miami, she and Charles Accivatti, her Michigan-born life and business partner, regrouped in Mexico City, where they own and run Cus, a Moroccan grill restaurant.

Through it all, her paradise lost remained the wheat fields and olive groves of the Moroccan village where she spent childhood summers. "I wanted to re-create the tastes I had been craving all these years, but to do it in my own way," she said. "That's what my cooking is all about at Nur: bringing back those taste memories and making them modern."

For this chef, cooking is no mere exercise in nostalgia. "My secret weapon is acidity, mostly from citrus. It creates small mysteries and lets me riff on the spectrum of sweet to savory in ways that surprise," said Ms. Kaanache. "The other thing I'm fascinated by right now is what I call South to South, or the common threads between Mexican and Moroccan cooking. It may sound surprising, but there's actually a lot of Moorish DNA in Mexican food, brought by the Spaniards." She has opened a Mexican restaurant in the Medina called Nacho Mama.

Ms. Kaanache interrupted herself to chase after a man with a trotting donkey piled high with fresh mint that she wanted for her dinner service. An old man sitting on a stool nearby, smoking a cigarette, watched her run off. "She's a curious little bird, pretty and brightly colored with strong wings," he said.

The culinary career of the Casablanca-based Ms. Cherkaoui exemplifies a worldly Franco-Moroccan elegance. After running Mes'Lalla, the critically acclaimed restaurant at the Mandarin Oriental ho-



**TOP TOQUE** Najat Kaanache of Nur in Fez, Morocco. Left, her potato purée with saffron and black olives and strawberry-lemon-cinnamon mocktail. Find the recipes at [wsj.com/food](http://wsj.com/food).

tel in Marrakesh, and La Maison du Gourmet, a popular restaurant of her own in Casablanca, Ms. Cherkaoui has a variety of other projects simmering.

"I am very committed to the idea of finding larger markets, domestic and foreign, for Moroccan produce, because it really is spectacular," she said. Born in Rabat, she studied cooking at the Institut Paul Bocuse in Lyon, France. She then worked in a variety of celebrated French kitchens, including the Hotel de Crillon in Paris and the

Hotel Majestic in Cannes, before returning to Morocco.

She created a women's cooperative in southern Morocco to commercialize the flavorful dried vegetables of the region, as a way of generating income and employment there. It led her to source and sell similar food products from all over Morocco under the Toujours Terroir label.

"This is one of the biggest differences between the French and Moroccan kitchens: We don't use butter and cream to bind a sauce, we use

onion," said Ms. Cherkaoui.

"And condiments are the most common vehicles of added flavor. Pickled lemons, orange-flower water, saffron, purple olives and capers." She describes her cooking style as a "marriage between French rigor and technique and Moroccan produce and flavors."

Her vision for the future of her country's cuisine is clear. "We must continue to question tradition," she said. "I think Moroccan cooking can be made more vivid without losing any of its exquisite subtlety."



**FIRE STARTER** Chef Meryem Cherkaoui, one of the women bringing a fresh perspective to Moroccan cooking today.

## Lobster Couscous

A garnish of caramelized onions with preserved lemon, known as tfaya, lends savory flavor and bright acidity to this couscous. You can find preserved lemons at many supermarkets, or online at [foodsofnations.com](http://foodsofnations.com).

TOTAL TIME: 1½ hours SERVES: 4

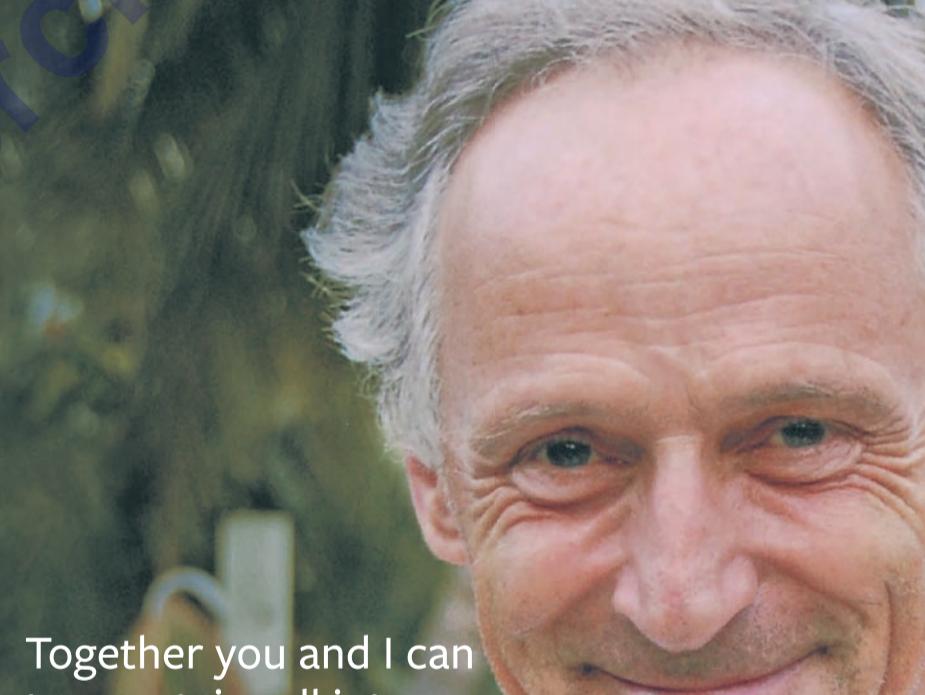
1 pound couscous, preferably whole-grain	thyme	seeded and finely chopped
2 (1½-pound) whole lobsters	2 tablespoons tomato paste	½ bunch cilantro, finely chopped
For the bouillon:	Salt and freshly ground black pepper	½ teaspoon ground cumin
1 stalk celery, chopped	2 tablespoons olive oil	½ teaspoon ground piment d'Espelette or hot paprika
1 leek, white part only, chopped	2 medium white onions, chopped	2 tablespoons olive oil
1 carrot, chopped	1 pickled lemon,	

olive oil for 2 minutes. Add lobster carcasses and shells, thyme and tomato paste. Cover with water, bring to a boil, then lower heat and simmer 30 minutes. Pour bouillon through a strainer and discard solids. Return bouillon to pot and simmer 30 minutes more. Season with salt and pepper to taste. Cover and turn off heat.

4. In a saucepan over medium heat, sauté onions in olive oil until lightly caramelized, 15 minutes. Stir in chopped pickled lemon, cilantro, cumin and piment d'Espelette. Season with salt and pepper to taste. Let cool to lukewarm, then mix into cooked couscous.

5. To serve make a small circle of couscous on each plate and add a portion of lobster meat to center. Drizzle a tablespoon of lobster bouillon over couscous and another over lobster. Serve remaining lobster bouillon in small bowls on the side.

—Adapted from Meryem Cherkaoui



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## EATING &amp; DRINKING

ON WINE LETTIE TEAGUE



## Where Napa's Best Wines Are Really Made

**ALTHOUGH WINEMAKERS** are (overly) fond of proclaiming that "wine is made in the vineyard," none of the professionals whose job actually requires them to be in vineyards every day ever said this to me. Perhaps they consider it a self-evident fact, or perhaps it's because vineyard managers don't tend to speak in sound bites.

Instead, vineyard managers talk about pruning and pest management, the difficulty of obtaining permits to plant vineyards and the ever-spiraling labor costs—not to mention a fear that their workers might be picked up by ICE. These are just a few things I learned during visits with three top Napa vineyard managers last month.

These men—most owners of vineyard-management companies in Napa are indeed male—manage some of the Valley's most important vineyards, small and large. The grapes from the vineyards they manage might go into a solid \$20 bottle of Chardonnay or some of Napa's priciest Cabernets, costing hundreds, sometimes even thousands, of dollars. These vineyard managers may be largely unknown to the public, but they're absolutely crucial to the production of great wine.

Longtime vineyard manager Jim Barbour is highly regarded by wine-makers in Napa, and he manages vineyards for some of the best, including Celia Welch, Thomas Brown, Philippe Melka and Heidi Barrett as well Jayson Woodbridge, the owner of Hundred Acre winery and Ark Vineyard, where Mr. Barbour and I met.

The 14-acre Ark Vineyard, located at the base of Howell Mountain, might as well have been named "Big Rock Vineyard" after the massive stones that surround it. They're the stones that Mr. Barbour and his team had to excavate in order to plant Cabernet Sauvignon in 2003. While most of the boulders were moved to the side, some remained in the vineyard. When the five-foot-ten Mr. Barbour stood next to one of the rocks, he was easily dwarfed.

Few vineyard managers wanted to plant hillside vineyards just a few decades ago; Mr. Barbour specializes in them. "It's pretty much all I do," he said. Hillside vineyards are expensive to create and much more difficult to plant. Mr. Barbour has a client who has spent over \$500,000 in fees and surveys, and yet "we're not even close to getting the vineyard planted," said Mr. Barbour. He lamented that it's getting harder and harder to win approval from the county. (It might get even harder if the Oak Woodland Protection Initiative—a bill aimed at reducing deforestation and protecting the watershed—is approved by Napa voters in June, curtailing most hillside vineyard development.)

Hillside vineyards may be more difficult to create and to maintain,



GETTY IMAGES (VINEYARD)

**MANAGE UP** A vineyard in California's Napa Valley. Below: Oscar Renteria, one of the vineyard managers responsible for the region's celebrated grapes.

but they are universally acknowledged to produce more intense and flavorful fruit—and much more expensive wine thanks to the greater cost of maintaining and harvesting fruit from hillside plots. For example, the 2013 Hundred Acre Ark Vineyard Cabernet Sauvignon, which has won much critical praise, costs a cool \$500 a bottle retail.

Mr. Barbour not only produced the fruit for that Cabernet but also assessed it during various stages; he regularly tastes wines in barrel that are made from the vineyards he oversees. This is a fairly new development: Mr. Barbour said he rarely tasted wines with winemakers a few decades ago. As a result of those tastings, he might make certain adjustments in the vineyard—perhaps tweak the way that the vines are pruned.

A vineyard manager makes small and large decisions throughout the year that can, separately and collectively, determine the quality of the fruit. The first big decision has to do with pruning the vines, when workers remove the old canes and cut others to encourage new growth. In Napa, pruning season starts in January—the time of my visit—and often continues into March. It's Mr. Barbour's favorite time of year. "It's meditative," he said. "You just hear the wind and the birds."

It's vineyard manager Mark

Neal's favorite time, too. When I caught up with him he was checking on the whereabouts of his prun-

ing crew. Mr. Neal, a second-generation vineyard manager whose father started Jack Neal & Son Vineyard Management company in 1968, has spent pretty much all his life in the business, bicycling from school to work in the vineyards. He bought his own vineyard when he was 20 years old.



These vineyard managers may be largely unknown to the public, but they're absolutely crucial to the production of great wine.

"I'm a field guy," said Mr. Neal, who has 60 clients all over the valley, in vineyards from Calistoga to Carneros that range in size from 4 to 400 acres. Mr. Neal puts 40,000 miles a year on his truck visiting those vineyards. In our short time together, he probably added another 60 to the odometer visiting

the vineyards where his teams were working, with each man probably pruning 30-45 vines an hour.

It had been unusually cold in Napa that week—a worrisome fact after an earlier warm spell had caused the sap in the vines to rise. "With the amount of sap that's in the wood, we could have winter kill," he said. But there is a little more leeway with pruning than with other types of vineyard work. "Things like suckering or green harvest: You have to be right on the nose," said Mr. Neal. (Suckering is the term for the removal of unnecessary vine shoots, resulting in fewer but more flavorful grapes. This takes place in the spring.)

There were other worries besides weather. A big one for Mr. Neal was pest management. "Pests are mutating faster than schools like UC Davis can do the research to implement the solution," he said, citing viruses like red blotch among his concerns. Mr. Neal farms organically, so chemicals are not a solution; instead Mr. Neal might plant cover crops attractive to parasitic wasps, or remove extra vine leaves after flowers give way to fruit, to foil leaf-hopper pests.

Aside from weather and pests, another top concern of most vineyard managers is labor cost. Oscar Renteria called it his "most significant" expenditure. Mr. Renteria owns the successful Renteria Vineyard Management company, managing 54 vineyards (almost 2,000 acres) for 33 clients all over Napa

and Sonoma. Labor accounts for 60-65% of his costs, and the expense continues to climb.

Like Mr. Neal, Mr. Renteria was born in Napa and followed in his father's footsteps. But he was raised in a labor camp and thus has firsthand knowledge of the challenges facing his workers. Mr. Renteria is particularly focused on making sure his workers are paid as much as, if not more than, the workers at other vineyard companies. He was planning to raise the hourly wage to \$17 very soon. It was necessary, he said, to retain top talent all the way through until harvest.

Of course hourly rates don't apply at harvest time, when workers work on a "piece rate" that's around \$150 per ton. "Really good crews can pick 1-2 tons an hour," said Mr. Renteria. Last year his crew was so efficient he paid workers an average of \$170 a ton (a cost he passes on to his clients). But he worries that, even with the promise of good wages, some workers might return to Mexico, ahead of the ICE raids that are already happening.

Obtaining permits from planning boards and battling frost while keeping workers safe and well are all part of a vineyard manager's job—in addition to the quotidian but crucial challenge of growing and harvesting grapes that are healthy and ripe. Not merely where the wine is made, the vineyard is a manager's whole life.

► Email Lettie at [wine@wsj.com](mailto:wine@wsj.com).

## SLOW FOOD FAST SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

## Black Beans With Smoked Ham Hocks

**EATING BEANS AND** rice is a cross-cultural phenomenon for a reason. This smoky black-bean braise, for instance, is the sort of ur-comfort food a person from most anywhere would happily lay claim to.

The recipe, from chef Mashama Bailey, dates back to a time before she garnered acclaim at the Grey in Savannah, Ga.

She was working in Manhattan restaurants

and living with her grandmother. Some

black beans and a ham hock she found in

the kitchen inspired her to whip up some-

thing hearty and warming. "It was cold

the day I first made this," Ms. Bailey re-

called. "My grandmother really enjoyed it.

She said, 'You'd think a little old Cuban lady was in here cooking these beans.'

Simple as the dish is, it's important to start with a solid flavor base. "Bloom the aromatics gently in butter," Ms. Bailey said. "Once the garlic stops smelling raw, add the liquids. If the garlic is still raw, or cooked too hard, I taste it."

If you have time, let this stew an hour or more and skip the puréeing; the beans will break down and thicken the broth on their own. And it's wise to double the batch. "This is really good left over," Ms. Bailey said. It's enough to make you hope for more cold weather. —Kitty Greenwald

TOTAL TIME: 35 minutes SERVES: 4

**1 smoked ham hock**  
6 cups chicken stock  
2 tablespoons butter  
1 large yellow onion, diced  
2 cloves garlic, minced

**1 bay leaf**  
1 teaspoon chile flakes  
1 green pepper, diced  
2 (16-ounce) cans low-  
sodium black beans,

**drained and rinsed well**  
Kosher salt  
Olive oil, optional, to  
finish  
Cooked rice, to serve

**1.** Set a medium pot over high heat and add ham hock and stock. Bring to a boil, then reduce to a simmer. In another medium pot over medium heat, melt butter. Stir in onions, garlic, bay leaf, chile flakes and green pepper. Sauté until garlic is fragrant, 3-5 minutes.

**2.** Pour hot stock and ham hock into pot with sautéed aromatics. Add extra water if hock is not covered at least ¾ of the way. Add half

the black beans to the pot. In a blender, purée remaining beans until smooth. Stir bean puree into pot and simmer until flavors meld, at least 25 minutes. Loosen with splashes of water or extra broth if necessary.

**3.** Before serving, season beans with salt and olive oil to taste, and simmer until salt dissolves, about 2 minutes more. Serve beans with ham sliced from hock, over rice.



GOLD RUSH A generous glug of olive oil stirred in at the end of cooking helps give this stew a luxurious consistency.



The Chef

Mashama Bailey

Her restaurant

The Grey, in

Savannah, Ga.

What She's Known For

Carrying the legacy

of the great

Southern cook

Edna Lewis into the

21st century, with a

focus on regional

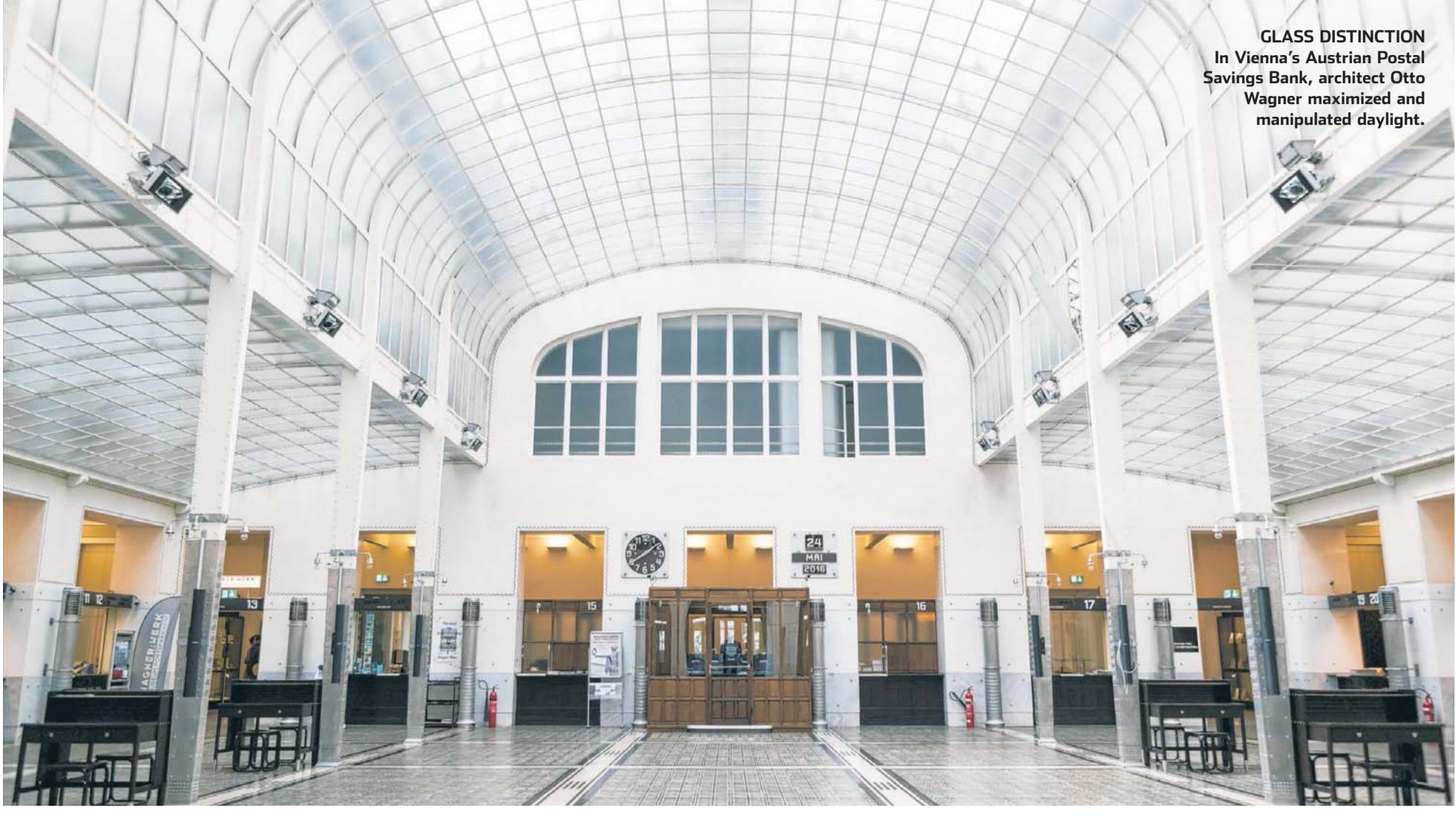
ingredients. Elevating

comfort food in a

way that it remains

rooted in tradition.

# DESIGN & DECORATING



**GLASS DISTINCTION**  
In Vienna's Austrian Postal Savings Bank, architect Otto Wagner maximized and manipulated daylight.

ALAMY (INTERIORS)

## PILGRIMAGE

# Post Office Modernism

Feeling obliged to visit a historic, early-20th-century building in Vienna, a dubious design writer comes away wowed by its industrial chic

BY JANELLE ZARA

**DURING A SWELTERING** summer in Vienna last year, I found the city has a way of testing the limits of your sweet tooth. In the heat, I found all the sachertortes and strudel cloying. A less-foreseeable overload: the saccharine details that relentlessly embellish the city's well-preserved churches. From the 17th century on, Vienna took an all-frills approach to architecture.

That is, until the turn of the 20th century, when Otto Wagner introduced a palate cleanser in the form of the Austrian Postal Savings Bank building, the last site on my architecture tour. The urban planner and architect, I'd been told by fan after fan, brought a lightness to construction by capitalizing on the transparency of glass and sheen of aluminum, then a newly formulated metal prized for its resistance to corrosion, its light weight and its gloss.

While his peers focused on reviving classical Greek and Renaissance styles, "Wagner almost single-handedly overthrew historicism and found a new way of building," said MAK Austrian Museum of Applied Arts curator Sebastian Hackenschmidt, whose exhibition, "Post Otto Wagner: From the Postal Savings Bank to Post-Modernism," opens May 30.

Given its much-heralded historical import, I felt obliged to visit the post office/bank, which looked nice enough in photos. But to be honest, every time a designer gushingly described Wagner as an influential force in his or her practice, I couldn't quite fathom the awe.

So imagine my surprise when I



A futuristic aluminum heating column

stepped into the breath-taking lobby. No longer home to a functioning operation, the 6,000-square-foot main hall, though open to visitors, was peacefully absent of people. Diffused sunlight floating through Wagner's barrel-vaulted glass ceiling cut through the layers of frippery fresh in my memory.

Ironically, the building, with its steel-ribbed ceiling soaring to what resembles a nave, feels much like a church, one in which orderly, rational grids serve as the decoration. The "nave" frames the one-time branch manager's wooden vestibule in lieu of an altar. Tidy right angles abound, from the white metal struts that form a procession of columns, to the rectangular teller windows lining the room's perimeter.

Wagner wasn't a pure minimalist, however. "Wagner had said that for art's sake, let's stick with ornamentation," Mr. Hackenschmidt

noted, "but it needs to come from functionality"—a radical notion to a generation of architects who built first and tacked on decoration later. Wagner's floor of glass bricks framed by stripes of linoleum allows light from the ceiling to illuminate the level below the atrium. The rhythmically spaced rivets hold aluminum panels. The 7½-foot-tall, robot-like cylinders that stand like sentinels, a 20th-century answer to saints icons, provide heat.

"It's industrial but hangs on to the tradition of ornament and craft," Christian Swafford said of the building's ethos. The co-founder (with Lauren Larson) of Manhattan design studio Material Lust recalled their own pilgrimage in 2014, when they spent two full hours in the postal savings bank in awe of the details. The lighting fixtures of their brand Orphan Work recall the grids of Wagner's edifice, in a similar palette of black, white, glass and metal.

One hundred years after Wagner's death, the influence of his post office remains: Aluminum, as seen in Piet Hein Eek's sleek suspended lamp and Ramona Metal's side table, is a household material. Gridded glass, akin to Wagner's tile floors, gives Louise Roe's votive holders additional play of light.

Back in Los Angeles, I've taken an approach to my own home that's a bit Otto Wagner, a bit Marie Kondo—tossing not only the items that don't bring me joy but the ones that don't serve a function. The remaining essentials have style: Black-lacquer book shelves form an elegant grid. The arc of a glossy aluminum desk lamp adds grace. And white curtains, hung for privacy, diffuse the harsh sunlight.

## ON THE GRID // FURNISHINGS INSPIRED BY WAGNER'S P.O.



▲ Piet Hein Eek  
TL Aluminum  
Suspension  
Light, from  
\$1,800,  
[thefutureperfect.com](http://thefutureperfect.com)



▲ Piero Lissoni  
Commodore  
Cabinet,  
\$5,544.00,  
[glasitalia.com](http://glasitalia.com)



▲ Orphan Work 003  
Pendant, \$4,850,  
[orphanwork.com](http://orphanwork.com)



▲ Ramona Metal  
Standby Console  
Table, \$420,  
[ramonametal.com](http://ramonametal.com)



▲ Angelo Cortesi  
Waterfall Glass Side  
Table by Fiam, \$895,  
[1stdibs.com](http://1stdibs.com)



► Louise Roe City  
Light 3 Votive, about  
\$46, [royaldesign.co.uk](http://royaldesign.co.uk)



F. MARTIN RAMIREZ/THE WALL STREET JOURNAL STYLING BY ANNE CARDENAS

**WORLD VIEWS** From left: @weliveherenow\_ imagines fictional back stories for Oregon houses; @ihaveathingforwalls applies an artist's eye to vertical surfaces we take for granted; @accidentallywesanderson streams photos that evoke director Wes Anderson's distinctive aesthetic.

## 'GRAM SLAM

Five Instagram accounts with transportingly quirky takes on design and architecture

### STATUS UPDATES

For **@mansionsofthegilded-age**, Gary Lawrence digs up, and annotates, archival photos of opulent interiors and imposing exteriors of 19th- and early 20th-century homes built by Vanderbilts and Astors. A living chess game (humans in Middle Age regalia serve as pieces) at George "Jay" Gould's estate epitomizes "the luxury and excess great wealth provided," writes the Long Island architect and historian.

### ONE-STORY HOUSES

Realtor Sharlyn Anderson photographs long-in-the-tooth houses in her home state of Oregon, then writes dreamy first-person captions in the voice of fictional in-

habitants at **@weliveherenow\_**. Of a house sporting a rooftop gargoyle, she writes, "My brother gifted him to me, for protection, but we all knew it was mostly a gag."

### ENTRANCES

For **@doortraits**, German poster Pamuk Akkaya edits worldwide submissions to find arresting entryways. Then she pairs them with eerily apt ruminations on life and art from philosophers and painters, among others.

### FILM STILLS

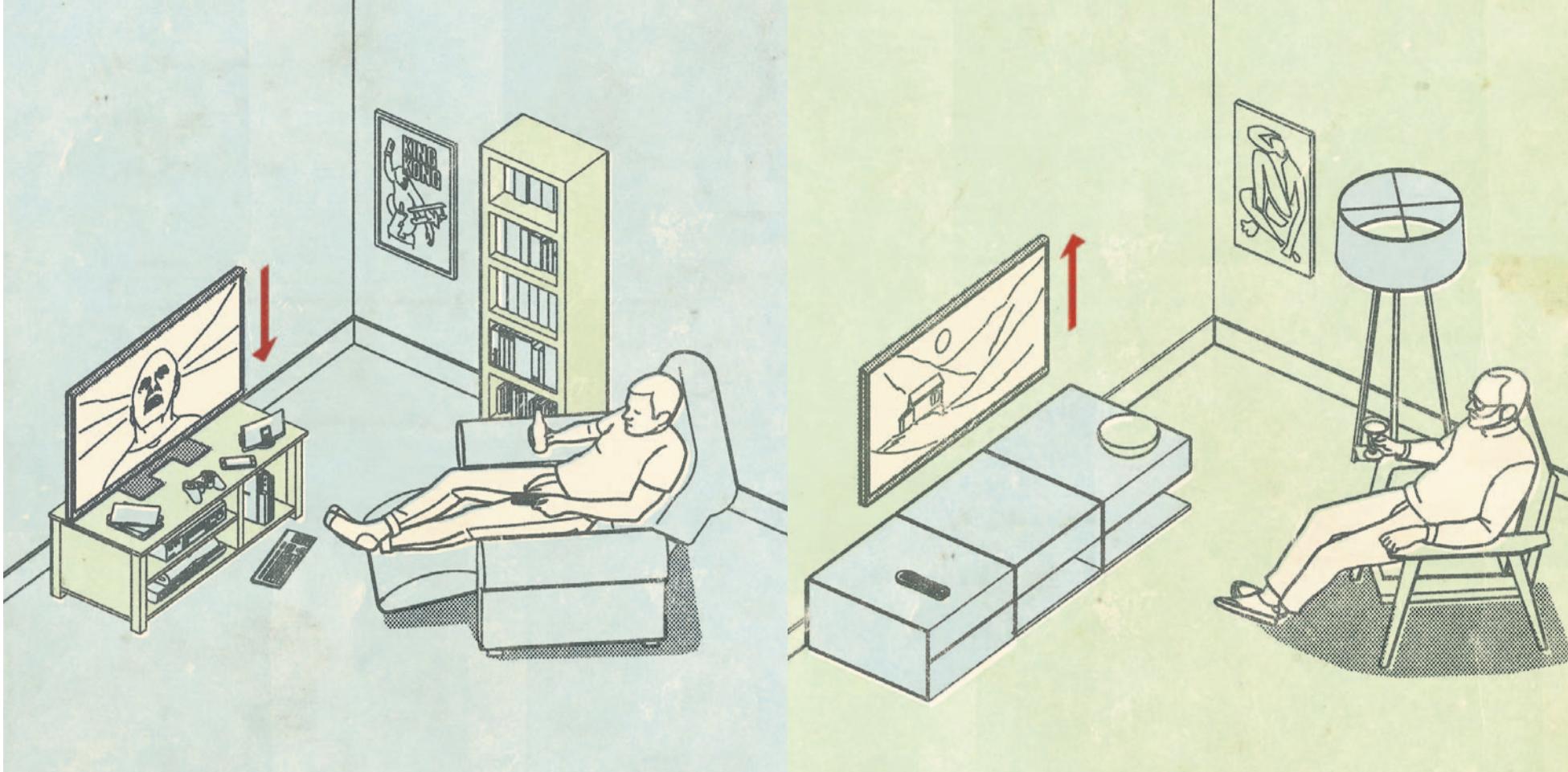
Enough people recognize the outré aesthetic of filmmaker Wes Anderson to supply Brooklynite Wally Koval photos from around the world to feed **@accidentallywesander-**

**son.** A pastel pink neo-renaissance hotel against a pale blue Prague sky recalls 2014's "Grand Budapest Hotel," while a red-doored bungalow against snow-covered Canadian Rockies evokes 2012's otherworldly "Moonrise Kingdom." Explained Mr. Koval, "We look for images that embody a level of symmetry and a touch of color, whether a bold pop or an overall palette."

### GREAT BARRIERS

For **@ihaveathingforwalls**, photographers Martha Reyes and Katie Smith remind followers to look around, filtering global submissions of exterior walls that have been painted, graffitied or oddly weathered. —Allison Duncan

# GEAR & GADGETS



## THAT'S DEBATABLE

# Should I Mount My TV Like a Work of Art?

Wall-mounting a TV can help turn a cluttered living room into something approaching a high-tech museum. But not everyone agrees it's worth the effort

**NO** WHEN PHILLIPS DEBUTED its wall-mounted plasma TV in 1997, it was a minimalist's dream come to life: Neatly elevated off a cluttered console, the \$15,000 widescreen display convincingly simulated a painting in a gallery, albeit one depicting "Dharma & Greg." The wealthy quickly adopted the style, using electronics as design elements rather than mere machines.

But as prices fell and less-affluent interior-design and electronics nuts aspired to mount their own screens, it became clear how absurdly difficult it was to achieve those idealized results. Where did the wires go? How did that heavy TV become weightless on a wall? Where do you hide your cable boxes and DVD players? We were duped!

Convincing a TV to cling to a vertical surface looks incredibly appealing, but it can be an expensive and limiting ordeal. Pricy professionals must be summoned and, once you commit to a TV position, flexibly rearranging your furniture is no longer an option. When you weigh all this, that glowing 4K TV sitting humbly on a handsome credenza acquires a new appeal.

Charles Marshall, design director of Parc Office, a Manhattan consultancy that creates exhibition and residential spaces, loves the way wall-mounted displays clean up a room but admits hanging one is less straightforward than it looks: "Those photos Best Buy shows of mounted TVs magically powered and connected? It's not that simple."

He's helped numerous clients mount their TVs, but in his own home Mr. Mar-

shall chose to simply plop his on the stand it came with and set it atop a nice console. It's all about convenience, he said: "A TV on a stand allows flexibility and a place to hide cables." It's also much easier: Just plug it in and you're done.

When you wall-mount a TV, you have to consider a few factors. First, to hang it properly, you'll need to run cables inside the wall. If that alone gives you the cold sweats, this is your exit.

Second, you need to commit to a particular room layout. If you're given to redesigning spaces on a whim—twisting the couch by 45 degrees or moving the bed from the window in summer—you'd be wise to choose a stand-mounted TV. With wall-mounted displays, even minor reconfigurations can become massive projects, complete with patching and repainting walls. You may require the divine intervention of an electrician.

With the cash you save using the TV's included stand-mount, invest in a new console. Finished in black glass, the Salamander Designs Oslo (\$1,999, [salamanderdesigns.com](http://salamanderdesigns.com)) not only gets high points for aesthetics, it's crafted to keep high-tech gear well-ventilated while hiding wires and—crucially—provides easy access to both the front and back of your equipment.

Smart cable-management solutions, even ones as rudimentary as zip-ties, will also keep the spaghetti nightmares to a minimum and make changing configuration a breeze, leaving you plenty of time to actually enjoy your TV.

**YES** MOUNTING YOUR TV is no longer just the prerogative of the rich or of professional engineers. New products and lighter sets are making this elegant effect a cinch for anyone with a barren wall.

Admittedly, you can't avoid some construction. You (or your contractor cousin) will have to find wall studs to support the television's weight, drill holes, level the bracket, and possibly install a new outlet behind your TV to help power it. But if you're not about to reconfigure your room capriciously come fall, this is a one-time nuisance that takes an afternoon.

Once you've grappled with the fear of cutting into your dry wall, consider where you'll place the TV. Tempted to mount it over your fireplace as seen in design magazines? Don't, or you'll end up with a literal pain in the neck. Ever sit in the front row of a movie theater? Imagine craning your neck like that as you binge Netflix. Not chill.

Instead you'll want to mount the TV about 25 to 30 inches off the ground; with larger sets, this positions the center of the screen at about eye level when you're seated.

Invest time in finding a bracket that's strong enough for your set and allows for a little movement. With the Sanus Premium Advanced Tilt Wall Mount (\$130, [sanus.com](http://sanus.com)), most TVs up to 90 inches can be safely, soundly and flexibly suspended. This hinged bracket allows for tilt adjustments—pivoting the screen up or down—to help cut down on glare from windows and lights. It also makes moving your TV easy when you need access

to the outlet, connections or wall behind it.

If you're coupling anything to your TV, be it a streaming device, gaming console, etc., you will likely want to route the wires inside your wall. You'll also need a place to hide the electronics, either in a chic console underneath or, for more professional installs, to a tucked-away cabinet that keeps devices concealed. Regardless, cable management is critical to ensuring your mounting is functional and inconspicuous. Why go through the hassle if you're just going to create an unsightly plait of cables hanging down?

You can use simple in-wall gadgets to help you power these devices, said Romier Silva, technical support leader at Legrand, which helps create wiring solutions for everything from homes to massive data centers. "Less eyesore equals a cleaner installation."

Mr. Silva is adamant that installation be done safely. For instance, running power cables in your wall can create a hazard and may even void some home-insurance policies. He recommends you hire an electrician to properly install something like the Legrand In-Wall Power Kit (\$140, [legrand.us](http://legrand.us)). This recessed wall plate creates a hidden power outlet behind your TV and has a discreet opening that lets you slide other cables down in the wall to keep them out of sight and safeguard your home.

When done right, wall-mounting a TV creates a beautiful sense of weightlessness, making what is normally the heaviest thing in the room feel like a floating piece of art, nary a wire in sight. —Joshua Fruhlinger

## IF YOU WANT IT DONE RIGHT...

These apps help you find the right handyman for any project, big or small

**THEY SAY ANY** job worth doing is worth doing well. They don't say, however, that you must personally undertake all that tedious doing. I'd call myself handy, which is to say I can construct IKEA furniture, install a shelf and hang a painting. I once ambitiously swapped a shower head. But if a wall has to be opened up, I call the pros. So when I realized after a recent move that my shower's water lines were installed backward on the knob—hot as it dribbled out and colder as the pressure increased—I signed up for three of the new-breed apps that make it easier to find fix-it men or women who will solve your problems at a fair price. Here, the respective pros and cons.

### For Prompt Help

I first browsed Homee, a new app focused on electrical, HVAC and plumbing tasks that promises assistance will arrive in about 30 minutes. With the handymen, whose backgrounds

are checked, Homee lets you specify a range of experience (in years) before you search, and lets you pay by the minute, not the hour, with an in-app timer you control. It all seemed ideal, but Homee's service is slowly rolling out and was as yet unavailable in my area. Still I persist. ([homeeondemand.com](http://homeeondemand.com))

### For Intense Response

Hoping to be "the Uber of" handyman apps, Thumbtack locks in on your location, asks a detailed list of questions to help narrow down exactly what you need and matches you with those best equipped to do the job. Pick a skill level (or price) with which you're comfortable and your savior can often assist you that day. However, Thumbtack left me confronting an onslaught of would-be aides, as if nine Uber cars showed up before I'd even confirmed a ride. Thirty minutes after I signed up, workers were emailing to offer me a "good deal" if I called them di-

rectly—not the model for me, but great if you see eagerness as a virtue. ([thumbtack.com](http://thumbtack.com))

### For the Most Options

Next I opened TaskRabbit, selected "plumbing" from a dropdown menu and was then annoyingly forced to write a little essay detailing my issue—which didn't seem to matter since I was given an immediate list of candidates. I soon found Joe Dzwil, a Bronx-based handyman who, judging from his photo, appeared to have as many tattoos as he did positive reviews. TaskRabbit displayed his skills, work history, rating, rate and schedule. I picked a time, we exchanged emails, and soon he was shaking my hand and fixing my shower. He was done in about 30 minutes (it was a simpler task than I imagined), but TaskRabbit charged me the full hour. Still, since I hadn't washed up in three days it felt like a small price. ([taskrabbit.com](http://taskrabbit.com))

—Matthew Kitchen



WHAT A DUMP Tom Hanks's character was in over his head in 'Money Pit,' but you don't have to be. It takes only about five minutes to hire the right person for the task.

## GEAR &amp; GADGETS



FCA US LLC

RUMBLE SEAT DAN NEIL



## Alfa Romeo's Sports Utility Vrooooooom!

**I WAS AN IMAGINATIVE** child but never dreamed there would ever be such a beast as the Alfa Romeo Stelvio Quadrifoglio—and I was locked in my room a lot.

This hot-rodded version of the brand's urbane Stelvio SUV comes fully loaded with hyphens: a Ferrari-derived, 505-hp twin-turbo V6, blink-quick eight-speed transmission, carbon-fiber drive shaft, torque-vectoring all-wheel drive, four-mode vehicle-control software, dedicated-design Pirelli tires and available carbon-ceramic brakes. The Quadrifoglio also goes through intense lightweighting, with aluminum front and rear subframes and suspension components, and aluminum hood, doors, and roof.

The result is shockingly quick and troublingly fast: 0-60 mph in 3.6 seconds—like a supple leather kidney punch—and a top speed of 176 mph. In September Alfa set a Nürburgring record for production SUVs (7:51.7 seconds), topping the Porsche Cayenne Turbo S by eight seconds. That's putting the "oof" in Zuffenhausen.

Alfa Romeo is of course the historic Italian sports and racing marque, the lyric forge that produced the 8C 2900, the Tipo 33 Stradale and Dustin Hoffman's 1600 Spider Duetto in "The Graduate." Along the way they also made a mountain of crappy cars. In those days the company motto was *Quo sera, sera*.

Now owned by Fiat Chrysler Automobiles, Alfa Romeo's IP includes the Quadrifoglio badge, the four-leaf clover in the white triangle denoting high-performance models. This lucky charm was first painted on the race cars in 1921 by driver Ugo Sivocci, who was killed soon after. So much for metaphysics.

Fresh from a \$6.25 billion re-

boot, Alfa returned to the United States in force with the 2017 Giulia sedan, the first of a family of new vehicles built on the Giorgio architecture (front-longitudinal engine, rear or all-wheel drive, majority-steel unit-body). The Quadrifoglio sedan notched its own Nürburgring record (7:32) and earned fawning reviews, including mine, but received merely polite applause sales-wise.

The SUV version, named for a winding pass in the Italian Alps, could outsell its sedan sibling three-to-one. At least Alfa hopes.

As with the Giulia, the Stelvio's prices start modestly and then take a flying leap into the Chasm of Insanity. The base-model Stelvio AWD, with a 2.0-liter, 280-hp four-cylinder, starts at \$41,995. The prices then rise through four trim packages to a maximum additional \$4,500. Our anabolically enhanced, leather-gutted Quadrifoglio model costs another \$33,500, a jump of 72%, putting it in the same ballpark as heavy-hitters such the Maserati Levante S and Porsche Macan Turbo. Too bad for them.

**This SUV is shockingly quick and troublingly fast: 0-60 mph in 3.6 seconds—like a supple leather kidney punch.**

Alas, the price does not include the \$300 million racetrack upon which to fully enjoy it. That is where you would have found me two weeks ago, boogying around the track at the Circuit of the Americas, in Austin, Texas., in one

of three track-prepped cars Alfa offered up for sacrifice.

Behind the fetching *scudetto* grille lies a 2.9-liter twin-turbo 90-degree V6, generating 443 pound-feet of torque, 505 hp at 6,500 rpm and a howl like a saw mill. Basically it's ¾ of a Ferrari V8. No surprise, the Stelvio Quadrifoglio presents as very horsepower-forward, with lots of toe-able torque (443 lb-ft between 2,500 and 5,500 rpm) and big-league rpm lashing through breathy automated gearshifts.

From trackside the Stelvio Quadrifoglio isn't particularly loud (thanks, EU noise regulations!), but the in-cabin soundscape—the baying of the V6, the rattling coast-down, like birdshot ricocheting on a tin roof—practically bursts through the French-stitched seams.

While typically operating in rear-drive mode, the AWD box can flash up to 60% of engine torque to the front wheels, if you manage to break loose the rears. Back in the stern, the torque-vectoring rear differential spools torque left or right across the axle, depending, helping to push the car in the direction the driver asks, no matter how ridiculous.

The sport-tuned suspension is tougher than a starfish sandwich. I took advantage of the SUV's raised ride height to amputate many of the track's corners, sending the truck bounding and bouncing over the raised red-white gator strips, where sports cars cannot go. Upon landing, the suspension recomposes itself instantly. The Texas track also has several fast double-apex, constant-radius sections, where the truck undramatically edged up to 1+g of lateral load.

The multi-mode vehicle dynamics software, called DNA Pro, pro-

vides Dynamic, Natural, Advanced Efficiency, and—exclusive to the Quadrifoglio models—Race mode.

You can set the adaptive suspension damping separately, hard and harder. I'm particularly enamored of the Alfa's fast and reactive steering (12:1 steering ratio) and the thin-rimmed wheel to wield it. Very pointable. No bad manners.

For extra ridiculousness, Alfa equipped the track cars with the optional carbon-ceramic binders (\$8,000) and eraser-soft Pirelli P Zero Asimmetrico 2 tires (60 tread-wear rating). Seeing as how I was blowing past the recommended braking points, I wouldn't have had

it any other way. But these track-day consumables are a bit deceiving. You could put these brakes and tires on a rickety bed frame and it would be fast for 10 laps.

The wisdom of spending nearly six figures on a hyperbaric sports truck can, of course, be debated. Just ask the spouses of Jeep Trackhawk owners. Never mind the Alfa Romeo part. But in its twisted way, the Stelvio Quadrifoglio is an amazing value. From the Ferrari-esque engine to its carbon-fiber drive shaft, it represents a lot of beef on the hoof, stomping over cars costing many thousands more.

Never in my wildest imagination.



2018 ALFA ROMEO STELVIO QUADRIFOGLIO

**Base Price** \$79,995

**Price, as Tested:** \$92,290

**Powertrain** twin-turbocharged and intercooled, direct-injection 90-degree DOHC 2.9-liter V6 with intake and exhaust cam phasing; eight-speed automatic transmission with manual-shift paddles; rear-biased AWD with rear torque vectoring.

**Power/torque** 505 hp at 6,500

rpm/443 lb-ft at 2,500-5,500 rpm

**Length/Width/Height/Wheelbase** 185.1/77.0/66.3/110 inches

**Curb Weight** 4,360 pounds

**0-60 mph** 3.6 seconds

**Top Speed** 176 mph

**EPA Fuel Economy:** 17/23/19 mpg, city/highway/combined

**Cargo Capacity:** 18.5/56.5 cubic feet (second row seats up/folded)



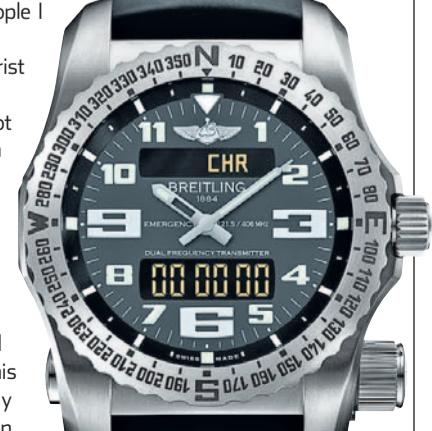
## MY TECH ESSENTIALS

## BARRY SONNENFELD

The director and showrunner of Netflix's 'A Series of Unfortunate Events' on wearing two watches, carrying three smartphones and zooming around set on a horse saddle

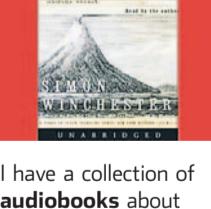
I carry three phones at all times: a Google Pixel 2 with a Canadian number because we shoot "A Series of Unfortunate Events" in Vancouver. It's incredibly fast. The iPhone X has the best operating system, and because my family uses it, it's easy to trade images. And my Samsung Galaxy 8, which has a fantastic screen. I really should get rid of one.

I'm one of only five people I know who wears two watches. On my left wrist is a Breitling Emergency II. It has a 6-foot coiled antenna that can signal to first responders, like EMT. If I'm in an earthquake, a building collapses, or I get lost in the woods, I can unscrew the crown and they will find me. I never take this watch off—if I do, surely the earth will open up in front of me.



I've always been a fountain-pen guy. I have one called a Pilot Vanishing Point that's fantastic. It has a retractable nib, so you won't ruin your shirt. I also like that it has a broad nib because I have a big personality and I like to sign my name with a bold exclamation at the end.

I direct from a horse saddle on an apple box, which sits on a platform that has 12 wheels. So I can scoot up to an actor and say, "OK that was great, let's just do one more"—and then I roll back to the camera and we do another take. Everyone who visits my set wants to sit on the saddle.



I have a collection of audiobooks about volcanoes that I listen to on my iPhone to fall asleep. One's called "Krakatoa: The Day the World Exploded: August 27, 1883." I'm fascinated by ways the Earth is going to end horribly.



I always have a pocket full of One Wipe Charlies flushables. There are certain people that will come up to me and whisper, "Are you packing?" and I will discreetly hand them one. —Edited from an interview by Chris Kornelis



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