

THE WALL STREET JOURNAL.

WSJ

Divided
We Rise

REVIEW

VOL. CCLXIX NO. 117

WEEKEND

★★★★ \$4.00

DOW JONES | News Corp

SATURDAY/SUNDAY, MAY 20 - 21, 2017

WSJ.com

What's News

World-Wide

Former FBI chief Comey agreed to testify publicly before the Senate intelligence panel, capping a week that may shape the Trump administration for months or even years. A1

◆ JBS executives told Brazilian prosecutors that the firm paid millions of dollars in bribes to Temer, Rousseff and da Silva. A1

◆ Trump is aiming to cement ties with Saudi Arabia as he kicks off his first foreign trip as president. A6

◆ Iranians voted in a high-stakes presidential election that pits the moderate incumbent against a hard-liner. A6

◆ GOP Rep. Gowdy has emerged as the favorite to take over as chairman of the House oversight panel. A4

◆ The administration's nominee for the No. 2 spot at the Treasury Department, James Donovan, withdrew. A5

◆ Swedish prosecutors dropped an investigation into rape allegations against WikiLeaks founder Assange. A7

◆ Anthony Weiner pleaded guilty in federal court to exchanging sexually explicit messages with a minor. A3

Business & Finance

◆ Europe's largest companies are on track to record their strongest quarter of profit growth in almost seven years. A1

◆ SoftBank is poised to launch a \$100 billion technology fund after months of haggling with the fund's main Saudi investor. B1

◆ Fiat Chrysler plans to modify over 100,000 vehicles in bid to resolve claims it installed software that allowed illegal pollution levels. B1

◆ Uber threatened to fire Levandowski if he doesn't comply with a court order to turn over allegedly stolen Waymo files. B3

◆ U.S. stocks finished higher Friday, regaining ground after a midweek tumble. The Dow rose 141.82 points to 20804.84. B12

◆ AT&T workers struck to demand more protections for retail and call-center workers and technicians. B3

◆ An appeals court struck down an FAA rule requiring recreational drone owners to register their devices with the government. A3

◆ Deere raised its profit forecast for the year by 33% on booming demand in South America. B2

Inside
NOONAN A13
Democracy
Is Not
Your Plaything

CONTENTS Sports A10
Books C5-10 Style & Fashion D2-3
Business News B3-4 Travel D4-5
Food D6-7 U.S. News A2-5
Head on Street B12 Weather A10
Obituaries A5 Wknd Investor B6
Opinion A11-13 World News A6-8

20642
0 78908 63144 2

Copyright 2017 Dow Jones & Company. All Rights Reserved

REVIEW

U.S. NEWS

State May Be Tapped Out on Taxing Rich

Connecticut changes tack to address latest shortfall; 'you can't go back to that well again'

BY JOSEPH DE AVILA

The wealthiest state in the U.S. is having trouble collecting enough money to pay its bills, and the Democratic governor doesn't think taxing the rich is the answer anymore.

After two decades of robust growth, Connecticut forecasts it will come in \$400 million short in income-tax collections this fiscal year, worsening a budget crisis that has prompted all three major ratings agencies recently to downgrade the state's credit rating.

Connecticut's budget office estimates that income-tax collections will fall in fiscal 2017 for the first time since the recession.

About \$200 million of the drop in receipts came from the state's closely watched top 100 earners, who are the source of an outsize proportion of the state's revenue. Many of the state's richest residents work for hedge funds, which have been hurt by a downturn in the industry.

Governor Dannel Malloy has twice before bet that taxing the wealthy would help solve the state's fiscal problems. But neither increase resulted in sustained revenue growth, according to his administration, which says it would be a mistake to do it a third time.

A spokesman for Mr. Malloy's budget office referred questions to the state's Department of Revenue Services.

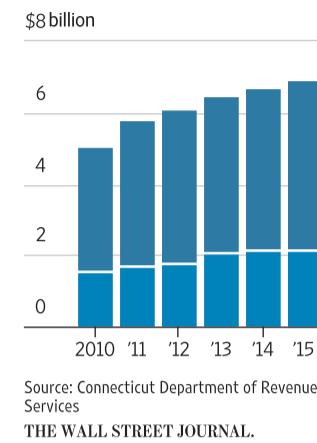
"You can't go back to that well again," said Kevin Sullivan, commissioner of the Department of Revenue Services. "The idea that there is yet another significant amount, in terms of long-term stability, to get out of that portion of the population is just not true."

The tax question in Connecticut, where several thousand tax filers with adjusted gross incomes of more than \$1 million a year account for about a third of all income tax receipts, comes amid a shift in tax policy nationally. President Donald Trump, who campaigned on promises to lower taxes, has proposed lowering business and individual rates.

But he is also seeking to repeal a deduction on state taxes that will especially hit high-income earners, making it tougher for states to raise taxes among the richest.

Tax Gap

Connecticut annual tax liability, by income



Source: Connecticut Department of Revenue Services

THE WALL STREET JOURNAL.

Connecticut's fiscal troubles come as a majority of states face budget holes this cycle, according to a recent report issued by Standard & Poor's.

Connecticut is one of seven states vulnerable to fiscal stress "even as the broader economy shows signs of gathering momentum," the report concluded.

Connecticut has the highest per capita income in the country, according to the Bureau of Economic Analysis, and is home to hundreds of hedge

Population Loss Hurts Revenue

A recent downgrade by Moody's Investor Services landed Connecticut with the third-lowest rating for a state.

As a reason for the downgrade, Moody's flagged the state's population losses since 2013—the current population is 3.58 million—as contributing to an underperforming housing market and weak labor-force growth.

Some states that rely heavily on the wealthy for income taxes, such as New York, also have growing populations,

which may better prepare them to weather bad times, said Mark Robbins, professor of public policy at the University of Connecticut. "If you can count on a steady influx of new residents, you can count on some additional revenue for them," Mr. Robbins said. But in Connecticut "where the population is flat, that is one thing you don't have to look to."

Connecticut pitched suburban neighborhoods and good schools for decades to lure residents. But urban revival has gained steam, drawing away recent college graduates who aren't interested in such bedroom communities.

—Joseph De Avila

average has been 2% a year. Mr. Malloy put through two tax income increases, in 2011 and 2015, raising the top rate to 6.99%.

Opponents of the past tax hikes have said yet another one would scare away the very people the state relies on. The number of tax filers leaving Connecticut has exceeded the number of filers moving into the Nutmeg state since at least 2010, according to the Internal Revenue Service.

Yet data from the state rev-

enue department shows the number of full-time Connecticut tax filers with an adjusted-gross income of \$1 million or more grew to 11,223 in 2015, a 21% increase over 2011. The state says fewer than five of its top 100 taxpayers have fallen out of the ranking since 2014.

Mr. Sullivan of the state's revenue department said after each of the past two income-tax increases, the average tax liability for the state's 100 wealthiest residents would increase in one year and then fall.

To address the revenue shortfall, Gov. Malloy is seeking \$700 million in concessions from public-sector unions and has threatened pink slips if unions won't come to the table. He also wants to cut \$700 million in state funds to cities and towns.

Public-sector unions, however, maintain that the state's wealthy should help solve the state's fiscal problems.

State lawmakers should consider "asking Connecticut's wealthiest taxpayers and largest corporations to sacrifice and pay a little more to protect the services that people rely on," said Larry Dorman, a spokesman for Council 4, the state's largest public-sector union.

New York Car Attack May Have Drug Link

BY KATE KING
AND ZOLAN KANNO-YOUNGS

The driver accused of maneuvering his car through a busy Times Square sidewalk told police he wanted to kill people and that he had smoked marijuana laced with PCP, New York officials said Friday.

Richard Rojas, a 26-year-old Bronx, N.Y., resident, was arraigned in Manhattan criminal court on Friday and charged with murder and 20 counts of attempted murder. His attorney, Enrico DeMarco, didn't return a call seeking comment.

Criminal Court Judge Tamiko Amaker ordered Mr. Rojas held in police custody until his scheduled court appearance on May 24.

New York Police Assistant Chief William Aubry said cam-

Mr. Rojas had glassy eyes and slurred speech after his arrest, the complaint says.

era footage shows Mr. Rojas driving on 7th Avenue shortly before noon Thursday and slowing to allow traffic to pass before making a U-turn at 42nd Street and driving onto the sidewalk. He continued to accelerate as he drove up to 45th Street, injuring 20 people and killing an 18-year-old woman, Alyssa Elsman, from Michigan.

"Parts of his car—the side-view mirror, license plates—are falling off as he's striking the pedestrians," Chief Aubry said. "People are being dragged. They're on top of the car."

The rampage ended when Mr. Rojas struck a stanchion at 45th Street and was apprehended by a traffic agent and civilians after he left his vehicle. Mr. Rojas told the traffic agent that he wanted to kill people, according to the criminal complaint. One person was treated at the scene, and 19 people were taken to area hospitals. Three people remained in critical condition, including a 38-year-old Canadian woman whose condition was considered "very critical," Chief Aubry said.

Ms. Elsman's 13-year-old sister also was injured, and she was being treated for a collapsed lung and broken pelvis.

Mr. Rojas, who served in the U.S. Navy, exhibited glassy eyes and slurred speech after his arrest and told a police officer that he smoked marijuana laced with the hallucinogenic drug PCP, according to the criminal complaint. Mr. Rojas was arrested two times previously for drunken driving but tested negative Thursday for alcohol, officials said.

FAA Loses Ruling on Recreational Drones

BY JACOB GERSHMAN

A federal appeals court in Washington struck down a Federal Aviation Administration rule requiring recreational drone owners to register their devices with the government.

The rule, rolled out in late 2015, instructed owners of virtually all consumer drones—other than those weighing about half a pound or less—to register for a unique identification number to affix to their aircraft before flying them.

Federal officials billed the registry as a safety measure to help protect the national airspace amid a proliferation of smaller and cheaper consumer drones. Some drone owners objected to the new rules, seeing it as a needless intrusion into a harmless hobby.

On Friday, a three-judge panel of the U.S. Court of Appeals for the D.C. Circuit ruled the FAA lacked the authority to require the registration, saying that the rule ran afoul of a 2012 law passed by Congress forbidding the FAA from promulgating rules over model aircraft.

The decision was a blow to regulators who viewed the registry as part of an agenda for more rigorous oversight of unmanned aircraft.

"The registration regulation was clearly illegal," said Mr.



A drone flies above a crowd of onlookers. A federal court ruled that owners of recreational drones don't have to register them.

exempt model aircraft operators from registration requirements would create a gaping hole in FAA's enforcement authority and threaten the safety of the national airspace system," the FAA warned in court papers.

The legal challenge to the registry was brought by John A. Taylor, a 56-year-old drone flier and lawyer from Silver Spring, Md., who accused the FAA of an unlawful overreach.

"The registration regulation was clearly illegal," said Mr.

Taylor, who acted as his own attorney. "I'm pleased to see the court rule accordingly."

Violation of the rule carried significant civil and criminal penalties: up to a \$250,000 fine and a prison sentence of three years. FAA officials said it was hardly enforced.

The FAA argued that the rule didn't conflict with what lawmakers drafted, maintaining that it wasn't creating a new regulatory regime but exercising its existing authority under older laws requiring the

registration of aircraft.

An FAA spokesman said the agency is reviewing its legal options, one of which could be to take the case to the U.S. Supreme Court.

"The FAA put registration and operational regulations in place to ensure that drones are operated in a way that is safe and does not pose security and privacy threats," an FAA spokesman said Friday.

Mr. Taylor, an insurance company lobbyist and former litigator, said he has built and

flew model airplanes for decades. He said he had assumed someone would challenge the drone registry in court. When no lawsuit emerged, he decided to file suit himself.

Mr. Taylor said his objections went beyond the question of legality. "If I want to take my teacup-sized drone in my backyard and fly it below the tree line, what business is that of the federal government?" he said.

—Andy Pasztor contributed to this article.

Weiner Pleads Guilty in Case That Hurt Clinton

BY ERICA ORDEN
AND NICOLE HONG

NEW YORK—Former Democratic Rep. Anthony Weiner, whose sexting scandals ended his political career, pleaded guilty in federal court on Friday to exchanging sexually explicit messages with a minor.

Mr. Weiner, 52 years old, pleaded guilty to one count of transferring obscene material to a minor, which has no mandatory minimum prison sentence but carries up to 10 years in prison. On Friday, prosecutors said they would ask for a sentence between 21 months and 27 months.

Although the scope of the criminal case against Mr. Weiner was relatively narrow, the public airing of his interactions with the minor during the 2016 presidential campaign made the case politically explosive. Many Democrats say the case contributed to the defeat of the party's candidate, Hillary Clinton.

On Friday, Mr. Weiner said in court that in early 2016, a 15-year-old high-school student contacted him, and he began to exchange obscene communications with her.



"encouraging her to engage in sexually explicit conduct" for a few months.

said. "I have a sickness, but I do not have an excuse."

Mr. Weiner's estranged wife, Huma Abedin, a longtime top aide to Mrs. Clinton, wasn't in the courtroom.

U.S. officials initiated an investigation into Mr. Weiner's communications last fall, after the Daily Mail in the U.K. re-

ported that Mr. Weiner had exchanged sexually explicit messages and photos with a teenage girl in North Carolina.

Mr. Weiner is scheduled to be sentenced on Sept. 8. Before sentencing, he will be released on \$150,000 bond and continue his mental health treatment. He told the judge

he was seeing a therapist.

As a congressman, Mr. Weiner represented a swath of Brooklyn and Queens in the House, but resigned in 2011 after admitting he had exchanged lewd messages and photos online with women.

He attempted a political resurrection with a New York City mayoral bid in 2013, but his career in politics was ultimately extinguished after a fresh round of sexually explicit messages he had exchanged with another woman emerged in the midst of that campaign.

The high-profile criminal probe into Mr. Weiner upended the final days of the 2016 presidential race. Less than two weeks before Election Day, James Comey, the Federal Bureau of Investigation director at the time, disclosed that FBI agents had discovered a laptop with emails that might be related to a probe of a private email server used by Mrs. Clinton while she was secretary of state. The emails turned out to have been on a laptop used by Mr. Weiner and Ms. Abedin.

Mr. Comey was fired last week as FBI director by President Donald Trump.

U.S. NEWS

President Leaves on First Foreign Trip



BON VOYAGE: President Donald Trump, with first lady Melania Trump, boarded Air Force One at Joint Base Andrews, Md., on Friday, prior to his departure on his first overseas trip as president. The first stop on the trip is Saudi Arabia.

Gowdy Is Favorite for Oversight Job

BY BYRON TAU
AND NATALIE ANDREWS

Republican Rep. Trey Gowdy of South Carolina has emerged as the favorite to take over the chairmanship of the most powerful investigative committee in Congress, Republicans on Capitol Hill say.

Mr. Gowdy led the House investigation into the 2012 attacks on American diplomatic facilities in Benghazi, Libya. Many House Democrats criticized that inquiry as an attempt to damage Hillary Clinton, who was secretary of state at the time of the attacks.

The lawmaker would take over the helm of the Oversight and Government Reform Committee, one of the oldest and most important committees in Congress. The panel has the primary responsibility of inves-

tigating waste, fraud and abuse within the entire federal government—including probing sensitive issues involving President Donald Trump.

If he wins the chairmanship, Mr. Gowdy will inherit a politically fraught investigation into Mr. Trump's firing of Federal Bureau of Investigation Director James Comey, the activities of former national security adviser Mike Flynn, and controversies over conflicts of interest posed by Mr. Trump's sprawling web of businesses.

The committee's current chairman, Utah Republican Rep. Jason Chaffetz, announced Thursday he would leave Congress at the end of June. Numerous House Republicans have urged Mr. Gowdy to run for the position, Republicans on Capitol Hill said. Mr. Gowdy's spokeswoman confirmed he

was considering the position.

The House Steering Committee is scheduled to meet the week of June 5 to select a new Oversight chairman, according to a person familiar with the matter. It is unclear whether Mr. Chaffetz will keep chairmanship of the panel in the few weeks he remains in Congress, or whether the new chairman will take over immediately after the committee's vote.

Other Republican lawmakers said to be interested in the post include Reps. Michael Turner of Ohio, Steve Russell of Oklahoma, John Ratcliffe of Texas and Jim Jordan of Ohio. None of the four responded to requests to comment.

Oversight is the only permanent committee in Congress charged with investigative and oversight responsibilities over the operations of government.

As a result, it has attracted its share of ambitious leaders over the years. The Senate divides oversight responsibility across several committees.

Mr. Gowdy, 52 years old, was first elected to the House in 2010, part of the tea-party wave that brought Republicans to power. He has carved out a niche on Congress's investigative and oversight panels—sitting on the House Intelligence Committee and the House Ethics Committee, in addition to the Oversight panel.

The Benghazi committee looked into the attacks that resulted in the death of four U.S. citizens, including a U.S. ambassador. After a two-year investigation, the final report issued by the panel last year broadly faulted the Obama administration for security failures before the attacks.

GOP Works For Traction On Tax Bill

Business groups and Senate Republicans take aim at ideas that make the plan add up

BY RICHARD RUBIN

WASHINGTON—Congressional Republicans are doing everything they would typically do if they were on track to release a major tax bill sometime soon.

But the GOP tax effort is still in a precarious state, weighed down by internal policy disagreements and external political turbulence.

Three pillars of the House's tax plan—which each raise \$1 trillion over a decade to pay for rate cuts—are under assault. Business groups and Senate Republicans have been pouring buckets of cold water on the ideas that make the House plan add up.

President Donald Trump's administration, meanwhile, has released only a vague, one-page outline of tax goals, leaving it to Congress to work out the details. Optimistic talk of committee votes this spring have given way to discussion of action this year. And if a tax bill emerges, it will land amid a storm of investigations into Russian interference in the 2016 presidential campaign.

Republicans, sounding optimistic, say they are still making progress. They are holding hearings, including one Thursday, with another three set for next week.

"We can pick apart any piece of this, but the cost of delay is so important," Rep. Pat Tiberi (R., Ohio) said at Thursday's hearing, about the need for a major tax bill.

Even with Republicans controlling Congress and the White House, a major tax bill

was never certain.

Still, Republicans entered the year optimistic. House members worked from a detailed outline, the "Better Way" blueprint House Speaker Paul Ryan (R., Wis.) unveiled in June 2016.

To lower tax rates without adding to budget deficits, Republicans plan to bank on revenue created by economic growth and three big money-raising ideas: introducing a so-called border-adjustment tax proposal, scrapping deductions for business interest and repealing the state and local tax deduction for individuals.

Each of these measures faces sustained attacks from interest groups and fellow Republicans. None is sure to survive in the final bill, and there are no obvious revenue-raising alternatives in reserve.

Adding a border adjustment to the corporate tax—taxing imports while exempting exports—drew fierce blowback from retailers and Koch Industries Inc., the conglomerate run by billionaires influential in GOP politics.

Senate Majority Leader Mitch McConnell (R., Ky.) said this week the border-adjustment tax plan probably couldn't pass the Senate.

The same could be true for repealing the business interest deduction, an idea opposed by debt-dependent industries such as real estate, private equity and agriculture. Sen. John Thune (R., S.D.) said this week that the proposal would face an uphill fight in a Senate sensitive to rural interests. He is exploring a cap instead.

The House plan to repeal the individual deduction for state and local taxes has buy-in from the White House. But many House Republicans are objecting and there are enough of them to block the plan.

edly asking Mr. Comey to back off a probe of former national security adviser Mike Flynn. The White House has denied that.

Mr. Flynn was forced to resign after he provided false information to Vice President Mike Pence and others about a conversation Mr. Flynn had with a Russian official in December.

Mr. Rosenstein received Senate approval for his new job in late April, and on May 8 he produced the three-page memo outlining his criticisms of Mr. Comey's performance.

Mr. Trump fired the FBI director the next day, citing the memo. But over the next two days, the White House shifted its story until Mr. Trump in a television interview said he fired him because he was a "showboat." He acknowledged, though, that the Russia probe weighed in on his decision.

After Mr. Rosenstein announced Wednesday that he had appointed Mr. Mueller to oversee the Russia probe, Mr. Trump summoned to the Oval Office top aides including Hope Hicks, chief strategist Steve Bannon, chief of staff Reince Priebus, adviser Jared Kushner, communications director Mike Dubke and press secretary Sean Spicer, according to officials.

There, his aides said the appointment of a special counsel could make the administration's job easier in some ways, allowing the president and his staff to avoid answering questions about the probe by pointing to the existence of an independent investigation.

Ken Duberstein, a former chief of staff to former President Ronald Reagan, said he used to urge the GOP president not to respond to questions that reporters might throw his way involving the Iran-Contra scandal that dogged the final years of his presidency.

"You can't go off on a tangent. You can't answer the sound bite gotcha questions," Mr. Duberstein said.

He said Mr. Trump should not "take the bait of a shouted question or the shiny silver dollar of being able to tweet. Because then the rest of the agenda gets left on the cutting-room floor."

—Peter Nicholas,
Byron Tau and Janet Hook
contributed to this article.

WASHINGTON WIRE

TERRORISM
U.S., Saudi Arabia Align on Terror Target

The U.S. and Saudi Arabia jointly imposed sanctions on a reputed member of Hezbollah, deepening their coordination against terrorism targets.

Washington and Riyadh imposed sanctions on Hashem Safiedine, the U.S. State Department said in a statement, identifying him as a key member of Hezbollah's executive council, which oversees the Lebanese resistance group's political, organizational, social and educational activities.

Hezbollah, a Shiite group supported by Iran, is under several rounds of U.S. sanctions and opposed by Saudi Arabia.

The sanctions designation came ahead of President Donald Trump's trip to Saudi Arabia.

—Samuel Rubenfeld

CONGRESS

Sanders to Campaign In Special House Race

Former presidential candidate Bernie Sanders is planning to go to Montana this weekend to campaign in a pivotal special House election—and candidates of both parties are trying to capitalize on it.

In a fundraising letter to his supporters, Republican candidate Greg Gianforte has spotlighted the Sanders visit to campaign for his Democratic rival, musician Rob Quist, warning that the House race is uncomfortably close.

"We could lose this race, and the Democratic Machine knows it," Mr. Gianforte's letter said.

"That's why they're deploying Bernie Sanders to Montana this weekend."

At issue is the nationally watched special election to choose a successor to Ryan Zinke, a Republican who left his seat as Montana's only House member to become President Donald Trump's interior secretary.

The election is on Thursday.

—Janet Hook

TRUMP

Continued from Page One
tice Department's No. 2 official to take over the Russia investigation.

On Capitol Hill, Mr. Trump's fellow Republicans have expressed their concerns about the impact of recent events on the nascent administration.

"Controversy after controversy, cut after cut, is not good for any administration," Sen. Richard Shelby (R., Ala.) said.

Sen. Lindsey Graham (R., S.C.) said the president is "probably glad to be leaving town," referring to Mr. Trump's foreign trip that began Friday afternoon. "And a lot of us are glad he is leaving for a few days."

To address the new political environment, some of the president's senior advisers have recently begun a study of the Democratic administration of former President Bill Clinton, examining how it managed to push through major, bipartisan budgets and reform bills, despite being the subject of an independent counsel's probe for five of its eight years.

Mr. Trump's aides have also been pressing for more restraint by the president on Twitter, and some weeks ago they organized what one official called an "intervention." Aides have been concerned about the president's use of Twitter to push inflammatory claims, notably his unsubstantiated allegation from March that his Democratic predecessor, Barack Obama, had wiretapped his offices.

In that meeting, aides warned Mr. Trump that certain kinds of comments made on Twitter would "paint him into a corner," both in terms of political messaging and legally, one official said.

The damage to Mr. Trump's White House could be seen throughout the operation this week—in the front cabin of Air Force One on Wednesday, where senior aides sat before a televised newscast carrying on-screen graphics with words and phrases such as "obstruction of justice," and inside the West Wing where fatigued aides said they were worrying about their own futures.

Mr. Trump has denied that



Deputy Attorney General Rod Rosenstein leaving the Capitol after briefing the House on Friday.

Amid the Turmoil, Rosenstein Speaks

The Justice Department released the prepared remarks Deputy Attorney General Rod Rosenstein gave to lawmakers in closed-door sessions this week. Here are some of the key points from the statement:

◆ In one of his first meetings with Attorney General Jeff Sessions last winter, Mr. Rosenstein talked about "the need for new leadership at the FBI" to "restore the credibility of the FBI, respect the established authority of the Department of

his campaign colluded with Moscow. Officials in Russia have denied meddling in the 2016 election.

In recent weeks, the president has weighed making major changes to his communications office. A coterie of former campaign associates, including Corey Lewandowski and Jason Miller, were spotted around the West Wing this week, unsettling an already anxious staff.

Still, Mr. Trump may not act on a staff revamp soon, according to people familiar with his thinking.

Justice, limit public statements and eliminate leaks.'

◆ He learned on May 8 that Mr. Trump planned to fire James Comey as director of the Federal Bureau of Investigation, the day before Mr. Comey was fired.

◆ He then wrote the memo summarizing his "longstanding concerns" about Mr. Comey's public statements regarding Democrat Hillary Clinton's use of a private email server when she served as secretary of state.

◆ "I wrote it. I believe it. I stand by it," Mr. Rosenstein said of the memo.

◆ He said the memo was "not a statement of reasons to justify a for-cause termination." The White House initially cited the memo to justify firing Mr. Comey.

◆ Mr. Rosenstein has known Mr. Comey since 2002. "His speeches about leadership and public service inspired me," he said.

◆ He disputed reports that Mr. Comey had asked for additional resources for the Russia investigation before his firing.

◆ He said there was no political interference on anything he was handling.

—Aruna Viswanatha

"The president goes through moods where sometimes he wants to blow everything up," said one person close to the White House. The person said the administration hasn't lined up successors for the people Mr. Trump has considered firing and added: "I don't think there will be any wholesale changes" in the near future.

For White House aides and the president's allies, the setbacks are particularly cutting because many are self-inflicted. Rod Rosenstein, the deputy attorney general, told lawmakers

Friday that he and Attorney General Jeff Sessions discussed Mr. Trump's desire to replace Mr. Comey last winter during the presidential transition period and agreed it was the correct course of action once Mr. Rosenstein was approved by the Senate, according to talking points released by the Justice Department on Friday.

In the ensuing months, Mr. Trump engaged Mr. Comey, later claiming the FBI director had told him he wasn't under investigation—which associates of Mr. Comey deny—and alleg-

edly asking Mr. Comey to back off a probe of former national security adviser Mike Flynn. The White House has denied that.

Mr. Flynn was forced to resign after he provided false information to Vice President Mike Pence and others about a conversation Mr. Flynn had with a Russian official in December.

Mr. Rosenstein received Senate approval for his new job in late April, and on May 8 he produced the three-page memo outlining his criticisms of Mr. Comey's performance.

Mr. Trump fired the FBI director the next day, citing the memo. But over the next two days, the White House shifted its story until Mr. Trump in a television interview said he fired him because he was a "showboat." He acknowledged, though, that the Russia probe weighed in on his decision.

After Mr. Rosenstein announced Wednesday that he had appointed Mr. Mueller to oversee the Russia probe, Mr. Trump summoned to the Oval Office top aides including Hope Hicks, chief strategist Steve Bannon, chief of staff Reince Priebus, adviser Jared Kushner, communications director Mike Dubke and press secretary Sean Spicer, according to officials.

There, his aides said the appointment of a special counsel could make the administration's job easier in some ways, allowing the president and his staff to avoid answering questions about the probe by pointing to the existence of an independent investigation.

Ken Duberstein, a former chief of staff to former President Ronald Reagan, said he used to urge the GOP president not to respond to questions that reporters might throw his way involving the Iran-Contra scandal that dogged the final years of his presidency.

"You can't go off on a tangent. You can't answer the sound bite gotcha questions," Mr. Duberstein said.

He said Mr. Trump should not "take the bait of a shouted question or the shiny silver dollar of being able to tweet. Because then the rest of the agenda gets left on the cutting-room floor."

—Peter Nicholas,
Byron Tau and Janet Hook
contributed to this article.

OBITUARIES

ALLAN MELTZER
1928 – 2017

He Made a Career as Chief Scourge of Fed

Allan Meltzer devoted a large share of his scholarly life to telling the Federal Reserve and other financial regulators, politely but firmly, that they were falling down on the job.

Dr. Meltzer's two-volume history of the U.S. central bank, stretching beyond 2,100 pages, found that the Fed had rarely come up with just the right medicine for the economy. He chastised Fed officials for paying too much heed to the "daily yammering" of financial markets and too little to the economy's long-term health.

The Carnegie Mellon University economist also was a co-founder of the Shadow Open Market Committee, which since 1973 has advised and second-guessed the Fed.

Through his books and articles, Dr. Meltzer became an influential opponent of what he saw as excessive regulation of banks and bailouts for those that misbehaved. If banks were allowed to fail, he argued, shareholders and executives would learn to be more prudent. "Capitalism without failure is like religion without sin," he often said.

He deplored the congressional habit of leaving details to regulatory agencies. "Much regulation has the effect of replacing the rule of law with arbitrary decisions by lawyers and bureaucrats," he wrote.

Dr. Meltzer died May 8 of pneumonia at age 89.

—James R. Hagerty

HENRI TERMEER
1946 – 2017

Dutchman Was CEO of A U.S. Biotech Pioneer

After earning his M.B.A. at the University of Virginia in 1973, Henri Termeer thought he would return to Europe for a business career.

But the Dutchman found little interest from the Unilever group and other European companies where he applied. So he accepted an offer from Baxter Travenol Laboratories Inc., an Illinois-based maker of health-care products, where his mastery of European languages was considered a plus.

Mr. Termeer spent a decade at Baxter and then took a chance in 1983 by accepting a job as president of Genzyme, a biotechnology startup in Boston.

The office was in a red-light

district known as the Combat Zone. On the way to work, he recalled in a 2012 lecture, "you'd get propositioned three times."

Genzyme eventually developed treatments for Gaucher and other rare diseases. Some of the drugs cost patients hundreds of thousands of dollars a year. Genzyme said it charged such prices to fund the search for new drugs and allow it to give away a small part of its production.

By 2010, annual revenue was \$4 billion. Sanofi-Aventis SA of France bought Genzyme in 2011 for more than \$20 billion, ending Mr. Termeer's 27-year reign.

He died May 12 at home in Marblehead, Mass., at age 71.

—James R. Hagerty

U.S. NEWS

Cellphone-Plan Price War Keeps Inflation Subdued

BY BEN LEUBSDORF

A slowdown in inflation over the past couple of months could be coming from Americans' smartphones.

Many private economists and Federal Reserve policy makers expected price growth would pick up this year, with unemployment low and the job market tightening. But core inflation—prices excluding the volatile categories of food and energy—rose just 1.9% in April from a year earlier, decelerating from 2.3% growth in January, as measured by the Labor Department's consumer-price index.

Core prices fell in March from the prior month, the first time that had happened in more than seven years.

Multiple forces are at work, including a glut of used cars pushing down vehicle prices and a deceleration in medical inflation. But Paul Ashworth, chief U.S. economist at Capital Economics, said in a research note this past week that nearly half of the decline in core CPI inflation this year can be traced to a single item: wireless telephone services.

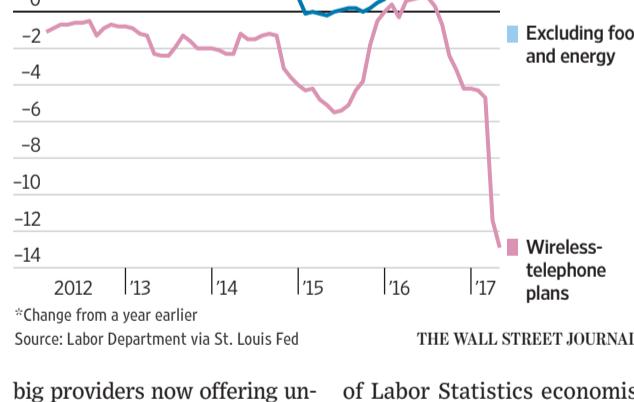
Cell-plan prices dropped 7% in March and fell an additional 1.7% in April, according to Labor Department data. From April of last year, wireless-service prices were down 12.9%, the largest decline in 16 years.

Mr. Ashworth attributed the drop to "the price war that has broken out among cellphone-service providers, with all the

Unlimited Data, Limited Inflation

Falling prices for mobile-phone service, as more carriers offer unlimited-data plans, have pulled down broader U.S. inflation this year.

Annual consumer-price inflation*



big providers now offering unlimited data plans at cheaper rates." Competition among cell-service providers like Verizon Communications Inc., Sprint Corp., T-Mobile US Inc. and AT&T Inc. has driven down prices for years, and Verizon, the nation's largest wireless carrier, in February followed its rivals in reintroducing unlimited-data plans.

Government statisticians in January changed how they adjust available prices for cell-phone plans to account for features that improve quality. "In March, these procedures resulted in downward adjustments for many quotes based on changes in plans, largely in changes in data limits," Bureau

of Labor Statistics economist Steve Reed said in an email.

Mr. Ashworth said he expects the drop will likely be "a one-off, since it is hard to improve on an unlimited data plan." Still,

the drop has left core inflation on a lower trajectory.

That might complicate matters for the Fed, which has said it intends to keep raising short-term interest rates this year. Weaker inflation could undermine the case for higher rates.

Officials could shrug off the recent weakness. Fed officials prefer the Commerce Department's personal-consumption-expenditures price index to the CPI gauge, and the PCE index gives less weight to cell-phone plans, Mr. Ashworth noted.

Pick for a Treasury Post Withdraws

BY RYAN TRACY

WASHINGTON—The Trump administration's nominee for the No. 2 spot at the Treasury Department is dropping out.

James Donovan, a private banker at Goldman Sachs Group Inc., had been nominated for the post of deputy Treasury secretary.

The department continues to operate with few Senate-confirmed appointees for senior positions.

It wasn't clear why the decision was made. A Treasury spokesman said in a statement that Secretary Steven Mnuchin "offers Jim his support and friendship as he focuses his attention on his family, and I can no longer accept it."

He added: "I hope to be able to serve this administration in the future."

LLOYD COTSEN
1929 – 2017

Neutrogena Chief Found Joy in Ordinary Objects

BY JAMES R. HAGERTY

Lloyd Cotsen, a world-class prankster and collector of curious objects, had to go to work selling soap to support his wife and children in the late 1950s. He didn't let that spoil his fun.

At his father-in-law's Los Angeles cosmetics company, the young Ivy League graduate was given responsibility for marketing a little-known amber-colored bar of soap called Neutrogena. To give the soap prestige, he persuaded posh hotels to put it in guest rooms. He invited dermatologists to wine tastings and gave them samples of the soap in the hope they would recommend it to their patients.

Sales proved so brisk that the cosmetics company bought the trademark to the soap from its Belgian inventor and built a factory to produce it. The company became Neutrogena Corp. and was acquired by Johnson & Johnson for \$924 million in 1994.

Mr. Cotsen used part of his proceeds to expand his vast collections of objects including Japanese baskets, children's books and textile scraps.

He died May 8 at his home in Beverly Hills, Calif., at age 88.

Colleagues recalled a whimsical sense of humor. He kept an antique barber chair in his office as a perch for visitors. One of his college diplomas was displayed in the men's room at Neutrogena headquarters.

He sometimes sent postcards bearing carefully labeled food stains, with no other message.

Lloyd Edward Cotsen was born Feb. 25, 1929, in Boston and grew up in South Orange, N.J. His father was an executive at a manufacturing company. His mother "force fed" him on museums, he recalled, and he began collecting matchbooks. After receiving a bachelor's degree in history from Princeton



University in 1950, he served as a lieutenant in the U.S. Navy during the Korean War.

He then briefly studied architecture at Princeton and took part in an excavation in Greece, kindling his passion for archaeology.

In 1957, Mr. Cotsen earned a master's of business administration at Harvard University and joined Natone, the cosmetics company run by his father-in-law, Emanuel Stolaroff.

During a business trip in Europe, Mr. Stolaroff had met a Belgian chemist who developed Neutrogena. After obtaining rights to distribute the soap in the U.S., Mr. Stolaroff found limited shelf space for it in high-end department stores. When he joined the company, Mr. Cotsen saw huge potential for the transparent soap.

As Neutrogena became a well-known brand, the company added shampoos and skin-care products. Mr. Cotsen became chief executive officer in 1973. While running the company, he made annual six-week trips to Greece to help with archaeological digs.

Then came a horrific shock. While he was on business trip in 1979, an intruder at his Beverly Hills home murdered his wife, a son and a young house guest. The police later said they suspected a Belgian business rival, who killed himself before detectives could interview him.

Mr. Cotsen found solace in things that others might not even notice—tattered children's books with inappropriate-sounding names or scraps of beautifully woven cloth. "I buy things because they strike an emotional bell, they appeal to my curiosity, to the thrill of discovery of the extraordinary in the ordinary," he told the Denver Post in 1998.

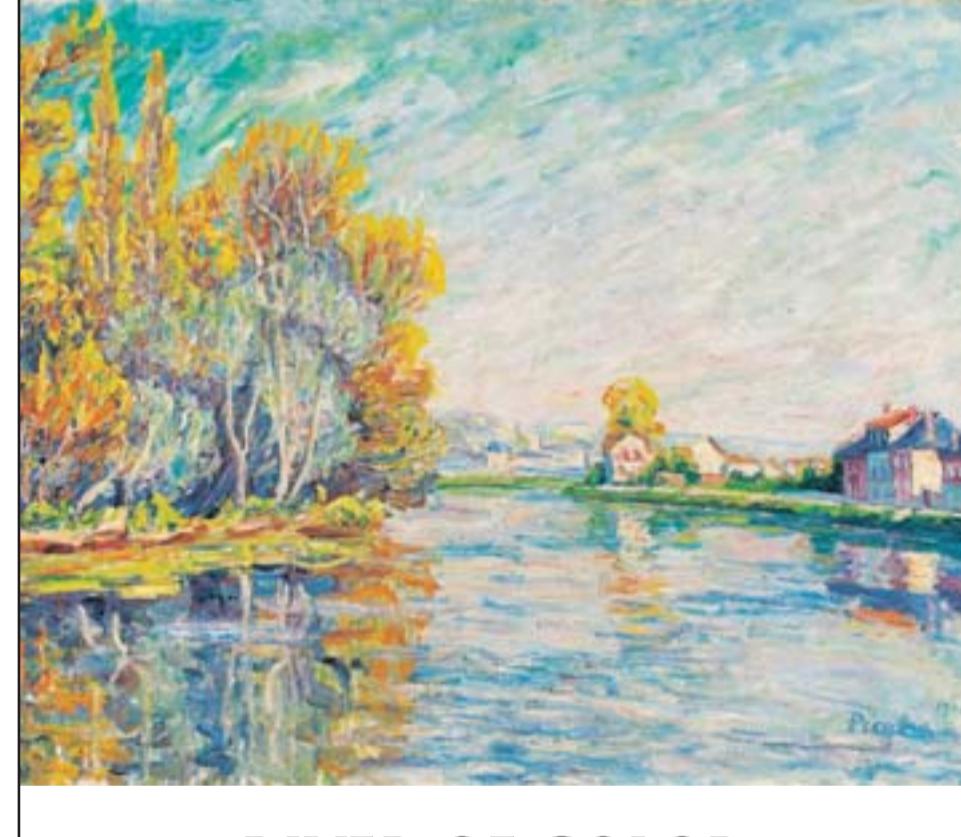
Neutrogena's head office and factory in Los Angeles served as a display space for his finds. "The building was an art museum," said Max Popper, who was vice president of operations at Neutrogena. By Mr. Cotsen's decree, one wall of Mr. Popper's office was painted red and used to display a Japanese bridal kimono.

Many of Mr. Cotsen's collected curiosities—including a Peruvian warrior tunic and Alaskan parkas made of walrus gut—ended up at the Museum of International Folk Art in Santa Fe, N.M.

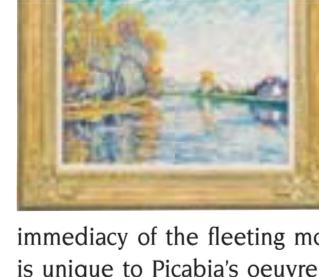
Mr. Cotsen donated his collection of Japanese bamboo baskets to the Asian Art Museum of San Francisco. His collection of more than 40,000 children's books—in 30 languages—became a gift to the Firestone Library at Princeton.

Mr. Cotsen, who also funded archaeological research at the University of California, Los Angeles, is survived by his wife, Margit Sperling-Cotsen, three children from his first marriage and eight grandchildren.

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



RIVER OF COLOR
FRANCIS PICABIA



Celebrated artist. Dynamic composition. Brilliant palette. Beautifully composed and imbued with color, this original oil is the work of French painter Francis Picabia. Soft pastel shades intermingle with more vibrant hues, while bold brushstrokes convey the immediacy of the fleeting moment. This freedom of expression is unique to Picabia's oeuvre, which was recently highlighted at a 2016 retrospective at the Museum of Modern Art in New York. Signed and dated "Picabia 1904" (lower right). Canvas: 23 3/4" h x 28 1/8" w. Frame: 34 1/2" h x 39 7/8" w. #30-6133

M.S. Rau Antiques
Antiques • Fine Art • Jewelry LLC

630 Royal Street, New Orleans, Louisiana • 888-767-9190 • ws@rauantiques.com • rauantiques.com

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

WORLD NEWS

Trump, Saudi King Seek to Cement Ties

President's visit aims to improve relations with strategic ally and wider Muslim world

By MARGHERITA STANCATI

RIYADH, Saudi Arabia—President Donald Trump, who has frequently aired views hostile to Islam, is traveling to the religion's cradle in a trip intended to shore up his ties with the Muslim world.

Saudi Arabia is rolling out the red carpet for Mr. Trump, who arrives in Riyadh on Saturday for a two-day visit that marks the start of his first foreign trip as president. The capital's wide avenues are lined with Saudi and American flags and billboards featuring King Salman and Mr. Trump, and a ubiquitous slogan: "Together We Prevail."

The visit, aimed at cementing ties with a key strategic ally, will also include a meeting with leaders of about 40 Muslim-majority nations to discuss how to combat religious extremism, during which Mr. Trump is expected to deliver a speech about Islam.

The trip offers other unexpected flourishes, including a free concert by the American country singer Toby Keith and a Saudi lute player. The concert—open only to men over the age of 21—is a rare event in a country where the conservative religious establishment frowns upon music.



American and Saudi flags are seen on a main road in Riyadh on Friday. President Donald Trump arrives on Saturday for a two-day visit at the start of his first foreign trip.

On Friday, 400 Harley-Davidson bikers rode in the Saudi capital, wearing jeans, bandanas—and white polo shirts printed with the words "No to Terrorism." The parade, an initiative of the Saudi government's new entertainment agency, is part of an effort from the kingdom to convey a message of tolerance.

Saudi Arabia could be a formidable ally in shaping how Mr. Trump's policies are viewed in the Middle East after a campaign in which he called for a halt on Muslims entering the U.S. As president, he initially called for a ban on

travel from seven Muslim-majority countries, citing the need to protect national security.

"People say a lot of things in campaigns. I do not believe for a minute that President Trump is anti-anything," Saudi Foreign Minister Adel al-Jubeir said. Mr. Trump's decision to travel to Saudi Arabia, he said, "speaks volumes about his desire to turn the relationship with the Islamic world into a partnership."

But the tension over Mr. Trump's comments during the campaign and his executive orders banning travelers from

certain Muslim-majority countries puts some of America's Muslim allies in an awkward position. The latest version of the ban listing six countries is currently blocked by the courts.

Tariq Bakheet, spokesman for the 57-nation Organization of Islamic Cooperation, a Jeddah-based group, said the visit was a sign that Mr. Trump isn't hostile to Islam. But he said the group remains concerned about the travel ban.

"Such selective and discriminatory acts will only serve to embolden the radical narratives of extremists," he said.

The Saudi king's role as custodian of Islam's two holiest sites has long given the monarchy clout on religious matters far beyond the country's borders.

Mr. Trump's predecessor, former President Barack Obama, also had high hopes for resetting U.S. relations with the Muslim world.

But the Obama administration clashed with allies over regional policy and was unable to make progress toward a solution to the Israeli-Palestinian conflict, which Mr. Trump has set as a priority that he hopes to pursue by encouraging

stronger ties between Gulf states and Israel.

Mr. Trump's visit also offers an opportunity to Saudi Arabia to promote a softer image of itself to the wider world. The kingdom is still struggling to shed its image as a hub of religious extremism that stems, in part, from the Sept. 11 attacks, whose perpetrators were mostly Saudi citizens.

—Carol E. Lee in Washington and Dahlia Kholaf in Cairo contributed to this article.

Syria Officials Dispute Account by U.S. of Attack

The Syrian regime and its militia allies said Friday that their forces were attacked by the U.S.-led coalition while they were fighting Islamic State, an assertion the U.S. dismissed as false.

By Raja Abdulrahim,
Noam Raydan
and Ben Kesling

The coalition on Thursday launched a rare airstrike against pro-regime forces to halt their advance toward U.S.-backed rebels operating along the border with Jordan in southeastern Syria. The elite rebel force based in al-Tanf, Maghawir al-Thawra, is planning to advance northward to take territory along the Syrian-Iraqi border and divide land under Islamic State control, rebels in the group said.

But rebels said the pro-re-

gime forces were trying to cut the rebels off and insert themselves into the battle against Islamic State, aiming to shore up longstanding claims by the Syrian government that it is leading the fight against terrorism in the six-year-old conflict.

"This is all part of the scramble for eastern Syria that has been sparked by the imminent collapse or defeat of ISIS," said Joshua Landis, director of the Center for Middle East Studies at the University of Oklahoma. "This is the first time that America has intentionally attacked Syrian forces in a contest for control of Syrian land."

While proving that it is fighting terrorism is part of the regime's calculations in its battlefield movements, Mr. Landis said it is really about control of Syria.

"Syria has to be worried



about America setting up a proxy rebel force to control this area," he said.

The Syrian government condemned the U.S. attack and said it was fighting terrorism, adding no one has the right to dictate how the regime should fight "terrorist organizations" such as Islamic State and al-Qaeda. Though the regime insists it is fighting terrorism, it has focused most of its air-

strikes and artillery attacks on antigovernment rebels over the years.

In Washington, the Pentagon said Friday that the regime-led troops it targeted Thursday weren't near Islamic State forces and that the U.S. action was required for defensive purposes.

The Trump administration has shown more willingness to use force against Bashar al-Assad in Syria.

The Pentagon took strikes on one of Mr. Assad's air bases in April in response to a chemical-weapons attack U.S. officials attributed to the regime.

Secretary of Defense Jim Mattis said Friday this week's actions were self-defense strikes that the coalition troops took to protect themselves.

He also cited changes to the U.S.-led campaign against Islamic State approved by Presi-

dent Donald Trump, saying the U.S. military has assumed more authority from the White House and has refined its tactical approach.

Mr. Mattis said the president had given U.S. military commanders more leeway to make battlefield decisions themselves and approved a tactical shift that directs U.S.-backed troops to focus on annihilating Islamic State rather than waging a war of attrition.

"No longer will we have slowed decision cycles because Washington, D.C., has to authorize tactical movements on the ground," Mr. Mattis said at a news conference, where he appeared alongside Chairman of the Joint Chiefs of Staff Gen. Joe Dunford and the State Department's special envoy to the anti-Islamic State coalition, Brett McGurk.

Mr. Mattis said U.S.-backed troops previously were sur-

rounding Islamic State positions and allowing enemy fighters to escape through a designated exit route, because the goal was to oust them from occupied cities as quickly as possible and allow residents to return. But the effect, the defense secretary said, was essentially to move the Islamic State fighters around the area.

Mr. McGurk cited the recent capture of the Tabqa Dam in Syria by a U.S.-backed alliance of Kurdish and Arab fighters as an example of the new battlefield leeway leading to quicker execution.

Mr. McGurk said some 55,500 square kilometers of territory had been liberated and 4.1 million people freed from Islamic State control since the campaign began in mid-2014.

—Paul Sonne
and Nour Alakraa
contributed to this article.

Iranian Election Divides Families and Generations

By ASA FITCH

TEHRAN, Iran—When Laila Esmaeili and her brother, Hasan, get together every week at their father's apartment in southern Tehran, the political discussions can get heated.

Ms. Esmaeili supported moderate incumbent President Hassan Rouhani in Iran's presidential election on Friday. The 35-year-old mother said she chafes at the head scarf Iran requires women to wear in public.

"I'm quite different in my style, attitude and ideas compared to my family," she said. "That's why I'm voting for Rouhani."

Hasan Esmaeili said he backed Mr. Rouhani's main opponent, hard-liner Ebrahim Raisi. "Sometimes we argue," said Mr. Esmaeili, 33, who is studying architecture. "She doesn't defend Rouhani much because she doesn't have good information."

The presidential election exposed stark divides, sometimes even within families. Iranians faced a pivotal choice between Mr. Rouhani, who negotiated the 2015 nuclear deal with world powers, and Mr. Raisi, who is close to Iran's clerical establishment.

Iran's struggling economy could be decisive. Ordinary Iranians have seen few benefits from the end of sanctions that accompanied the nuclear deal, and Mr. Rouhani's approval ratings have fallen steadily since it took effect at the start of 2016.

On the other hand, infla-



Hasan Esmaeili stands next to a picture of his brother, who died in the Iran-Iraq war in the 1980s.

tion has fallen on Mr. Rouhani's watch from a peak of above 40% to a more manageable 12% in March.

Official figures put the unemployment rate at almost 13%, and 42% of respondents in an April survey by Iran-Poll.com said it was the top issue in the election.

Mujtaba Alvandi, 56, lives in a working-class neighborhood of Tehran. He said Mr. Rouhani hasn't done enough to help the poor and said he planned to vote for Mr. Raisi.

He said his daughters planned to vote for Mr. Rou-

hani, and added that one of them, a college student named Fatima, has been especially vocal in arguing that Mr. Rouhani should be given a chance to fully execute his agenda.

"She says if you want to start running a business or a company, it takes a long time," he said. "It's the same for a country."

The divide is generational in some cases. While many parents grew up around the time of the 1979 Iranian revolution, younger voters often don't remember those events

or the hostage crisis that triggered decades of hostility with the U.S.

In her conservative Tehran family, Atie Ranjbar said she was the only one supporting Mr. Rouhani. The 22-year-old law student said she was trying to persuade her brother and sister.

"In the case of young people's issues, I told them if Raisi comes, things are going to get worse," she said.

At recent rallies, Mr. Rouhani has said the election presents Iranians with a choice between moving for-

ward or back to the era of his predecessor, hard-liner Mahmoud Ahmadinejad, who oversaw rocketing inflation and stagnating economic growth later in his second term.

Mr. Raisi enjoys broad appeal among religious conservatives and supporters of Iran's Supreme Leader Ayatollah Ali Khamenei, who has final say in most matters of state. Mr. Raisi served for decades in Iran's opaque judiciary.

Mr. Raisi wasn't seen as a formidable challenger until recently, and his rapid rise could indicate that the 77-year-old Mr. Khamenei considers him as a potential successor, according to analysts who follow Iran. Mr. Khamenei last year appointed Mr. Raisi custodian of a multibillion-dollar charity at the heart of an economic empire Mr. Khamenei oversees.

For Mohammad, a 60-year-old taxi driver in Tehran who declined to give his last name, Mr. Raisi's invocations of religion's role in politics—and his appeal to religious voters—has been divisive. He said his entire family supports Mr. Rouhani, except his son, a Shiite Muslim cleric.

"We argue at home," he said. "My son talks about the honesty of Mr. Raisi, but I say I haven't seen the practicality of him or him putting words into action. I say to him that even if Rouhani hasn't done so much, at least we have stability and society is completely different from Ahmadinejad's time."

Race Pits Moderate Against Hard-Liner

By ASA FITCH
AND ARESU EQBALI

TEHRAN—Iranians voted Friday in a high-stakes presidential election that pits a moderate incumbent who has sought closer ties with the West against a hard-liner suspicious of that agenda.

The incumbent, Hassan Rouhani, is seeking a second four-year term. His main challenger is Ebrahim Raisi, a cleric who emerged only recently as a serious contender and is close to Supreme Leader Ayatollah Ali Khamenei, who has final say over most matters of state.

Mr. Rouhani is a technocrat who wants to solve economic problems, including double-digit unemployment, through private-sector growth and stronger global trade links. Mr. Raisi, meanwhile, favors measures including more government handouts to the poor.

Despite Mr. Khamenei's position at the top of Iran's political system, presidents play a significant role in shaping policy and crafting the image Iran presents to the world.

The Interior Ministry said turnout was more than 40 million out of 56.4 million eligible voters, or at least 71%, according to a state television social-media account. A high turnout has appeared to favor moderate candidates in past elections.

WORLD NEWS

Beijing And Seoul Move to Mend Ties

Chinese President Xi Jinping signaled his willingness to patch up a relationship with South Korea in a meeting with an envoy from Seoul, who bowed as he presented a letter from his new government.

By Josh Chin in Beijing and Jonathan Cheng in Seoul

The Friday meeting came after new South Korean President Moon Jae-in indicated that he wanted closer ties with Beijing, which have been strained by Seoul's deployment of a U.S. missile defense system that China vehemently opposes.

A spokesman for South Korea's Foreign Ministry declined to comment on the meeting. But it came amid other signs of an emerging relaxation of tensions between the two.

Greeting Mr. Moon's envoy in Beijing's Great Hall of the People, Mr. Xi said China was willing to "properly handle disputes" and to put the relationship with South Korea "back onto a normal track," before reporters were ushered out of the room. The envoy told Mr. Xi that Seoul understood there were serious issues in the relationship and was willing to discuss ways to solve them, Chinese state media said.

Mr. Xi and other Chinese officials told Mr. Lee that China remains committed to stopping Pyongyang's nuclear program and maintaining stability on the peninsula, according to state media reports. Still, it was unclear whether the two sides made any progress over Thaad. The U.S. and Seoul's previous government have described Thaad as a bulwark against the threat posed by North Korea. China has said Thaad's radar system would compromise its security.

Beijing has retaliated against South Korea. State-backed Chinese entities have hacked South Korean government agencies, according to a U.S. cybersecurity firm. China also appears to have used its economic clout to restrict the flow of Chinese tourists to South Korea. Lotte Group, a South Korean conglomerate that allowed Seoul to use some of its land to deploy Thaad, had dozens of its supermarkets in China closed.

Under Mr. Moon, a shift appears to be under way. Although the Lotte supermarkets are still closed, a spokeswoman said that a Chinese website for its retail business began working again last week after the company said earlier this year the site had been crippled by cyberattacks.

Sweden Ends Assange Investigation

Swedish prosecutors said they dropped a seven-year investigation into allegations of rape against Julian Assange, but the WikiLeaks founder is likely to remain holed up in the small office in Ecuador's embassy in London where he has been for nearly half a decade.

By David Gauthier-Villars in Stockholm and Scott Patterson in London

Mr. Assange's lawyers said the Swedish decision did little to assuage their main fear—that U.S. authorities would seek his extradition to face charges for leaking thousands of classified government documents.

It isn't clear whether the U.S. has requested Mr. Assange's extradition from the U.K. But Mr. Assange's lawyers said their concerns increased after U.S. Attorney General Jeff Sessions said last month that his arrest was "a priority."

"The reason he entered the embassy in the first place was the national security investigation in the U.S., and the administration in the U.S. has now upped the ante," Melinda Taylor, a member of Mr. Assange's legal team said. "That risk is still there if not heightened."

Although Swedish prosecutors also revoked a European arrest warrant for Mr. Assange, London police warned they would still be obliged to arrest him if he left the embassy because there is an outstanding warrant in his name



Julian Assange addressed supporters outside the Ecuadorean Embassy in London on Friday.

A Decade of Refuge And Secret-Spilling

2007 WikiLeaks launches, using servers in Sweden

July 2010 WikiLeaks posts about 76,000 classified military reports from the war in Afghanistan

September Swedish prosecutor reopens a rape investigation against Assange

May 2012 U.K. Supreme Court upholds a request from Sweden to extradite Assange

June Assange seeks refuge in Ecuador's embassy

April 2016 WikiLeaks begins releasing emails and documents related to DNC

March 2017 Releases purported CIA hacking tools

—Staff reports

November. Ecuador allowed a Swedish prosecutor to question Mr. Assange over allegations he raped a woman during a visit to Sweden in 2010. Mr. Assange denies the Swedish rape allegation.

In Stockholm, Sweden's director of public prosecution, Marianne Ny, said the investigation had been dropped because she didn't think they could take it any further, not because prosecutors had been able to make a full assessment of evidence.

—Dominic Chopping, Jason Douglas and Wiktor Szary contributed to this article.

after he skipped bail and sought refuge in the embassy.

Striking a defiant note, Mr. Assange held up a clenched fist in an appearance on the embassy's balcony above dozens of media organizations gathered below. "While today was an important victory...the road is far from over," Mr. Assange said, vowing that WikiLeaks would continue its publishing. "The proper war is just commencing."

Friday's developments come amid renewed discussions inside the U.S. Department of Justice on how to prosecute the 45-year-old computer pro-

grammer from Australia. The Justice Department has been investigating WikiLeaks for years, dating to the 2010 leak of sensitive U.S. diplomatic cables. Mr. Assange, however, never faced charges.

Prosecutors' efforts during the Obama administration didn't proceed because of First Amendment protections that make it difficult to prosecute news organizations, which WikiLeaks has maintained it is.

The group again came into the spotlight in the U.S. presidential election last year, publishing emails from Democratic operatives that U.S.

officials have concluded were hacked by the Russian government. Russia denied the hacking accusations. More recently, WikiLeaks published what it claimed are files from a Central Intelligence Agency unit that hacks into foreign computers to spy on people abroad.

Last month, CIA Director Mike Pompeo called WikiLeaks a "nonstate hostile intelligence service," likening it to a foreign government that attempts to undermine U.S. interests and conduct espionage.

Long frozen, Sweden's legal proceedings were revived in

German Court Sentences Syrian for ISIS Link

By RUTH BENDER

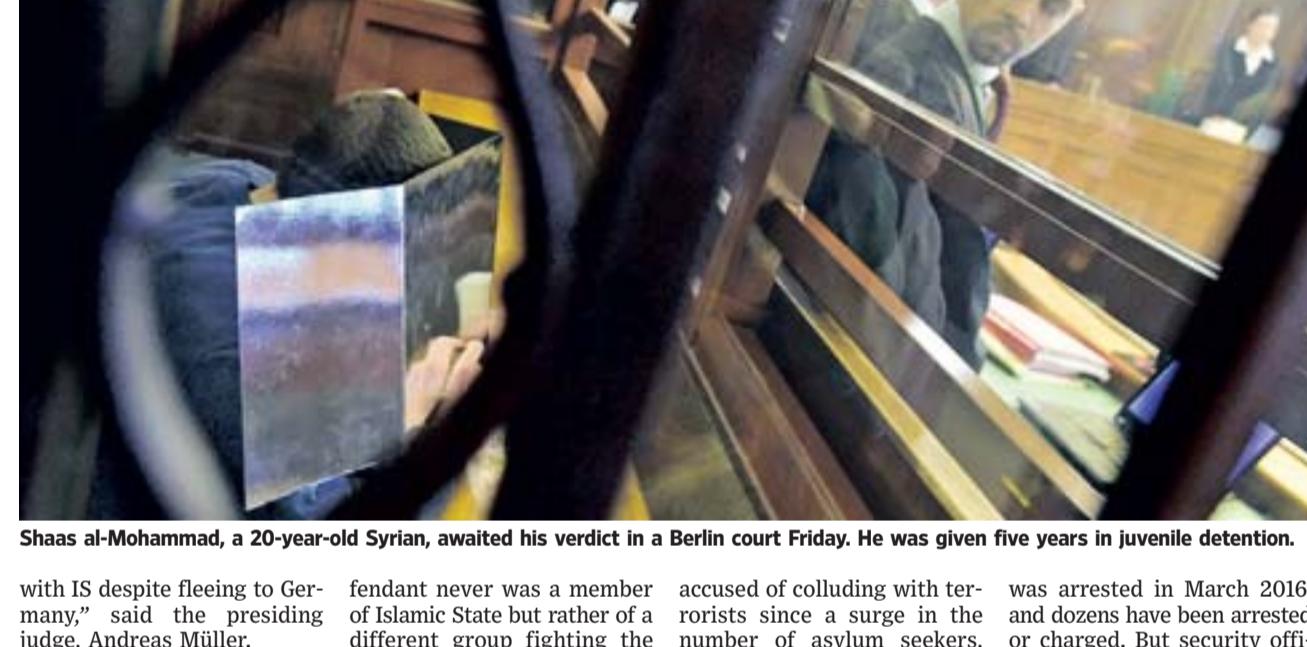
BERLIN—A Berlin court sentenced a 20-year-old Syrian to five years in juvenile detention for being a member of Islamic State, in a trial billed as a test of Germany's capacity to weed out radicals from among the many refugees who have arrived in the past two years.

In their ruling Friday, the five judges found Shaaas al-Mohammad guilty of being a member of a foreign terrorist group and violating the country's weapons laws.

The charges encompassed acts committed outside Germany, including serving as an armed guard in Islamic State's siege of the city of Deir Ezzour in eastern Syria, and offering himself as a contact person for the militant group to carry out future attacks in Europe.

He was also found guilty of passing on information, such as visitor numbers to popular tourist spots in Berlin, to a Syrian contact for possible use in targeting attacks.

"We came to the certain conviction that he was a member of IS and did not cut ties



with IS despite fleeing to Germany," said the presiding judge, Andreas Müller.

A defense lawyer, Tarig Eloibid, said he would appeal the verdict before Germany's Federal Court of Justice. Mr. Eloibid had argued that the de-

fendant never was a member of Islamic State but rather of a different group fighting the regime of Syrian President Bashar al-Assad. The accused didn't testify at the trial.

The case was the first trial of a recently arrived refugee

accused of colluding with terrorists since a surge in the number of asylum seekers, mostly from the Middle East and other Muslim countries.

Radicalized asylum seekers have committed several attacks since Mr. al-Mohammad

was arrested in March 2016, and dozens have been arrested or charged. But security officials have been concerned that cases could be hard to prosecute given the high standard of proof required by Germany's criminal-justice system.

WORLD WATCH

SOUTHEAST ASIA

China, ASEAN Discuss Sea Conduct Code

Beijing signaled a measure of progress in managing South China Sea disputes this week, making overtures to rival Southeast Asian claimants by opening the door to a maritime code of conduct and holding talks with the Philippines on sharing the sea's mineral wealth.

The developments highlight how China has sought to play down tensions in the busy waterway. The 10 countries of the Association of Southeast Asian

Nations announced with China late Thursday that officials had completed a draft framework for a maritime code of conduct for the South China Sea. The proposed code is intended to govern behavior in the disputed waters, bringing predictability to a potential flashpoint.

—Jake Maxwell Watts

SOUTH SUDAN

U.N. Documents Attacks on Civilians

The South Sudanese army slaughtered at least 114 civilians and raped an unknown number

of women in the country's southern city of Yei between July 2016 and January 2017, the United Nations human-rights division said in a report Friday.

The report, a rare insight into a war that has caused a famine, said some of the attacks by the army, known as the SPLA, had been carried out at funerals held for others slain in earlier attacks.

SPLA soldiers loyal to President Salva Kiir have been accused of attacks against civilians, although there is evidence of rebels targeting civilians. Both sides deny the allegations and say attacks targeted only combatants.

—Matina Stevis



ASH CLOUD: Villagers watch Mount Sinabung spew volcanic ash in Karo, Indonesia, on Friday.

GOLF'S ABOUT HAVING FUN!

Replace your hard-to-hit irons



SPECIAL OFFER
7 iron
Only \$49.99 +sh

More forgiving • Extra distance • Higher flight

Wedgewood
LEADER IN HYBRID TECHNOLOGY

ORDER ONLINE OR CALL

wedgewoodgolf.com

888.833.7371

WORLD NEWS

Drug War Takes Mexican Newsman's Life

Javier Valdez's efforts to cover drug trade in Sinaloa lead to his murder in the street

By JOSÉ DE CÓRDOBA

CULIACÁN, Mexico—When Javier Valdez hugged the pregnant receptionist as he left his newspaper's office Monday, she joked that the renowned journalist was always embracing people. "You never know when it's the last hug," he replied with a laugh.

Minutes later Mr. Valdez, who wrote about the booming drug trade dominating Sinaloa state, was shot dead.

Sinaloa law-enforcement officials say they believe at least two assailants stopped Mr. Valdez's red Corolla, dragged him out and shot him 12 times, in what may have been a gruesome reference to the newspaper he helped found, Riodoce or Twelfth River.

His body was left in the middle of the street in front of a day-care center two blocks from his office in this city, the capital of the violence-racked state on the Pacific coast.

Although the investigation into Mr. Valdez's killing has just begun, Sinaloa's attorney general and Mr. Valdez's colleagues have said they believe the newsman's death was connected to his recent work.

Investigators are examining



Mourners held up photos of Javier Valdez and other slain journalists during a protest against the murders on Tuesday in Mexico City.

ANTONIO NAVARRO/PRENSA INTERNACIONAL/ZUMA PRESS

Mr. Valdez's reporting on the

drug-trafficking charges.

Mr. Guzmán pleaded not guilty to 17 counts of drug trafficking, conspiracy to murder and money laundering.

"We have no doubt the narco did it," said Ismael Bojórquez, Riodoce's managing editor and co-founder, along with Mr. Valdez. "Which side?

On one side are Mr. Guzmán's sons, Iván Archibaldo Guzmán and Jesús Alfredo

We don't know."

Mr. Valdez's reporting appears to have placed him squarely in the middle of an information battle being fought alongside the two factions' shooting war.

On one side are Mr. Guzmán's sons, Iván Archibaldo Guzmán and Jesús Alfredo

Guzmán, backed by gunmen called the Chapos. They battle the Damasos, hit men who worked for Dámaso López, a former lieutenant of Mr. Guzmán, known as El Licenciado, or the graduate, Sinaloa law-enforcement officials say.

Mr. López was captured this month in Mexico City. Officials

say they believe the Damasos are now under command of his son, Dámaso López, known as Mini Lic.

The elder Mr. Lopez has been charged with participating in organized crime.

As tensions between the rival gangs soared in February, an emissary of the elder Mr. López offered Mr. Valdez an interview with the drug lord, Mr. Bojórquez says.

The Guzmán sons got wind that Mr. Valdez had interviewed the elder Mr. López and sent him messages asking that he spike the story. "They offered to buy the whole edition," said Mr. Bojórquez. "They asked, they didn't threaten."

The edition—some 8,000 copies—had already been printed, and Messrs. Valdez and Bojórquez refused to sell it all to the Guzmán brothers. The article also posted online.

That didn't stop them. That night, Mr. Bojórquez says, the Guzmán brothers sent gunmen to follow Riodoce's distributors and buy up all the newspapers as soon as they were dropped off at newsstands.

"They didn't bother anyone, but they bought all the newspapers," Mr. Bojórquez said.

In the face of the pressure on Riodoce, Mr. Valdez was making plans with Mr. Bojórquez to leave Culiacán and report from some other Mexican city until the situation cooled down.

U.S.-Mexico Sugar Spat Viewed as Prelude to Nafta Talks

As the Trump administration sets the clock running for a renegotiation of the North American Free Trade Agree-

binger of how those broader talks could play out.

Unless the two sides reach agreement by June 5, the Department of Commerce will reinstate antidumping and anti-subsidy duties on imports of Mexican sugar, risking a backlash from Mexico, which denies that it subsidizes or dumps sugar in the U.S.

The duties were suspended in 2014 under agreements that

limited imports and set minimum prices, but U.S. sugar producers say Mexican sugar continues to hurt their industry.

Mexican Economy Minister Ildefonso Guajardo discussed the matter this week with U.S. Commerce Secretary Wilbur Ross. "We think if we continue like that, we'll be able, before two weeks are up, to narrow our differences," he said.

President Donald Trump's administration on Thursday notified Congress that it intends to renegotiate Nafta with Mexico and Canada, setting in motion a 90-day consultation period for the negotiations to begin.

"I think the sugar situation is like a preamble, a starting point for entering the Nafta negotiations," said Carlos Blackaller, head of Mexico's sugar cane growers' union that represents some 180,000 cane producers. "If our government ac-

cepts conditions, it would lose ability in those negotiations."

Mexican producers say that if they are locked out of the U.S., they will seek actions against imports of U.S. high-fructose corn syrup. U.S. corn refiners, who battled for years in the late 1990s and early 2000s over access to Mexico

for HFCS, are concerned about fallout from a renewed trade spat in sweeteners.

"If the U.S. acts against the U.S. jobs interest and halts the trade in sweeteners between the U.S. and Mexico, that would not only be bad for U.S. jobs, but it would put Mexico in a position that they would need to

show how tough and retaliatory they can be," said John Bode, president and chief executive of Corn Refiners Association.

U.S. refiners want Mexico to send more raw sugar and limit Mexican refined sugar imports. Their demands would lower to 15%, from 53%, the percentage of Mexican exports to the U.S. that could be refined sugar, said Juan Cortina, president of the Mexican sugar industry chamber.

In addition to the \$4 billion that U.S. sugar producers say they have lost in the past four years, refiners complain they aren't receiving enough raw sugar that they had expected to get from Mexico. This month, 38 members of Congress sent a letter to Mr. Trump urging him to use his power to impose duty on Mexican sugar "in response to the serious injury Mexico causes to U.S. sugar producers."

BRAZIL

Continued from Page One
deposited at least \$50 million into an offshore account held by Mr. da Silva, the popular former president who is still seen as a possible presidential candidate despite facing several trials for his alleged role in the corruption scheme. Mr. Batista said Ms. Rousseff and Mr. da Silva had \$150 million in offshore accounts in 2014.

Mr. da Silva's lawyer denied any wrongdoing on the former president's part. Representatives of Mr. Temer and Ms. Rousseff, who have denied wrongdoing in the past, couldn't immediately be reached to comment.

The reams of documents and videos Friday, which are part of plea bargain deals signed by JBS executives, came after Brazil's Supreme Court launched a formal investigation on Thursday into Mr. Temer for corruption, conspiracy and obstruction of justice, raising calls for the deeply unpopular leader to step down.

"The president has lost the moral, ethical, political and administrative conditions to continue governing Brazil," said O Globo newspaper, which first reported details of the allegations against Mr. Temer late Wednesday, prompting antigovernment protests in major cities across the country.

Mr. Temer had been recorded chatting with Mr. Batista, apparently giving him his approval to pay a jailed congressman, former lower house leader Eduardo Cunha, for his silence. Mr. Temer denied the allegations on Thursday and vowed to stay in power. A lawyer for Mr. Cunha couldn't be reached.

If Mr. Temer steps down or is removed, it would be the

Wholesale Delivery

The chairman of Brazilian meatpacking giant JBS alleged in a plea bargain with prosecutors that he doled out millions in illegal payments to the country's top politicians.



Joesley Batista

\$2.2M	\$30M	\$50M	\$5.9M
President Michel Temer	Former President Dilma Rousseff	Former President Luiz Inácio Lula da Silva	Former House Speaker Eduardo Cunha
Mr. Temer alleged to have asked for at least \$2.2 million	Mr. Batista says he deposited at least \$30 million in an offshore account for her	Mr. Batista says he deposited at least \$50 million into an offshore account for him	Mr. Batista says he paid Mr. Cunha at least \$5.9 million
Photos: AFP Photo (Batista); Associated Press (Cunha, da Silva, Temer); Getty Images (Rousseff)	Source: Joesley Batista's testimony to prosecutors		

first time in the country's modern history that two presidents have been toppled in short succession.

"There's a very high chance his term will be interrupted, but there's still a chance he'll survive," said Rafael Cortez, a

The revelations drew JBS into the center of the 'Car Wash' corruption scandal.

political scientist at São Paulo-based consultancy Tendências.

The troubles of Mr. Temer, whose popularity rating was less than 9% before the latest scandal broke, have also raised fears over crucial reforms to Brazil's insolvent pension system—changes that analysts say will now be scrapped or, at best, delayed.

"The only thing Temer has is congressional support. If he loses it, he is doomed. We'll see next week how far he manages to rebuild his base," said Mauro Soárez Maia Filho, a University of Brasília law professor.

Friday's revelations have thrown JBS, which owns major U.S. brands like Pilgrim's Pride, into the center of Brazil's so-called Car Wash corruption scandal, which began in 2014 as a probe into money laundering at a gas station and has drawn in some of the country's major industries.

JBS USA ranks as the second-largest processor of beef and pork in the U.S. Last week Brazilian prosecutors said the company might have received illegal favorable treatment from Brazil's state development bank with financing. JBS denied it got special treatment. The company's legal troubles prompted it this week to delay a planned initial public offering of its international

operations.

Standard & Poor's Financial Services LLC this week placed the credit ratings of JBS and Pilgrim's Pride on watch for potential downgrades, warning the Brazilian corruption probes could pose risks to the companies' "financial flexibility" and access to credit.

Still, analysts saw JBS's U.S. investments as relatively insulated from the troubles in Brazil. Vertical Group analysts wrote Thursday that Pilgrim's "is an independent company and is legally separate from JBS and we do not believe there are any cross-liability risks."

Pilgrim's shares declined 4.2% this week. A spokesman for JBS USA and Pilgrim's Pride didn't respond to requests for comment.

It was Brazil's version of crony capitalism that Mr. Batista attacked in a letter of apology to Brazilians late Thursday. After admitting to making mistakes, he went on to highlight the difficulties of dealing with government.

"Up against a Brazilian system that often creates difficulties just to sell solutions, our entrepreneurial spirits and immense desire to get things done, lead us to opt for payments to public servants," he said. "In other countries outside of Brazil, we were capable of expanding our business without breaking ethical values."

The revelations added to the sense of political crisis and uncertainty in the country. Recent optimism about a long-awaited economic recovery and hopes Congress would pass key economic reforms to get Brazil's economy growing faster gave way to bleaker forecasts of legislative delays and cutthroat jockeying for the country's presidency.

—Jacob Bunge, Jeffrey T. Lewis and Paulo Trevisani contributed to this article.

Order Now and Save \$50.00
Use Coupon Code WSW1 and save \$50.00 on the purchase of your new Microsun lamp. (Limited Time Offer expires 7/15/17)
For your free catalog call 888-328-8701
or visit Microsunlamps.com/WSW1

This is like reading in sunlight!
— Susan A., Long Valley, NJ

MICROSUN™

*Compared to lamp with a 60w bulb **United States Patents: 6,022,125 5,924,787 D403,100

© 2017 Microsun Technologies, Inc. All rights reserved. Microsun is a registered trademark of Microsun Technologies, Inc.

IN DEPTH

MOON

Continued from Page One
she's planning to resell it for at least \$2 million in Sotheby's first space-exploration sale in New York on July 20.

Sotheby's senior specialist Cassandra Hatton said she thinks the object could sell for millions more because NASA doesn't allow individuals to own any bits of the moon, apart from this court-ordered exception. "This is my Mona Lisa moment," Ms. Hatton said.

William Jeffs, a NASA spokesman, said the agency is "obviously disappointed" by the latest court ruling but has decided not to appeal. He added NASA thinks the bag should be on public display because it "represents the culmination of a massive national effort involving a generation of Americans, including the astronauts who risked their lives in an effort to accomplish the most significant act humankind has ever achieved."

Tracing the bag's odyssey on Earth is close to rocket science. Ms. Carlson found the listing on an online sale in March 2015 run by Texas auctioneer Gaston & Sheehan. The description didn't give away much: "One flown zippered lunar sample return bag with lunar dust ("Lunar Bag"), 11.5 inches; tear at center. Flown Mission Unknown." After receiving her winnings, she unzipped the bag and saw a tiny tag with a part number: V36-788034.

A lawyer and former city manager in Hancock, Mich., Ms. Carlson said she knew items with serial or part numbers often have paper trails, so she took her search online and combed NASA's digital records.

She also called her local rock club to see if she could get the dust tested. Its president told her to call NASA, so in September 2015, she said she shipped the bag to Johnson Space Center in Houston. Months of emails followed, as Ms. Carlson's research uncovered a matching part number among the inventory on Apollo 11: "V36-788-034 Decontamination bag, contingency lunar SRC."

Ms. Carlson waited. No an-



swer. Last May, she said she got a call from the U.S. attorney's office in Kansas informing her NASA tested the bag and it indeed contained lunar dust that could be traced to samples collected during Apollo 11.

She learned the bag had been auctioned to make restitution in a Kansas case involving Max Ary, a former director of a museum called the Kansas Cosmosphere. He had been imprisoned for two years for stealing artifacts and selling them in space auctions. Mr. Ary's private collection—including this bag—had been forfeited to the U.S. Marshals Service.

NASA, claiming it was the dust's rightful owner, asked the court to rescind the auction, according to court papers. Last June, Ms. Carlson sued NASA for wrongful seizure of property in U.S. District Court in Chicago.

Allan Needell, a curator at the Smithsonian Air & Space Museum, said the disconnect likely happened early on. Although the bag was labeled "Lunar Sample Return," he said it wasn't among the 350-plus Apollo 11-related objects Johnson Space Center sent to the Smithsonian.

After the last mission to the moon, Apollo 17, landed in 1972, NASA's engineers and scientists were told to make room for the incoming space-shuttle program. Storage was tight, so, Mr. Needell said, employees boxed up seemingly minor souvenirs and took them home, tossed

them out or gave them to space aficionados.

One of those fans was Mr. Ary, then planetarium director at a science museum in Texas.

Mr. Ary, now the director of the Stafford Air & Space Museum in Weatherford, Okla., said, "I can't tell you how many times I was talking with one engineer or another at Johnson and they'd hand me a cardboard box of stuff and say, 'Can you help me take this stuff out to the trash?'"

He said he started asking if he could keep some mementos and "faintly remembers" the bag being in one of those boxes he carried to the museum. "I had no idea it was Apollo 11," he said of the bag. During most of Mr. Ary's 27-year tenure in Kansas, he said the bag was in storage.

According to court papers, NASA claims it lent the bag to the Kansas museum in 1981, but NASA's court records didn't include any loan agreement to confirm the deal. The bag entered the museum's records in the early 1980s as a "Lunar Sample Return Bag, Flown Mission Unknown" with an estimated value of \$15, according to an inventory sheet the museum gave NASA to submit to the court. As years passed, Mr. Ary said his personal collection and the museum's got increasingly tangled and this disorganization "came back to bite me big time."

After he left in 2002, mu-



The pouch containing moon dust from the Apollo 11 mission will be auctioned by Sotheby's. The Apollo 11 crew members in 1969; from left, Michael Collins, Neil Armstrong and Edwin E. Aldrin Jr.

seum officials discovered he had auctioned off artifacts NASA had lent to the museum or that Mr. Ary had already donated. FBI agents raided his home in 2003 and confiscated any space memorabilia they found, including the white, zippered pouch in his garage. Mr. Ary was indicted and later convicted of theft of government property and money laundering, among other things.

Within weeks, the FBI got authorization to turn over Mr. Ary's seized collection to the U.S. Marshals Service to prepare for sale. A backlog of forfeited goods left them sitting in

storage for another decade. By the time the marshals revived the plan to auction them, NASA told the court it no longer remembered to take another look at Mr. Ary's pieces, according to court documents. The U.S. Marshals declined to comment.

"It's an incredible piece of history, and losing it was a colossal mistake for NASA," said Joseph Gutheinz, a former special agent at NASA's Office of the Inspector General, the agency's law-enforcement arm. Mr. Gutheinz sided with Ms. Carlson in the case. "Nancy Lee bought it fair and square."

In Kansas, where the case

moved, U.S. District Judge J. Thomas Marten agreed, writing in his Dec. 14 ruling that "Ms. Carlson's standing as a bona fide purchaser gives her priority over NASA's asserted claim."

On Feb. 27, Ms. Carlson pulled up to Johnson Space Center to collect her moon dust. A worker handed her a cardboard box with the bag inside. She turned it over to security guards she had hired to protect it. Now, she said she hopes to use some proceeds to fund scientific and medical research. "That's why we started the space program," she said. "We wanted to go beyond."

were "very smart investors" when they extended the \$118.7 million loan to Mr. Icahn. "We're not as smart as we thought we were," he said when told the charity could have earned more.

New York law requires charities to seek approval of a state court or the state attorney general's office before selling a substantial share of their assets, which the railcar-company shares were; they amounted to 85% of the charity's assets when sold back to Mr. Icahn in 2006.

Court documents show a state judge approved the sale—on credit granted to Mr. Icahn—and the attorney general's office said it had no objection, despite a state law broadly prohibiting charities from lending to officers and directors or their affiliated companies.

"The loan was erroneously approved in 2006," said a spokeswoman for the New York attorney general's office, Amy Spitalnick, when asked about the transaction. She added that the office "has implemented changes to help prevent these sorts of issues."

The state judge, Phyllis Gangel-Jacob, said she didn't recall the case. A representative for the attorney general at the time, Eliot Spitzer, said he didn't remember details of the matter and had no comment. In 2011, a different state judge approved the debt's five-year extension, with the attorney general's office again having no objection.

The Foundation for a Greater Opportunity has made grants of more than \$30 million since its inception, tax documents show, though most of that didn't go to the charities it originally pledged to support. In 2013, it gave \$19 million to a fund at the National Philanthropic Trust dedicated to eradicating polio. The charity has also supported charter schools named after Mr. Icahn.

Mr. Fliegel, the charity board member, said Mr. Icahn was devoted to ensuring that low-income students have access to a quality education.

"I know there are a lot of critics of Carl Icahn," Mr. Fliegel said, "but I must admit in this regard, he's been most generous."

Asjlyn Loder and Jason Zweig contributed to this article.

LOANS

Continued from Page One
charities lent money to insiders, or which charity lent the most. Last year, the IRS released the underlying data for more than 300,000 nonprofits filing electronic returns. According to a Wall Street Journal tally, more than 1,800 public charities reported outstanding loans in fiscal 2014, the most recent year with complete data. The charities typically lent less than \$28,000.

In many cases, under federal law, public charities—as opposed to private foundations—are allowed to lend money to officers. In 2006, however, Congress enacted a law labeling loans similar to Mr. Icahn's "excess benefit transactions" and made the borrowers subject to taxes. The federal restriction, which would have applied to Mr. Icahn's specific type of public charity, didn't exist when he arranged the loan.

New York state, where both Mr. Icahn's business and the charity operate, didn't permit a charity to extend credit to a director, such as Mr. Icahn. State courts and other officials nonetheless cleared his transactions, a move the state attorney general's office now says was a mistake.

The general counsel of Mr. Icahn's holding company, Icahn Enterprises LP, Andrew Langham, said the charity's extension of credit to Mr. Icahn was low-risk and provided it with stable investment returns at a time of significant market volatility. He said the transaction was approved at the time by a court.

Mr. Icahn paid off the debt in December, according to public records.

A board member for the charity, Seymour Fliegel, said, "It was a very good deal for the foundation. Although it was a debt, we never felt the debt." Mr. Fliegel runs a nonprofit that aims to improve public schools.

Mr. Icahn, who gained fame as a corporate raider in the 1980s and now is a corporate shareholder activist, is a special adviser to President Donald Trump on regulatory matters.

With a fortune pegged at \$15.8 billion by Forbes, Mr. Icahn has given hundreds of millions of dollars to causes

Rising Railcar Stock

Carl Icahn's charity sold him shares in American Railcar Industries at the time of the company's IPO. The share price more than doubled in the next decade.



Source: WSJ Market Data Group

THE WALL STREET JOURNAL.

such as health-care education and charter schools. He has signed up to the Giving Pledge, a concept created by Bill Gates and Warren Buffett in which participants commit that a majority of their estates will go to philanthropy.

Foundation's origins

Mr. Icahn set up the Foundation for a Greater Opportunity in 1997 as a type of public charity called a supporting organization, which confers better tax benefits for donors than a regular family foundation. If contributors give closely held stock to a private foundation, their tax deduction is limited to what they initially paid. Donors of stock to supporting organizations can deduct the shares' fair market value.

Supporting organization boards can include donors, although they are controlled by the nonprofits the organizations support. Both Mr. Icahn and his wife, Gail, are on the board of his charity, along with representatives of its designated beneficiaries such as the Choate Rosemary Hall boarding school in Connecticut and Princeton University, Mr. Icahn's alma mater.

Mr. Icahn seeded the charity in 1997 with \$100 million worth of stock in his closely held American Railcar Industries Inc., equal to about a 38% interest. His lawyer, Mr. Langham, declined to say how the value for private stock was set or what tax deduction Mr. Icahn may have taken.

With no public market for

the shares, the charity couldn't readily sell them in return for cash to make grants. They sat on its books.

In late 2005, as American Railcar explored an initial public offering, the charity's board agreed to sell the shares back to Mr. Icahn, who owned the rest of the railcar company at the time.

The price would be \$100 million—the value of his original donation—or the IPO price, whichever was greater.

With the company expecting the IPO price to be lower, Mr. Icahn gave the charity \$10 million in cash and a promissory note agreeing to pay \$90 million more after five years.

The note specified monthly interest at the prime rate, a benchmark rate for commercial bank lending to top clients. The prime rate was 7.25% at the start of the debt in January

2006 and fell to 3.75% by the time the debt was all repaid near the end of last year.

"The longer he can defer actually paying them the cash, the better deal it is for him," said Mark Watson, a partner at Weaver, a Texas-based tax-advice firm, when asked about such a deal, given the difference between the interest paid and the higher returns he might earn by investing that sum.

Mr. Icahn ended up with about 56% of the public company following its Jan. 20, 2006, initial public offering. The stock surged by more than 50% in the first month. Mr. Icahn compensated the charity following this pop, promising it an additional \$28.7 million in March 2006, in a second promissory note.

Mr. Fliegel, the charity board member, said the board went

along with how Mr. Icahn structured the deal. "No one was going to fight him on it," he said. "There wasn't, like, 'Well, I don't know if it's enough money,'" he added. The remaining board members either declined to comment or didn't return calls.

This second note raised Mr. Icahn's combined loan from his charity to \$118.7 million. Both notes were for five years. They were reported as loans on the charity's 2014 IRS filing.

When due in 2011, they were extended for five more years. The charity described the extension in legal filings as being its financial interest, because it preferred to receive steady interest income amid market turmoil.

Court documents show a state judge approved the sale—on credit granted to Mr. Icahn—and the attorney general's office said it had no objection, despite a state law broadly prohibiting charities from lending to officers and directors or their affiliated companies.

"The loan was erroneously approved in 2006," said a spokeswoman for the New York attorney general's office, Amy Spitalnick, when asked about the transaction. She added that the office "has implemented changes to help prevent these sorts of issues."

The state judge, Phyllis Gangel-Jacob, said she didn't recall the case. A representative for the attorney general at the time, Eliot Spitzer, said he didn't remember details of the matter and had no comment. In 2011, a different state judge approved the debt's five-year extension, with the attorney general's office again having no objection.

The Foundation for a Greater Opportunity has made grants of more than \$30 million since its inception, tax documents show, though most of that didn't go to the charities it originally pledged to support. In 2013, it gave \$19 million to a fund at the National Philanthropic Trust dedicated to eradicating polio. The charity has also supported charter schools named after Mr. Icahn.

Mr. Fliegel, the charity board member, said Mr. Icahn was devoted to ensuring that low-income students have access to a quality education.

"I know there are a lot of critics of Carl Icahn," Mr. Fliegel said, "but I must admit in this regard, he's been most generous."

Asjlyn Loder and Jason Zweig contributed to this article.



Activist investor Carl Icahn, pictured in May 2015

VICTOR J. BLUE/BLOOMBERG NEWS

the shares, the charity couldn't readily sell them in return for cash to make grants. They sat on its books.

"The longer he can defer actually paying them the cash, the better deal it is for him," said Mark Watson, a partner at Weaver, a Texas-based tax-advice firm, when asked about such a deal, given the difference between the interest paid and the higher returns he might earn by investing that sum.

Mr. Icahn ended up with about 56% of the public company following its Jan. 20, 2006, initial public offering. The stock surged by more than 50% in the first month. Mr. Icahn compensated the charity following this pop, promising it an additional \$28.7 million in March 2006, in a second promissory note.

Mr. Fliegel, the charity board member, said the board went

SPORTS

MLB

Building Winners With Big Bats

Contrary to conventional wisdom, the Cubs and other top teams are stockpiling hitters rather than fragile young arms

BY JARED DIAMOND

WHEN THE Chicago Cubs and New York Mets squared off in the 2015 National League Championship Series, the matchup marked a showdown between competing baseball philosophies. Should a successful organization build around promising arms, or stockpile developing sluggers?

That time, the Mets and their abundance of pitching carried the day, in accordance with conventional wisdom. But since then the other side has dominated the argument.

In an era where pitchers are increasingly fragile and prone to career-altering injuries, a clear pattern has emerged around the majors: Many of the clubs with the best long-term outlooks are the ones who loaded up their farm systems with offense—an unconventional methodology that reflects the state of the modern game.

The Cubs are Exhibit A of this trend. They rebounded in 2016 to win the World Series and are favored to contend for years to come. This is largely thanks to a roster brimming with talented position players in their primes, including reigning National League MVP Kris Bryant, power-hitting outfielder Kyle Schwarber and three-time All-Star Anthony Rizzo.

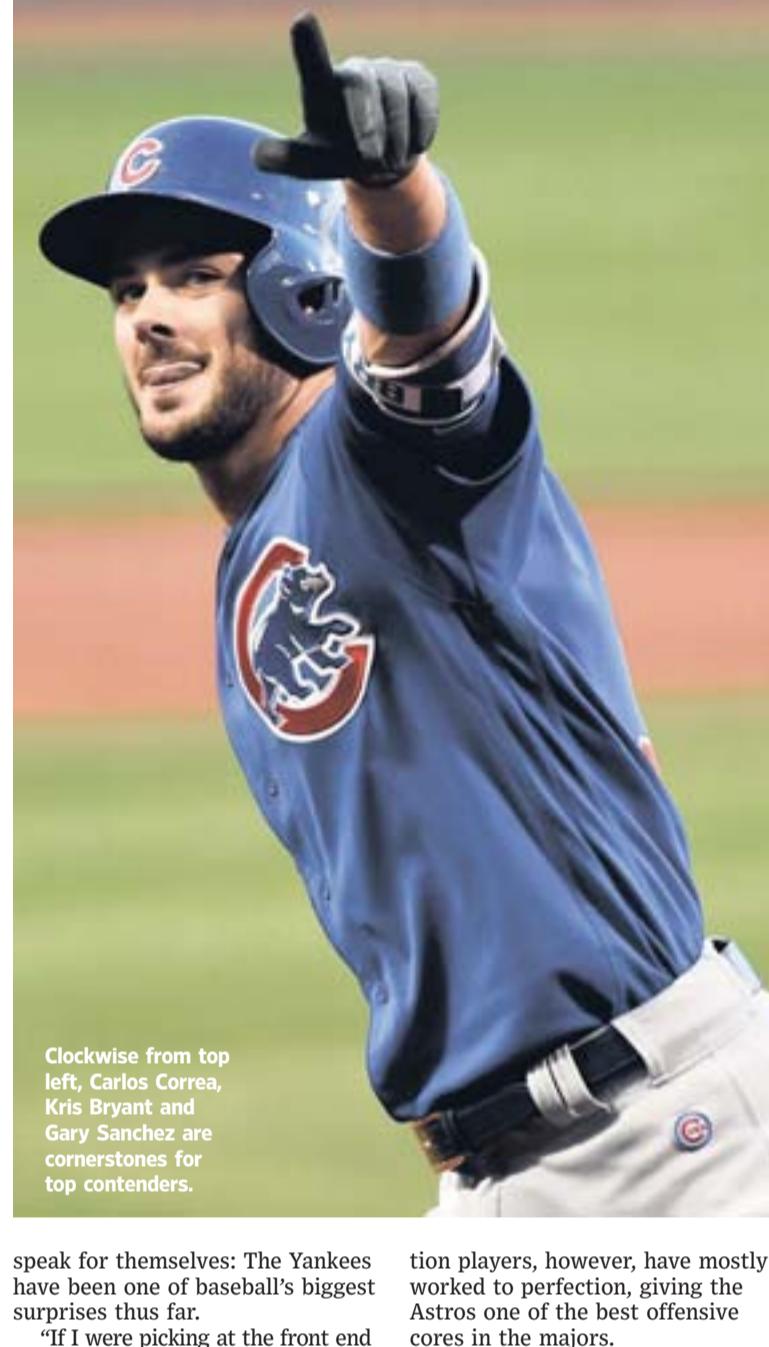
And it isn't just the Cubs. The two teams with the best records in the American League—the Houston Astros and New York Yankees—just so happen to lead the AL in runs and are stocked with talented young hitters.

"If you can have three, four top-of-the-rotation guys all together, that's better than anything you can possibly have," Cubs general manager Jed Hoyer said. "But it's hard to make it work."

Indeed, the Mets have become something of a cautionary tale for executives. Once the envy of the sport, their dream rotation has succumbed to a string of seemingly unending injuries. Noah Syndergaard is out until at least the All-Star break, and Steven Matz hasn't thrown a pitch this year. Zack Wheeler and Matt Harvey haven't been dominant since returning this season from their own surgeries.

But the Mets are hardly alone. Around the majors, the disabled list is littered with top-flight starters: David Price, Corey Kluber, Felix Hernandez and Cole Hamels are all shelved for the time being. Approximately 140 major-league pitchers have undergone Tommy John surgery since 2012 alone—more than double the amount from the entire 1990s.

When the Cubs began a wholesale rebuilding effort following the arrival of team president Theo Ep-



Clockwise from top left, Carlos Correa, Kris Bryant and Gary Sanchez are cornerstones for top contenders.

stein, they worried about the unpredictability of top-flight pitching. Picking in the top 10 of four consecutive amateur drafts from 2012 through 2015, they selected a position player each time, believing it would minimize their risk.

The way the Cubs figured it, they couldn't afford to miss during their window of owning such high draft picks, a valuable commodity that would potentially determine their fate for a generation. So they went with what Hoyer called "the safer plays," adding outfielder Albert Almora, Bryant, then Schwarber. Last Saturday, they unveiled their final prize, promoting Ian Happ, the No. 9 overall pick in 2015, from Triple-A. He homered twice in his first three games.

All told, 29 teams have chosen a pitcher within the top 30 picks of the draft since 2011. The exception is the Cubs.

"We couldn't afford really long-term bets or really risky bets, be-

cause we needed to get this right," Hoyer said. "That became our focus."

Of course, the Cubs had one significant advantage over many of their competitors: money. With the ability to expand their payroll, they spent \$155 million to sign established ace Jon Lester before the 2015 season to bolster their pitching.

The same goes for the Yankees, another big-budget franchise on the rise thanks to offensive talent, from Aaron Judge and Gary Sanchez in the majors, to Gleyber Torres and Clint Frazier in the minors.

General manager Brian Cashman said he didn't intentionally target hitters over pitchers in the draft or in trades, and cautioned against comparing the Yankees to the Cubs. Unlike Chicago, New York never bottomed out and therefore never had a top-15 pick. They had to retool through other means.

Still, Cashman agreed with the Cubs' thinking, and the results

speak for themselves: The Yankees have been one of baseball's biggest surprises thus far.

"If I were picking at the front end of the draft, I would pick the safe position player, because performance is the only thing that's going to stop them," Cashman said. "Pitchers have to perform and stay healthy, which is almost impossible."

Not every team has the luxury of cash, which explains why the Houston Astros, another team that endured a full-blown tear-down, couldn't simply mimic the Cubs. With the No. 1 pick in 2013, they went for right-hander Mark Appel, letting Bryant slip to Chicago at No. 2. A year later, they passed on Schwarber for lefty Brady Aiken. Both are in the minors for other organizations.

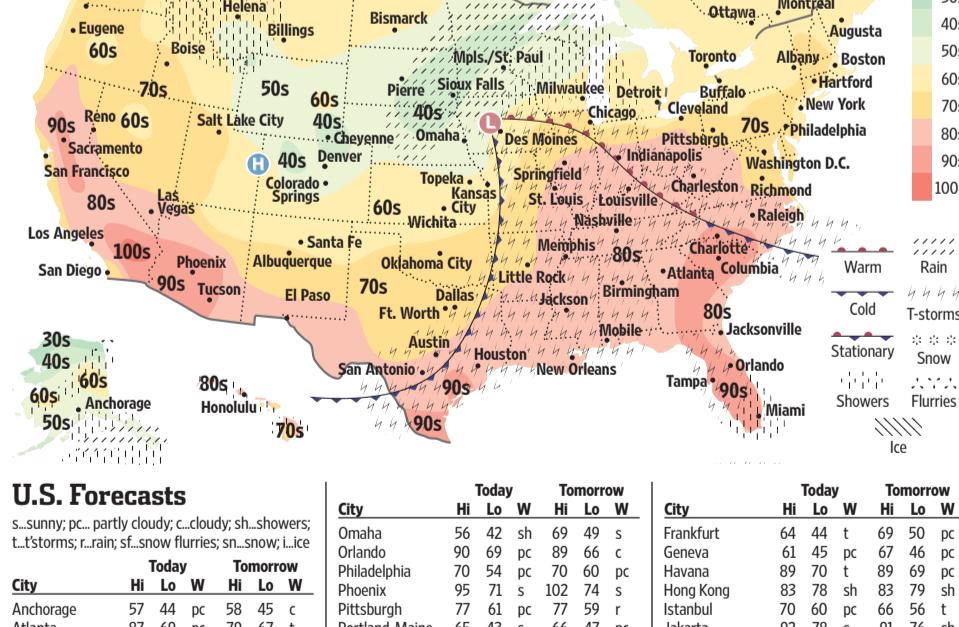
Though Astros GM Jeff Luhnow says he doesn't regret those picks, he admits that, "Neither of those worked out for us the way we thought they would." Their posi-

tion players, however, have mostly worked to perfection, giving the Astros one of the best offensive cores in the majors.

Led by homegrown stars like Carlos Correa, Jose Altuve and George Springer—the latter two Luhnow inherited from a previous front-office group—the Astros boast baseball's best record. They found pitching in other areas, nabbing 2015 Cy Young winner Dallas Keuchel in the seventh round and Lance McCullers with the No. 41 overall pick.

No one argues pitching doesn't matter, it's just that the smart money is increasingly flowing to batters. "All you have to do is study the draft for the past 10, 15, 20 years and look at the top pitching picks and hitters," Luhnow said. "There are [hitters] taken in the top three that didn't pan out, but in general, you have a higher success rate for sure."

Weather



U.S. Forecasts

S...sunny; pc...partly cloudy; c...cloudy; sh...showers;

t...storms; r...rain; sf...snow flurries; sn...snow; l...ice

Today Hi Lo W Today Hi Lo W

City Hi Lo W Hi Lo W

Today Hi Lo W Today Hi Lo W

City Hi Lo W Hi Lo W

International

Today Hi Lo W Today Hi Lo W

City Hi Lo W Hi Lo W

Today Hi Lo W Today Hi Lo W

City Hi Lo W Hi Lo W

NBA

LEBRON LIKES A PLAYOFF SNOOZE

BY BEN COHEN

LEBRON JAMES has been to the last six NBA Finals and played more professional basketball at his age than anyone in the history of the league. He should be getting worse. He instead seems to be getting better—which is getting him the rest that only makes him even better.

This entire NBA season was a prelude to what seems like an inevitable Finals. The utter dominance of the Cleveland Cavaliers and Golden State Warriors, the last two NBA champions, could result in eight days without a single game, the longest break ever between the end of the conference finals and the beginning of the Finals, according to Stats LLC.

But an exceptionally blah NBA playoffs might be what's necessary for another epic NBA Finals. It would mean the Warriors and Cavs have time to rest, recharge and reset before the biggest games of the season.

The Cavaliers had seven days off after sweeping their first-round series. They had nine days off after sweeping their second-round series. They could have eight more days off if they sweep the Boston Celtics in the Eastern Conference Finals, which they led 1-0 before Game 2 on Friday night.

The Warriors had almost as much downtime. They enjoyed seven days off after their first-round sweep and five days off after their second-round sweep. They could take a road trip across the country and still have enough time to prepare for the Finals in the nine days they'd have off if they're able to sweep the San Antonio Spurs, too.

If both teams take care of business, the NBA wouldn't have any games for more than a week. And maybe that's not the worst idea.

The NFL bakes in two weeks before the Super Bowl. The NBA could accidentally benefit from a similar extended break. James, Stephen Curry, Kevin Durant, Kyrie Irving, Klay Thomp-

son, Kevin Love and Draymond Green being on the same court at the same time was always going to be alluring. It's even more appealing if they're the best versions of themselves.

Last year's Finals showed what can happen when someone like James is paced to peak at the right time of the season. Like this season, the Cavs swept their first two opponents, winning him 20 days off in the playoffs. James could have as many as 24 days off this time around.

The game's most unfair player uses that rest to his advantage. The enormity of Game 7 last season—with the Cavs capping their 3-1 series comeback in the last minute to win their first title while spoiling Golden State's bid to be the greatest team ever—makes it easy to forget about what he did in Games 5 and 6 to get Cleveland to a Game 7.

According to a Basketball Reference metric known as "game score," his Game 5 was the third most productive individual Finals performance since the website started tracking this statistic. No. 1 on that list: his Game 6 performance.



CLOCKWISE FROM RIGHT: BOB DECHIARA/REUTERS; KATHY WILLENS/ASSOCIATED PRESS; JIM MCISAAC/GETTY IMAGES

OPINION

THE WEEKEND INTERVIEW with Ajit Pai | By Tunku Varadarajan

Why ‘Net Neutrality’ Drives the Left Crazy

Protesters from the far-left group Popular Resistance have swarmed the Arlington, Va., street where Ajit Pai lives, placing pamphlets with his face on his neighbors' front doors. "Have you seen this man?" the flyers ask, stating that Mr. Pai—"Age 44 / Height 6'1" / Weight 200"—is "trying to destroy net neutrality." Mr. Pai is chairman of the Federal Communications Commission, and the activists, not without perverse humor, describe their picketing of his home as "Ajit-ation."

"They were there yesterday," Mr. Pai tells me Monday in his office at the FCC, in uncool Southwest Washington. "I understand they'll be there today. They'll be there tomorrow and the day after. It's a hassle, especially for my wife and my two young children." The activists, he adds, "come up to our front windows and take photographs of the inside of the house. My kids are 5 and 3. It's not pleasant."

The FCC's new chairman on his plan to reopen the internet to competition—and the agitators picketing his family home.

Few phrases in the English language are more dowdy than "net neutrality." Yet the passions the two words arouse are so intense that the earnest, nerdy Mr. Pai—his hair crew-cut, his smile somewhat goofy—is among the Trump officials most loathed by the left. That hatred was consolidated Thursday, when Mr. Pai's FCC voted 2-1 to begin the process to scrap the Obama administration's net-neutrality regulations.

Coined in 2003 by legal scholar Tim Wu, net neutrality has come to mean government oversight of the internet aimed at protecting the consumer from exploitation by internet service providers. In February 2015, under the incongruously named Open Internet Order, the Obama FCC overturned nearly two decades of precedent for treating the internet as a largely unregulated "information service." Instead the FCC reclassified it as a "telecommunication service." Having done so, the commission asserted the authority to regulate the internet as a "utility" under Title II of the Communications Act of 1934, which was enacted, Mr. Pai never tires of saying, "to deal with Ma Bell," the telephone monopoly.

I ask Mr. Pai whether it would make sense for those who oppose net neutrality to choose different language and push back against the phrase. He chuckles and says, "I haven't tended to use it much." In an April speech at the Newseum laying out his plans, Mr. Pai did not utter the term even once. "It's certainly one of the more seductive

marketing slogans that's ever been attached to a public policy issue," he says. "There's no question that seeming to be against 'neutrality' is a very difficult default position."

So how would he explain the idea? "A more accurate way to call it, I think, is 'internet regulation,'" he replies, "because the essential question is whether we want it to be governed by technologists and engineers and businesspeople, as it was under the light-touch approach during the Clinton administration, or by government lawyers and bureaucrats here in Washington." In Mr. Pai's view, the choice is a "free and open internet versus Title II."

Mr. Pai was born in Buffalo, N.Y., in 1973 to two physicians from the Konkani community of southwestern India who'd had an arranged marriage and moved to the U.S. "My dad was a resident urologist at a Bombay hospital," he says, "and one of his patients was my mom's aunt, who was the matchmaker." From Buffalo they moved to Canada, and thence to Parsons, Kan., a town of 10,000 whose county hospital had vacancies for both a urologist and an anesthesiologist (his mother's specialty). They've lived and practiced there since 1977.

I ask Mr. Pai about his school days and wonder—succumbing briefly to stereotype—if he won any spelling bees. "I did, as a matter of fact," he says jauntily. "I won a grade-school spelling bee. And then I was in the county bee and lost on the word 'discord.' I was very upset, because I'd just read Norton Juster's 'The Phantom Tollbooth,' and there's a character called Dr. Dischord." (Mr. Pai refers to Kakofonous A. Dischord, who loves unpleasant sounds.) "Having just read the book, I thought, 'Oh, that must be the way it's spelled in real life,' not realizing it was a play on words." It's amusing, I observe, given this little bit of history, that Mr. Pai is today the source of so much discord. He responds with a poker face. "I did eventually recover, and my career wasn't forever sullied by my failure to spell that word."

As Mr. Pai travels around the country, he is greeted with the same refrain. "The No. 1 issue that I hear about is that people want better, faster, cheaper internet access," he says. "They want access, period. To me at least, that's the question the FCC should be squarely focused on: What is the regulatory framework that will maximize the incentives of every company to deploy the next generation of networks?"

In his speech at the Newseum, Mr. Pai noted that Title II regulation was weighing down investment in broadband. "Among our nation's 12 largest internet service providers," he told the audience, "domestic broadband capital expenditures decreased by 5.6%, or \$3.6 billion, between



Ajit Pai at the National Association of Broadcasters convention, April 25.

2014 and 2016." I ask him to elaborate. "As I've seen it and heard it," he says, "Title II regulations have stood in the way of investment. Just last week, for instance, we heard from 19 municipal broadband providers. These are small, government-owned ISPs who told us that 'even though we lack a profit motive, Title II has affected the way we do business.'

The small ISPs reported that Title II was preventing them from rolling out new services and deepening their networks. "These are the kinds of companies that we want to provide a competitive alternative in the marketplace," Mr. Pai says. "It seems to me they're the canaries in the coal mine. If the smaller companies are telling us that the regulatory overhang is too much, that it hangs like a black cloud over our businesses—as 22 separate ISPs told us three weeks ago—then it seems to me there's a problem here that needs to be solved."

This gets at the fundamental reason, in Mr. Pai's view, why treating the internet as a utility is so harmful. "We need massive investment in networks going forward," he says. "The infrastructure of the internet isn't like slow-moving utilities. It's not a water company. There are a number of ISPs, big and small—4,400 of them."

Besides, Americans weren't living in a digital dystopia before the FCC imposed net-neutrality rules. "There's a reason why, in the Clinton administration, the Bush administration, and the first six years of the Obama administration, we had this light-touch approach," Mr. Pai says. "It was thought that was the best way to

calibrate the public interest. I think they were proven right by the digital economy that we had up to that point."

One of the "fundamental misunderstandings" of applying Title II regulation to the internet, he says, "is the belief that there's a dichotomy between the market and the consumer. To me, at least, markets and market-oriented policies have delivered far more value to the consumer than pre-emptive regulation ever has. There's a reason why we had an internet economy that was the envy of the world for the better part of 20 years."

Slapping on pre-emptive Depression-era regulations creates "serious unintended consequences." Rather than treat every ISP as a presumptive monopolist and declare the entire market anti-competitive, Mr. Pai says the government should "let the marketplace develop, unfettered by federal and state regulation, and take action against anticompetitive conduct as the facts and laws warrant."

Net neutrality advocates want to reverse that. "The entire predicate of government regulation should be that there is, or is highly likely to be, a fundamental market failure that warrants pre-emptive regulation. That's a sine qua non," he adds. "But there was no evidence of that in 2015. The hypothetical harms that were discussed were exactly that: hypothetical."

Where does the political impulse to treat the internet as a utility come from? Mr. Pai pauses before responding. "I think there are two different impulses at play," he says. "First, some people see a market that isn't heavily regulated as one that's effectively the Wild West, in

which consumers are at the mercy of any company that offers services in that space." The second reason flows from the psychology of language: "People have a tendency to conflate the importance of something in their lives with the actual word 'utility.'

As an undergraduate at Harvard, Mr. Pai majored in social studies, immersing himself in Durkheim, Freud, Marx, and—his favorite—Tocqueville. It was in college that he got his first taste of economics. "I had the pleasure," he says, "of studying under Martin Feldstein, who taught the basic economics course." At the same time he decided he was a Republican: "Throughout high school, I was a fairly determined Democrat. But studying economics played a big part in my change. It seemed to me that the Republicans had the better of the argument on economic matters."

Then it was on to law school at the University of Chicago. Mr. Pai learned a great deal from the decidedly liberal Cass Sunstein, who taught administrative law. "I found him fascinating," Mr. Pai recalls, "because even though he and I disagreed—and disagree—on the merits of a particular kind of regulatory philosophy, I loved the way he teased out what the administrative process was designed to do, and whether it makes sense to have expert agencies that are given deference, or whether we want the courts second-guessing their decisions."

Mr. Pai stresses that the FCC's pending decision to scrap Title II ought to receive judicial deference—known in the business as "Chevron deference," after a 1984 Supreme Court decision that held courts should defer to regulators' reasonable interpretations of ambiguous statutes.

For the next three months, however, the FCC's proposed net-neutrality reversal is open to public comment. If recent events offer any taste of the future, Mr. Pai can expect a great deal of turbulence. The news-comedian John Oliver pilloried him mercilessly in a recent segment, calling on his millions of viewers to express their discontent on the FCC's website. The site crashed.

I ask whether another public outcry could make his job hell—with sites crashing, social media pouring forth abuse (one tweeter demanded he "go back to Africa"), and even more activists picketing him at home and work. Can the FCC chairman live with all the hullabaloo? "I suppose that's a risk," Mr. Pai says, "but it's a risk I'm willing to take. At the end of the day, I'm not going to be intimidated. No one is going to sway me away from the course that I truly believe is the right one for the American people."

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

New York City Wants to Supersize the 'Fight for \$15'



CROSS COUNTRY
By Michael Saltzman

These are difficult times for the American labor movement. Only 6.4% of the private workforce is unionized, an all-time low. Although dues still put an estimated \$9 billion a year into union coffers, according to federal filings, increasing that figure depends on recruitment. Hence the New York City Council's proposal, expected to come up for vote on Wednesday, that would allow hard-to-organize fast-food workers to direct a part of their paychecks toward union-affiliated organizations.

For years, workers at fast-food restaurants have pushed for higher wages and "union rights" through the "Fight for \$15." The initiative has collected flattering newspaper headlines and even a few policy victories in blue jurisdictions like New York state and Seattle. All the signs and rallies have cost a lot more than \$15 an hour. The Center for Union Facts estimates that the Service Employees International Union has spent more than \$90 million on the Fight for \$15. But the union thus far hasn't won the victory that would really matter: thousands of new dues-paying members.

In part that's because the franchise model makes a traditional corporate unionization campaign difficult. Each franchisee is independently owned and operated, so the SEIU can't simply sign up all McDonald's workers—it has to organize employees separately at

thousands of locations. Unions were hoping that a friendly National Labor Relations Board would change this by passing regulation to make the franchiser a "joint employer" of people working under its brand. But that became less likely once Republicans won the November elections.

Even if fast-food workers haven't voted to unionize, a new proposal would let them pay pseudo-dues.

The legislation in New York City, described as the "first of its kind" by its sponsor, is designed to solve these problems by enlisting employers in the fight before they are even unionized. Here's how the Fast Food Worker Empowerment Act, as it is called, would work: If a fast-food worker so chose, his employer would be required to deduct contributions from his paycheck each month and remit them to a not-for-profit organization. That could include union-aligned nonprofits. A New York City local of the SEIU has already created one called Fast Food Justice.

At a March hearing, a representative of Mayor Bill de Blasio explained that New York law already permits employers and employees to arrange voluntary payroll deductions—say, to the United Way. What the New York City bill would do is remove the employer's choice in the matter. If the worker wants the deduction, his boss couldn't say no.

At the March hearing, Councilwoman Julissa Ferreras-Copeland was hardly circumspect about the intended beneficiary. She said that her bill would "enable fast-food workers to form their own nonprofits" to "advocate for changes in their communities."

Put differently, the bill would give labor groups the ability to collect pseudo-dues from a handful of disgruntled employees in each restaurant, across dozens or even hundreds of different companies, even if none of the employees have explicitly voted to join a union.

That the money would go to a union-affiliated nonprofit is a small formality. The Fight for \$15 was launched through so-called worker centers funded by the SEIU. The New York City bill could turn these centers or their successors into self-sustaining entities that no longer

need the union subsidy. Which isn't to say they wouldn't coordinate. Fast Food Justice is listed as having the same address as the SEIU local, and its spokesperson is a union employee.

The Fast Food Worker Empowerment Act is bad news for the majority of fast-food workers, who aren't union members and may not be interested in the SEIU's agenda.

The City Council is also considering a package of companion bills that would impose union-style work and scheduling rules on the fast-food industry. A similar legislative package, passed by San Francisco in 2014, resulted in less schedule flexibility and fewer part-time jobs, according to a survey conducted by CorCom Inc. and released by my organization.

Such consequences would be a step back for New York City: An analysis of Census Bureau data,

conducted last year by Aaron Yelowitz, an economist at the University of Kentucky, found that only 10% of part-time fast-food employees in the city are working that schedule involuntarily. Most seem to prefer flexible part-time work instead of the rigid scheduling that these bills would create.

If employees in a fast-food restaurant are interested in unionizing, they already have that right. Instead of enhancing these workplace rights, the Fast Food Worker Empowerment Act is a giveaway to labor groups interested in employees' paychecks. The city's elected officials should remember that their job title is "Council Member," not "Labor Organizer."

Mr. Saltzman is the managing director of the Employment Policies Institute.

Notable & Quotable: Journalists' Brains

Lindsay Dodgson writing at *Business Insider*, May 19:

[A] study, led by Tara Swart, a neuroscientist and leadership coach, analysed 40 journalists from newspapers, magazines, broadcast, and online platforms over seven months. . . .

The results showed that journalists' brains were operating at a lower level than the average population,

particularly because of dehydration and the tendency of journalists to self-medicate with alcohol, caffeine, and high-sugar foods.

Journalists scored pretty high on: Abstraction, the ability to deal with ideas rather than events. It's related to the part of the brain where the most sophisticated problem-solving takes place. In other words, it highlights the ability to think outside the box and make connections where others might not see them.

• Value tagging, the ability to assign values to different sensory cues, such as whether something is a priority or has meaning. Scoring highly in this area indicates a good ability to sift through information and pick out what's important.

Journalists scored lower on:

• Executive function. As well as the traits mentioned above, low scores for executive function also suggest poor sleep, nutrition, exercise, and mindfulness. Many participants reported they had no time for breaks while working.

• Silencing the mind, which is related to the ability to have thoughts without getting distracted by them, or a powerful ability to focus. Low scores indicate the opposite, suggesting journalists have a hard time preventing themselves from worrying about the future or regretting the past.

OPINION

REVIEW & OUTLOOK

A Republican Survival Strategy

Republicans in Congress can't control President Trump's rolling controversies, but they are getting plenty of bad advice on how to handle them. Democrats and Never Trumpers agree that the GOP should denounce Mr. Trump, try to remove him from office, and if that fails wait for the Pelosi Democratic Congress to arrive in 2018. This is supposed to be requisite punishment for trying to work with a duly elected if deeply flawed President.

We trust Republicans will reject this counsel of suicide, because there is a better way: Get on with passing the agenda they campaigned on. The Trump investigations will proceed at the same time, and Republicans can respond to new facts as they develop. Whatever happens on the other end of Pennsylvania Avenue, Republicans have an obligation to fulfill their reform mandate while they still have the political power to do so.

* * *

This has the added advantage of being good for the country. The U.S. has struggled with subpar economic growth for more than a decade, and Republicans won in part because they said they'd do better.

Tax reform and deregulation are prime opportunities to unlock the growth and business investment that increase middle-class incomes. On ObamaCare, the GOP can provide relief from surging insurance premiums and diminished choices by replacing the failing entitlement with a more market-based system.

Confirming conservative judges would correct for President Obama's progressive tilt on the federal bench and perhaps restrain the runaway administrative state. And rebuilding the military is crucial to U.S. security in a world of increasing threats.

Going on policy offense is also the best defensive politics. Democrats want to talk about Mr. Trump all the time because they know this gives the public the impression that nothing else is happening in Washington. Paralysis is their strategy.

If Republicans start to move on policy, they automatically change at least some of the political conversation away from Mr. Trump. Debating tax cuts sure beats discussing Michael Flynn. Democrats would have no choice but to respond on the issues, and even the media would have to cover the tax and health debates. OK, maybe

A Victory Over Fake News

Defamation laws are often abused, but this week came a rare victory for the First Amendment and legal recourse against slander. On Wednesday Alex Jones, a right-wing gadfly who occupies one of the darker corners of the internet, settled a lawsuit filed by Chobani yogurt over odious falsehoods on Mr. Jones's website Infowars.

"During the week of April 10, 2017," Mr. Jones said in a video on his website, "certain statements were made on the Infowars Twitter feed and YouTube channel regarding Chobani, LLC that I now understand to be wrong. The tweets and video have now been retracted and will not be reposted. On behalf of Infowars, I regret that we mischaracterized Chobani, its employees and the people of Twin Falls, Idaho the way we did."

As humiliating apologies go, this is one for the ages. The contrition is warranted: An April Infowars tweet and video carried the title "Idaho Yogurt Maker Caught Importing Migrant Rapists." Chobani's founder is a Turkish immi-

Alex Jones apologizes to Chobani and its employees for his slurs.

grant who has hired hundreds of refugees to work in his plants. Mr. Jones's outfit suggested that Chobani workers in Idaho were connected to a gruesome sexual assault perpetrated by minors. For added class, Infowars said that maybe refugees had spread tuberculosis.

The allegations are false, though the video spread across the internet thanks to thousands of tweets and shares on social media. Drudge published the headline "REPORT: Syrian 'Refugees' Rape Little Girl at Knifepoint in Idaho." Chobani sued Mr. Jones for what the suit described as a "classic" case of defamation, which includes acting with malice.

Mr. Jones first insisted he would fight the Chobani suit, but his lawyers must have helped him realize that he was barreling toward an expensive defeat. Chobani has declined to disclose settlement details, but perhaps this encounter will dissuade Mr. Jones and his allies from peddling untruths this outrageous. Congratulations to Chobani for fighting back against a real example of fake news.

Trump Wavers on Jerusalem

Donald Trump made many campaign promises in his run to the Presidency, but none sounded more sincere than his commitment to recognize Jerusalem as the capital of Israel. The week of his inauguration he repeated the pledge to an Israeli news outlet, adding, "I'm not a person who breaks promises."

This promise will go unfulfilled when Mr. Trump visits Israel on his current trip to the Middle East. Administration officials have conveyed in the past week that, once again, the time isn't appropriate for the move. Mr. Trump hasn't explained his reversal, so we are left to assume that the reason for renegeing is the same one U.S. Presidents of both parties have given back to the Clinton Presidency: The move might imperil the Israeli-Palestinian peace process.

Israelis no doubt will welcome Mr. Trump enthusiastically when he arrives, because he follows after the explicit hostility that Barack Obama displayed toward this important Middle East ally and its prime minister, Benjamin Netanyahu. Still, breaking this important public promise is difficult to understand.

Mr. Trump deepened the promise when he named New York lawyer David Friedman as his ambassador to Israel. Mr. Friedman said he would work to renew the bond between the two countries, "and I look forward to doing this from the U.S. Embassy in Israel's eternal capital, Jerusalem."

It is now evident that even a commitment of this much presidential prestige has been overturned by the U.S. State Department's fa-

He reneges on a promise to recognize the city as Israel's capital.

mous determination to continue the peace process with the Palestinians to the end of days. The history of this greatest of all diplomatic mirages extends back decades, but let us give the short version of why it won't happen: The Palestinians claim Jerusalem as the capital of any future state, and the Israelis will never concede that claim.

Given this intractable stand-off, we would argue that Mr. Trump is more likely to break the peace-process gridlock if he makes good on his promise. It might make clear to the Palestinians that the wheels of history are not moving in their favor, and the time has arrived to enter into a credible negotiation with Israel.

The Administration officials who pushed Mr. Trump off his campaign promise no doubt argued that it risks alienating America's Arab allies in the region. But allies such as Saudi Arabia and Jordan already have recognized that their priority has shifted away from Israel and Palestine and toward the existential threat of Iran's nuclear program, its push for Shiite-led regional hegemony, and the rise of Islamic State. They are engaging Israel in ways that seemed impossible not long ago.

It has been 22 years since Congress passed the Jerusalem Embassy Act, requiring State to relocate the embassy. Every six months since, a U.S. President has signed a waiver to delay the move. It's unfortunate see that President Trump, too, has wavered on this commitment. The least he can do for those who believed his campaign promise is to explain why he now believes he can't keep it.

not the media, but that would also mean less relentless opposition on policy.

Speed is also increasingly vital as Mr. Trump's difficulties mount. Perhaps he'll recover if the Russia charges are overblown, but the news could also get worse and the media will play up every detail as potential impeachment fodder. Republicans can't wait for Mr. Trump's approval rating to rise.

Health care and tax reform would ideally both pass this year so their impact will be visible in 2018. The tax cut should be effective immediately so it doesn't delay investment decisions as businesses wait for lower rates to kick in later; no phase-ins as with the 2001 George W. Bush tax cut.

Republicans also have to assume they'll contest next year's midterms with an unpopular President and a Democratic base eager to repudiate him by retaking Congress. Republicans are bound to suffer some collateral damage if the Trump scandals are still florid, but that's all the more reason to have something else to talk about. The best defense against scandal by association with Mr. Trump is to point to accomplishments that Republicans and independents will support. That's also the only way to get enough GOP voters to the polls.

Democrats and the Never Trumpers will continue to berate Republicans for not being sufficiently anti-Trump, but Republicans shouldn't apologize for trying to work with a GOP President on shared goals. His character flaws aren't theirs. Republicans in Congress ran on their own agenda, and House Republicans won millions of more votes than Mr. Trump did. They have every right to follow through on that agenda.

It would certainly help if Mr. Trump behaved better and controlled himself, but Republicans can't count on that. Their best option is to plow ahead anyway and present Mr. Trump with legislation to sign. That's what Democrats did when they controlled Congress while they investigated Richard Nixon, and they piled up significant policy wins.

No one knows how the various Trump investigations will play out, but Republicans can adapt and criticize or defend as new facts arise. Whatever happens, they'll be in a stronger position if they don't squander their current majorities as Democrats hope they will.

LETTERS TO THE EDITOR

Loose Lips, Trump, the Russians and Secrets

Regarding your editorial "Loose Lips Sink Presidencies" (May 17): ISIS's "laptop bomb threat to airlines" (via Israeli intelligence) has been common knowledge for a few weeks. One could assume Rex Tillerson covered this at his Moscow meeting with Vladimir Putin. There's no way a hand like Mr. Tillerson would fail to insist on secrecy and a quid pro quo. The blunt assault of the Washington Post is the more fertile ground for investigation.

LEONARD TOBOROFF
New York

Let's all remember that President Trump isn't a lawyer, so no one can take a law license from him.

JACK KENESEY
Palatine, Ill.

Is it not possible that our president used good judgment in alerting a nation with which we have difficulties about an area in which we can work together? Is it possible that President Trump might be finding a way to develop a useful relationship with this adversary?

Must every accusation by the president's sworn enemies (the press, Democrats, progressives to the left of Democrats) be taken as truth

as soon as it is uttered? Perhaps the press is missing the larger story: Too many forces are arrayed against the best solutions to our many problems.

DAN PISENTI

Mill Valley, Calif.

The concern that President Trump might have leaked confidential secured information may be justified, but it is certainly not without historical precedent. In his autobiography, Ulysses S. Grant relates that, as commander of the Union forces, he was warned not to divulge military strategy to President Abraham Lincoln. Secretary of War Edwin M. Stanton claimed that Lincoln "was so kind-hearted, so averse to refusing anything asked of him, that some friend would be sure to get from him all he knew."

It is welcomed news that Presidents Lincoln and Trump have something in common.

ARTHUR E. SCHWARTZ
Englewood, N.J.

Who is trafficking in sensitive information? Looks to me like it's the press. I guess anything goes when the cause is just.

BILL BROCKMAN

Atlanta

The Religious Cleansing of Mideast Christians

"Christians Are Leaving the Middle East" (page one, May 13) highlights the sad state of the Christian minority in the Middle East. This exodus has been caused by the rise of political Islam combined with the inadequate protection afforded by host countries. It is clearly time for the U.S. government to step in and use its resources to protect Christians worldwide. This help can come in the form of economic aid to host countries, increased military aid, improved training for local police and armed forces, closer cooperation with local governments and selective use of U.S. forces. A majority Christian country like America shouldn't tolerate the shameful treatment of Christians in the Middle East and Africa.

KENNETH ABRAMOWITZ

New York

While it is true that the percentage of the Israeli population that is Christian has declined substantially in the past 100 years, it's because the

Jewish and Muslim populations in Israel have exploded. In 1950 there were approximately 34,000 Christians in Israel; in 2011 there were approximately 125,000 Christians, and your projections show the number growing to 160,000 in 2025. The growth is small but steady. Israel is the only country in the Middle East where the number of Christians is growing because Israel is the only country in the Middle East that respects religious pluralism.

AUDREY KADIS

Boston

It is sad what is happening to Christians in the Middle East, the cradle of Christianity. It seems very strange that there are no strong voices or even public demonstrations condemning the killings and violence against Christians, destruction of churches and the "religious cleansing" of Christians in Muslim-majority countries.

DAVID SHICHLER

Fullerton, Calif.

development of these drugs.

Government has a broad spectrum of legislative remedies for preventing the excessive pricing of older drugs. It is important for legislators to understand the opaque web of pricing arrangements on the path from manufacturer to consumer. Lawmakers should base their approaches on a thorough understanding of the health-care industry and apply them in a manner that preserves the rights and reasonable profits of each group involved, while eliminating behavior offensive to society.

BARIE LEVITT, M.D., FACC
White Plains, N.Y.

development of these drugs.

Government has a broad spectrum of legislative remedies for preventing the excessive pricing of older drugs. It is important for legislators to understand the opaque web of pricing arrangements on the path from manufacturer to consumer. Lawmakers should base their approaches on a thorough understanding of the health-care industry and apply them in a manner that preserves the rights and reasonable profits of each group involved, while eliminating behavior offensive to society.

LAUREN NOBLE
New Haven, Conn.

RICHARD WEST

Sun City West, Ariz.

The Yale secretary says more than she knows when she says "free speech is not an issue" in such an important process.

MICHAEL DiGACOMO, YALE '68

New York

Pepper ... And Salt

THE WALL STREET JOURNAL



CORRECTION

Ohio's "Serpent Mound" was not America's first state park. Because of an error in one of the Peabody Museum of Archaeology & Ethnology's vitrine labels, the May 8 exhibition review "At the Birth of Anthropology" mischaracterized the site's history.

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. Please include your city and state. All letters are subject to editing, and unpublished letters can be neither acknowledged nor returned.

OPINION

Democracy Is Not Your Plaything



DECLARATIONS

By Peggy Noonan

This will be unpleasantly earnest, but having witnessed the atmospherics the past 10 days it's what I think needs saying:

Everyone, get serious.

Democracy is not your plaything.

This is not a game.

The president of the United States has produced a building crisis that is unprecedented in our history. The question, at bottom, is whether Donald Trump has demonstrated, in his first four months, that he is unfit for the presidency—wholly unsuited in

When the circus comes to Washington, it consumes everything, absorbs all energy.

terms of judgment, knowledge, mental capacity, personal stability. That epic question is then broken down into discrete and specific questions: Did he improperly attempt to interfere with an FBI criminal investigation, did his presidential campaign collude with a foreign government, etc.

But the epic question underlies all. It couldn't be more consequential and will take time to resolve. The sheer gravity of the drama will demand the best from all of us. Are we up to it?

Mr. Trump's longtime foes, especially Democrats and progressives, are in the throes of a kind of obsessive delight. Every new blunder, every suggestion of an illegality, gives them pleasure. "He'll be gone by autumn."

But he was duly and legally elected by tens of millions of Americans who had legitimate reasons to support him, who knew they were throwing the long ball, and who, polls suggest, continue to support him. They believe the press is trying to kill him. "He's new, not a politician, give him a chance." What would it do to them, what would it say to them, to have him brusquely removed by his enemies after so little time? Would it tell them democracy is a con, the swamp always wins, you nobodies can make your little choices but we're in control? What will that do to their faith in our institutions, in democracy itself?

These are wrenching questions.

But if Mr. Trump is truly unfit—if he has demonstrated already, so quickly, that he cannot competently perform the role, and that his drama will only get more dangerous and chaotic, how much time should pass to let him prove it? And how dangerous will the proving get?

Again, wrenching questions. So this is no time for blood lust and delight. Because democracy is not your plaything.

The president's staffers seem to spend most of their time on the phone, leaking and seeking advantage, trying not to be named in the next White House Shake-Up story. A reliable anonymous source who gives good quote will be protected—for a while. The president spends his time tweeting his inane, bizarre messages—he's the victim of a "witch hunt"—from his bed, with his iPad. And giving speeches, as he did this at the Coast Guard Academy: "No politician in history, and I say this with great surety, has been treated worse or more unfairly." Actually Lincoln got secession, civil war and a daily pounding from an abolitionist press that thought he didn't go far enough and moderates who slammed his brutalist pursuit of victory. Then someone shot him in the head. So he had his challenges.



Journalists on fire with the great story of their lives—the most bizarre presidency in U.S. history and the breaking news of its daily missteps—cheer when their scoop that could bring down a president gets more hits than the previous record holder, the scoop that could bring down the candidate.

Stop leaking, tweeting, cheering. Democracy is not your plaything.

There's a sense nobody's in charge, that there's no power center that's holding, that in Washington they're all randomly slamming into each other.

Which is not good in a crisis.

For Capitol Hill Democrats the crisis appears to be primarily a chance to showboat. Republicans are evolving, some starting to use the word "unfit" and some, as a congressman told me, "talking like they're in a shelter for abused women. He didn't mean to throw me down the stairs." He promised not to punch me again."

We're chasing so many rabbits, we can't keep track—Comey, FBI, memos; Russia, Flynn, the Trump campaign; Lavrov, indiscretions with intelligence. It's become a blur.

But there's an emerging sense of tragedy, isn't there? Crucially needed reforms in taxing, regulation and infrastructure—changes the country needs!—are thwarted, all momentum killed. Markets are nervous.

The world sees the U.S. political system once again as a circus. Once the circus comes to town, it consumes everything, absorbs all energy.

I asked the ambassador to the U.S. from one of our greatest allies: "What does Europe say now when America leaves the room?" You're still great, he said, but "we think you're having a nervous breakdown."

It is absurd to think the president can solve his problems by firing his staff. They are not the problem. He is the problem. They're not the A-Team, they're not the counselors you'd want, experienced and wise. They're the island of misfit toys. But they could function adequately if he could lead adequately. For months he's told friends he's about to make big changes, and doesn't. Why? Maybe because talented people on the outside don't want to enter a poisonous staff environment just for the joy of committing career suicide. So he's stuck, surrounded by people

who increasingly resent him, who fear his unpredictability and pique and will surely one day begin to speak on the record.

A mystery: Why is the president never careful? He doesn't act as if he's picking his way through a minefield every day, which he is. He acts like he's gamboling through safe terrain. Thus he indulges himself with strange claims, statements, tweets. He comports himself as if he has a buffer of deep support. He doesn't. Nationally his approval numbers are in the mid to high 30s.

His position is not secure. And yet he gambols on, both paranoid and oblivious.

History is going to judge us by how we comported ourselves in this murky time. It will see who cared first for the country and who didn't, who kept his head and did not, who remained true and calm and played it straight.

Now there will be a special prosecutor. In the short term this buys the White House time.

Here's an idea.

It would be good if top Hill Republicans went en masse to the president and said: "Stop it. Clean up your act. Shut your mouth. Do your job. Stop tweeting. Stop seething. Stop wasting time. You lost the thread and don't even know what you were elected to do anymore. Get a grip. Grow up and look at the terrain, see it for what it is. We have limited time. Every day you undercut yourself, you undercut us. More important, you keep from happening the good policy things we could have done together. If you don't grow up fast, you'll wind up abandoned and alone. Act like a president or leave the presidency."

Could it help? For a minute. But it would be constructive—not just carping, leaking, posing, cheering and tweeting but actually trying to lead.

The president needs to be told: Democracy is not your plaything.



When the circus comes to Washington, it consumes everything, absorbs all energy.

terms of judgment, knowledge, mental capacity, personal stability. That epic question is then broken down into discrete and specific questions: Did he improperly attempt to interfere with an FBI criminal investigation, did his presidential campaign collude with a foreign government, etc.

But the epic question underlies all. It couldn't be more consequential and will take time to resolve. The sheer gravity of the drama will demand the best from all of us. Are we up to it?

Mr. Trump's longtime foes, especially Democrats and progressives, are in the throes of a kind of obsessive delight. Every new blunder, every suggestion of an illegality, gives them pleasure. "He'll be gone by autumn."

The nuance Mr. Blount and Grant expressed is noticeably absent in discussions of what to do about monuments honoring the Confederates. Rien Fertel, writing in the Oxford American, called Lee's New Orleans statue a "traitorous golem." When New Orleans Mayor Mitch Landrieu made good on his promises to remove the statues, he had to send masked city workers, under cover of darkness and police snipers.

This may be only the beginning. According to the SPLC, there are more than 1,500 "publicly sponsored symbols honoring Confederate leaders, soldiers or the Confederate States of America in general," and some 700 such "monuments and statues on public property."

More damning, the SPLC says the preponderance emerged not immediately after the war, but during "the first two decades of the 20th century and during the civil-rights movement."

Facts are not always the SPLC's strong suit. A partial examination of its list for my home state of North Carolina revealed several omissions of monuments erected in the 19th century. These include a 75-foot tall monument, replete with stolen Union cannon, sitting in plain sight on the capitol grounds in Raleigh. Other monuments rose at later dates but had been planned for years. One, in Holly Springs, was built by a Civil War veteran to honor local fallen soldiers from three wars and sits on private church property.

And there are some outright falsehoods. The SPLC wrongly claims that the University of South Carolina's Longstreet Theatre is named after Confederate Gen. James Longstreet. In reality it takes its name from the school's ninth president, whose first name was Augustus. There's no telling how many errors a systematic review of SPLC's data would reveal.

But why quibble over facts when righteousness is at stake? Yale histo-

rian David Blight argued in a recent interview with Slate that many Civil War "facts" are actually elements of the "Lost Cause" myth. According to Mr. Blight, this myth romanticizes Confederates as guardians of old-world honor who faced a well-armed Northern industrial machine bent on trampling states' rights.

The problem with calling this a postwar myth is that it's all well-established in the antebellum record. Southern leaders repeatedly claimed they had a right to sustain slavery and that the North was abrogating a traditional and constitutional balance of powers to undermine that right, as well as others. Was the war an indefensible defense of an evil and unjust institution? Certainly.

In April the CEO of Braidy Industries, Craig Bouchard, announced his company would build a \$1.3 billion aluminum mill in Ashland, Ky., creating 550 jobs. Within the past few weeks, he has received 2,600 applications—many with heart-wrenching personal anecdotes.

Ashland, a small Appalachian town on the Ohio River, was once an industrial powerhouse. Fifty years ago, nearby coal mines churned out cheap energy and raw materials for steel production. But in recent decades the region has suffered a series of blows. In 1998 Ashland Oil relocated to the Cincinnati suburbs. Two years ago, AK Steel laid off 600 workers. Last year CSX Railroad cut 100 jobs due to reduced traffic from the coal mines. Unemployment in Greenup County stands at 8.9%.

Last month President Trump—who won the county with 71% of the vote—ordered an investigation into whether aluminum imports were jeopardizing national security. It's a step toward the tariffs that protectionists hope will revive America's Rust Belt. But the best hope for towns like Ashland is innovation and investment by men like Mr. Bouchard.

He's the kind of businessman who might appear on a union hit list. The CEO cut his chops in derivatives trading before buying the scraps of a bankrupt Chicago steel company in 2003 with his brother James. Within five years, the Bouchard brothers had built their company, Esmark, into the nation's fourth-largest steel conglomerate.

They sold it for \$1.2 billion to the Russian steelmaker Severstal in 2008, shortly before the stock market and steel industry crashed. Thousands of workers subsequently lost their jobs. Mr. Bouchard blames the United Steelworkers. He had first tried to sell a partnership stake in Esmark to the Indian company Essar Steel. But the United Steelworkers

were the men who started it also motivated by grievances beyond slavery? Absolutely.

Then there are the common soldiers, frequently the ones honored in municipal monuments. A great many of them condoned slavery. Without question, they were also animated by what they believed was a threat to their homes and personal liberty.

Most people seem to need this debate to be more simple. Not only Ivy League professors and descendants of Confederate veterans, but also those who should know better. Maybe Americans' deep-rooted Puritanism drives them to view every person as either glorified or damned.

And so we spiral down this Stalinist

path of history-flattening and monument-erasure, one side waving a battle flag that Robert E. Lee himself renounced, the other insisting that every man who wore gray was little different than Leonardo DiCaprio's caricature in "Django Unchained." Americans long ago abandoned Lincoln's admonition—malice toward none, charity for all—and in some important ways the U.S. is less united today than in 1866.

In a world of demons and angels, we can't agree on who's which. And we don't have the charity in our hearts to admit most of us are somewhere in between.

Mr. Woodlief is a writer in North Carolina.

The Mill That Right-to-Work Built

By Allysa Finley

In April the CEO of Braidy Industries, Craig Bouchard, announced his company would build a \$1.3 billion aluminum mill in Ashland, Ky., creating 550 jobs. Within the past few weeks, he has received 2,600 applications—many with heart-wrenching personal anecdotes.

Ashland, a small Appalachian town on the Ohio River, was once an industrial powerhouse. Fifty years ago, nearby coal mines churned out cheap energy and raw materials for steel production. But in recent decades the region has suffered a series of blows. In 1998 Ashland Oil relocated to the Cincinnati suburbs. Two years ago, AK Steel laid off 600 workers. Last year CSX Railroad cut 100 jobs due to reduced traffic from the coal mines. Unemployment in Greenup County stands at 8.9%.

Last month President Trump—who won the county with 71% of the vote—ordered an investigation into whether aluminum imports were jeopardizing national security. It's a step toward the tariffs that protectionists hope will revive America's Rust Belt. But the best hope for towns like Ashland is innovation and investment by men like Mr. Bouchard.

He's the kind of businessman who might appear on a union hit list. The CEO cut his chops in derivatives trading before buying the scraps of a bankrupt Chicago steel company in 2003 with his brother James. Within five years, the Bouchard brothers had built their company, Esmark, into the nation's fourth-largest steel conglomerate.

They sold it for \$1.2 billion to the Russian steelmaker Severstal in 2008, shortly before the stock market and steel industry crashed. Thousands of workers subsequently lost their jobs. Mr. Bouchard blames the United Steelworkers. He had first tried to sell a partnership stake in Esmark to the Indian company Essar Steel. But the United Steelworkers

sought to force a sale to Severstal, which the union perceived as more labor-friendly. Had the Essar deal been consummated, Mr. Bouchard says, "every one of those people would have their jobs today" because all of the company's debt would have been paid off.

The episode soured him on organized labor, and it's one reason he was determined to build his new aluminum plant in a right-to-work state,

An entrepreneur is bringing manufacturing jobs back to Kentucky—without protectionism.

where workers can't be compelled to join a union. Before choosing Ashland, he drew up a list of 24 potential sites. The logistics favored Ashland, and Kentucky offered \$10 million in tax incentives as well as low-cost electricity. But Mr. Bouchard says he was prepared to build elsewhere had Kentucky's Republican governor, Matt Bevin, not signed right-to-work legislation in January.

Pay at the plant, which is expected to be up and running in 2020, will start at \$50,000 a year and average \$70,000—about twice the median household income in Ashland. Workers will also have access to health insurance, fitness facilities and a day-care center.

Mr. Bouchard says one of the plant's advantages will be freedom from rigid union work rules and retiree legacy costs, which handicap many American steel and aluminum manufacturers. "There's only one way to build a big business in these industries today, and it is greenfield," he says. "You have to start from scratch. No unions, therefore no pension legacies."

Similarly, he hopes the new factory will provide an edge over competitors' aging facilities with

high maintenance costs and antiquated work processes. Mr. Bouchard says he will "spend \$1.3 billion on the mill, and our maintenance costs are going to be \$20 million a year instead of \$100 million."

But innovation is the key. The plant will produce specialized sheet aluminum for auto makers and aerospace companies. Mr. Bouchard says he is on the verge of acquiring an MIT-incubated company that "has broken the science of nanocrystalline alloys." He aims to manufacture a new sheet metal that will be 10% lighter and 500% stronger than ultra high-strength steel.

"There is a transformation going on in material science that is not much different than the transformation of the internet business 20 years ago," he says. "The industry has worked for generations to make 2% improvements per year in strength versus weight. We're on the verge of 500% changes."

Advances in material science will result in not only lighter, more fuel-efficient cars and planes—and perhaps new Tour de France records—but also new ways to differentiate American-made products from foreign goods. Mr. Bouchard predicts that the old American steel and aluminum giants will eventually disappear and be replaced by young, nimble companies with nonunionized workforces.

In other words, President Trump could revive American manufacturing simply by letting creative destruction run its course. Protectionist policies that prop up haggard businesses could slow this regeneration and stall the advances Mr. Bouchard sees coming—which would be a loss for far more people than those 550 workers in Ashland.

Ms. Finley is an editorial writer for the Journal.

Holman W. Jenkins, Jr. is away.

THE WALL STREET JOURNAL.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

Rupert Murdoch
Executive Chairman, News Corp

Gerard Baker
Editor in Chief

Matthew J. Murray
Deputy Editor in Chief

DEPUTY MANAGING EDITORS:

Michael W. Miller, Senior Deputy;

Thorold Barker, Europe; Paul Beckett,

Washington; Andrew Dowd, Asia;

Christine Glancy, Operations;

Jennifer J. Hicks, Digital;

Neal Lipschutz, Standards; Alex Martin, News;

Shazna Nessa, Visuals; Ann Podd, Initiatives;

Matthew Rose, Enterprise;

Stephen Wisniewski, Professional News

Paul A. Gigot, Editor of the Editorial Page;

Daniel Henninger, Deputy Editor, Editorial Page

**Beautyrest®
SILVER™**



Energizing
sleep for a
restored you



Hit the ground running, refreshed
and ready to go. Sophisticated
design helps you wake up
and embrace the day ahead

Beautyrest® Silver™

GET YOUR BEAUTYREST®

Find a store near you at beautyrest.com



RETAIL PEAK SNEAKER B3

BUSINESS & FINANCE



HEARD A FED PUT, NOT! B12

© 2017 Dow Jones & Company. All Rights Reserved.

* * *

THE WALL STREET JOURNAL.

Saturday/Sunday, May 20 - 21, 2017 | B1

DJIA 20804.84 ▲ 141.82 0.7% NASDAQ 6083.70 ▲ 0.5% STOXX 600 391.51 ▲ 0.6% 10-YR. TREAS. ▼ 3/32, yield 2.243% OIL \$50.33 ▲ \$0.98 GOLD \$1,252.70 ▲ \$1.00 EURO \$1.1207 YEN 111.26
Parties settle differences to launch \$100 billion fund to rival Silicon Valley financiers

BY MAYUMI NEGISHI AND NICOLAS PARASIE

Japan's SoftBank Group Corp. is poised to launch the world's biggest technology fund as early as Saturday, capping months of negotiations in which the tech giant haggled with the fund's main Saudi investor over control of the money, invest-

ment strategy and questions about its commitment.

The birth of the Vision Fund, which is expected to start with just under \$100 billion in investments and a 12-year term, ushers a huge, new force into a tech-investment world long dominated by Western bankers and Silicon Valley financiers.

The deal combines the deep pockets of a Saudi prince with one of the world's most ambitious tech investors. The fund has also won SoftBank Chief Executive Masayoshi Son access to President Donald Trump, eager to move ahead quickly to capitalize on what he sees as fast-moving changes in areas like artificial intelligence, robotics and biotech. "We can't wait. We need this now," one SoftBank executive re-

called Mr. Son saying in February.

Meanwhile, Mr. Son's counterpart in the deal, Mohammed bin Salman, the 31-year-old deputy crown prince of Saudi Arabia, wanted to ensure his country not only would stand to profit financially but also would gain knowledge that could help develop the country and the wider Gulf region.

Saudi negotiators wanted to make sure the country's sovereign-wealth fund wasn't merely treated by its foreign partners as an easy source of

capital or "a sovereign deemed to have deep pockets," said a person familiar with the Saudi side's thinking.

The Vision Fund was the brainchild of Mr. Son, 59 years old, a Korean-Japanese entrepreneur known for his brash investment style, and Prince Salman, also known by his initials MbS. He is viewed as the face of change in the insular kingdom and a major proponent of weaning the country off oil.

Mr. Son yearned to become a technology power outside of Japan, where his investments

Please see BANKS page B2

Fiat Chrysler Works On Fix

BY MIKE SPECTOR AND CHESTER DAWSON

Fiat Chrysler Automobiles NV plans to modify more than 100,000 diesel-powered vehicles in an attempt to resolve allegations it installed software that allowed them to pollute beyond U.S. legal limits.

The Italian-U.S. auto maker on Friday said it would install modified software on 104,000 2014-2016 model-year Jeep Grand Cherokee sport-utility vehicles and Ram 1500 pickup trucks assuming it gets permission from U.S. and California environmental regulators.

The auto maker said it had asked those regulators to certify 2017 models of the same vehicles featuring updated emissions software. Fiat Chrysler hopes to install the new software on the older vehicles once it is approved.

Fiat Chrysler said the software updates resulted from months of discussions with government officials to settle allegations stemming from its use of emissions-control technology. In addition, the vehicles were subjected to "extensive testing," the company said.

Fiat Chrysler contend the updated software would soon resolve a U.S. Justice Department probe that could hit the auto maker with roughly \$4.6 billion in financial penalties depending on how the investigation unfolds.

Fiat Chrysler "believes that these actions should help facilitate a prompt resolution to ongoing discussions with the Environment and Natural Resources Division of the U.S. Department of Justice and other governmental agencies," the company said Friday.

\$4.6B

Potential financial penalty to Fiat Chrysler as a result of U.S. probe.



LINH LUONG THAI/BLOOMBERG NEWS

VietJet Heralds Country's Change

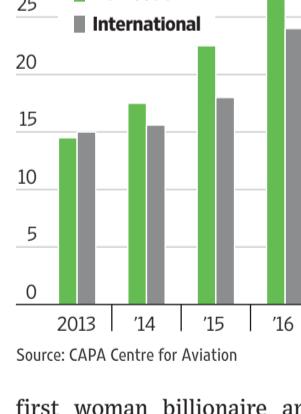
BY JAMES HOOKWAY

Taking Off

Air travel has grown steadily in Vietnam, with private-sector upstart VietJet challenging state-owned Vietnam Airlines and its discount-price offshoot, JetStar Pacific.

Vietnam's air-passenger traffic

In millions



Source: CAPA Centre for Aviation

Air-passenger traffic by airline

In millions



THE WALL STREET JOURNAL.

boration to the north.

"Vietnam needs to make it self important to the rest of the world if it wants to avoid being absorbed into China's orbit," said one person familiar with the government's thinking. "And this is how the government is going to do it: through trade and business."

Investment officials have offered a range of tax incentives to lure foreign manufacturers such as Samsung Electronics Co., which makes products in Vietnam and now accounts for a fifth of the country's exports. Vietnam is expanding its network of trading partners—including the European Union—even as the Trump administration has withdrawn from the Trans-Pacific Partnership.

"Everything is speeding up. It's faster getting permits and all the other papers we need. It's becoming like America," said Nguyen Trong Nghia, who runs an engineering firm with his two brothers in Ho Chi Minh City.

Please see JET page B2

The Stock Picker Behind the S&P 500

The even-keeled David Blitzer keeps calm and indexes on when brickbats fly from critics

BY AKANE OTANI

What's behind trillions of dollars of passive funds? A stock picker.

David M. Blitzer leads the committee that determines

the makeup of the S&P 500,

which aims to include stocks

that collectively reflect the U.S. economy. The index is one of the most popular and widely tracked benchmarks in global financial markets.

With more than \$7.8 trillion in funds pegged to the S&P 500, according to S&P

Dow Jones Indices, any change that shuffles stocks

inevitably draws some criticism. Some investors said the committee's decision in the late 1990s to give technology stocks their own sector

missed much of the group's meteoric rise but exposed investors to the sharp pullback that followed.

Last year, S&P and MSCI Inc., another index provider S&P

works with to decide how

sector and index groupings

are defined, split off the real-estate sector from financials after the stocks had

been popular for a decade.

The silver-haired, bespec-

taled Mr. Blitzer says decisions aren't arbitrary.

"It's not a bunch of people sitting in a room throwing darts at the wall or flipping coins," said Mr. Blitzer.

"When it's a big surprise and one of your colleagues writes, 'I don't know where they got that from,' it

doesn't do any good for us,"

he said. The committee has

published its methodology,

which includes considering

factors like liquidity, a com-

pany's profitability and mar-

ket capitalization, he adds.

The 68-year-old econo-

mist's latest project concerns

whether the smallest of the

index's 11 sectors, the four-

stock telecommunication-

services group, should go or

stay as a stand-alone sector.

Mr. Blitzer, who is holding

discussions with analysts,

portfolio managers and fund

issuers, says a decision could

be made sometime this year.

The committee, which in-

cludes nine other S&P Dow

Jones Indices employees

whose identities are kept

anonymous, meets monthly

to discuss potential changes.

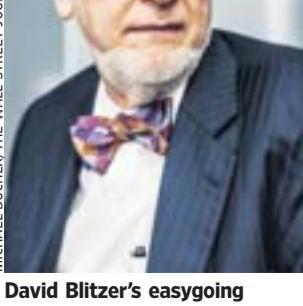
Telecom has steadily

shrunk over the years as

companies have merged or

spun off businesses, with its

Please see INDEX page B2



David Blitzer's easygoing manner is both his best and worst trait, says a colleague.

\$4.6B

Potential financial penalty to Fiat Chrysler as a result of U.S. probe.

A U.S. Environmental Protection Agency spokeswoman declined to comment. A California Air Resources Board spokesman said the agency remains in discussions with Fiat Chrysler to "fully address and resolve the issues" raised by allegations lodged against the auto maker earlier this year. A Justice Department spokesman declined to comment.

While the newer Fiat Chrysler vehicles with diesel engines continued to roll off factory production lines, they have been held in storage awaiting regulatory approval to be sold.

Fiat Chrysler Chief Executive Sergio Marchionne in April told investors he expected the vehicles to be certified in coming weeks.

The EPA in January accused Fiat Chrysler of using and failing to disclose software that allowed the vehicles to spew illegal amounts of pollution. The agency stopped short of calling the software a so-called defeat device intended to fool regulators. Volkswagen AG admitted in 2015 to using defeat devices, leading to billions of dollars in penalties and criminal charges in the U.S.

Fiat Chrysler's Mr. Marchionne has dismissed the allegations from the start. In January, he accused the EPA of "grandstanding" when the agency delivered a violation notice to the company in the waning days of the Obama administration.

INDEX TO BUSINESSES

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

A	Etsy.....B6	Omnicom.....B4					
B	Adidas.....B3	F	Facebook.....B11	Q	Qualcomm.....B2		
C	Agco.....B2	Fiat Chrysler	Automobiles.....B1	R	Ritholtz Wealth Management.....B2		
D	Alphabet.....B3,B11	Foot Locker.....B3	G	Global Exchange.....A2	S	Samsung Electronics..B1	
E	Amazon.com.....B11	Golden State Warriors	I	Shared Economy CPA.....B6	T	SoftBank Group.....B1	
F	Apple.....B11	International Consolidated Airlines Group.....A2	J	Sprint.....A5	U	SuperData Research.....B12	
G	ARM Holdings.....B2	Lyft.....B6	K	TaskRabbit.....B6	V	Uber Technologies.....B3,B6	
H	AT&T.....A5,B3	M	Microsoft.....B11	L	Thrive Analytics.....B12	W	Verizon Communications.....A5
I	Birinyi Associates.....B2	N	MSCI.....B1	M	T-Mobile US.....A5	X	VietJet.....B1
J	BMO Capital Markets.....B2	O	New York Mets.....A10	N	Vietnam Airlines.....B1	Y	Vietnam Airlines.....B1
K	Boeing.....B2	P	Nike.....B3	O	YouTube.....B4	Z	Omera.....A2

BUSINESS & FINANCE



MARIANA GREIF ETCHEBEHERE/BLOOMBERG NEWS

Farm-equipment maker Deere raised its profit outlook citing strong demand in Brazil and elsewhere in South America.

Deere Hails Brazil Farmers

By BOB TITA

Farm-machinery maker **Deere & Co.** raised its profit forecast for the year by 33% on booming demand in South America, an unexpectedly rosy outlook that sent shares in agricultural equipment and supply companies up sharply.

Cash-flush farmers in Brazil and elsewhere in South America are expected to buy 20% more tractors and harvesting combines after record harvests this year, Deere said, even as industrywide sales are expected to fall 5% in the U.S. and Canada amid a multiyear slump in prices for corn, wheat and soybeans.

"South America is a growth market," said Joel Tiss, an analyst for BMO Capital Markets. "The profitability of farms is better because the costs there are lower. They get three crops a year, so the equipment is used much more intensely."

The general secretary of Vietnam's Communist Party, Nguyen Phu Trong, underscored the change this month at a top-level party meeting, calling for the "elimination of all prejudices and obstacles" hindering private businesses.

Aviation analysts at the Centre for Aviation, or CAPA, now predict VietJet will overtake Vietnam Airlines as the country's largest domestic carrier.

Its international operations are growing too, fueled in part by a 30% rise in tourism arrivals in the first quarter of the year.

VietJet carried 3.7 million passengers in that period, up 29% from the same quarter last year. That helped drive up first-quarter revenue by more than 44% to 5 trillion dong, or about \$219 million. VietJet is now planning to ask the government to raise its cap on foreign shareholders to 49% of equity from 30% as part of a longer-term plan to list its shares overseas and generate more money to meet the growing demand.

The company also signed an \$11 billion order with Boeing Co. last May to buy 100 737 Max 200 jets, followed by an order for 20 Airbus A321s, highlighting the importance of Asia's new generation of budget carriers to the aircraft makers.

Vietnam Airlines isn't standing pat, having recently taken delivery on 11 new 787 Dreamliners from Boeing in an effort to broaden its appeal among business travelers. In March, it also lifted a page from the VietJet business plan, releasing a video of flight crews and ground staff lip-syncing and dancing to a local pop song, "Bang Bang, Boom Boom."

INDEX

Continued from the prior page share of the S&P 500's market capitalization falling to 2.3% this year, according to S&P Dow Jones Indices, from 8.7% in 1990.

Laszlo Birinyi, founder and president of money-management and research firm Birinyi Associates Inc., says telecom has long been too small to be a useful sector. "During the days of the ticker tapes, we'd sit on the trading floors and know everything going on in the markets. Now you have quants, academics and consultants who aren't quite aware of what's going on in the markets themselves," he said. "So they come up with these great ideas, but are they really pragmatic?"

Mr. Blitzer doesn't get flustered by his critics.

He is so even-keeled, he manages to calm the people around him, said Howard Silverblatt, a senior index analyst at S&P Dow Jones Indices who has known Mr. Blitzer since they worked together in the early 1980s. It's both his best and worst trait, he added.

"When you're raising your

Deere raised its earnings forecast to about \$2 billion for its fiscal year ending Oct. 31. The company expects revenue from farm and construction machinery to grow about 9% to \$25.5 billion; in February, it had projected \$24.3 billion.

Deere's bullish outlook marks a rare bright spot for an industry struggling amid a long downturn in the U.S. farm economy. The Moline, Ill.-based company said it still expects lackluster sales of its green-and-yellow tractors and combines this year in the U.S. and Canada, which accounted for about 70% of its farm-equipment sales last year.

The slump, driven by years of strong harvests that have produced record global grain stockpiles, is pushing some U.S. farmers to the brink of bankruptcy. That has left them with less cash to buy everything from seeds to combines, weighing on major agriculture-focused firms.

Deere's farm equipment sales fell 36% to \$18.5 billion in 2016 from a peak of \$29.1 billion in 2013.

"We're not seeing significant changes in the outlook for our farmer customers," said Tony Huegel, Deere's director of investor relations. "It's hard to argue today for significant recovery in commodity prices."

Deere on Friday reported a profit of \$802.4 million in its second quarter ended April 30, up 62% from a year earlier. Cost reductions helped draw that profit from a relatively modest 2.2% rise in farm and construction equipment sales overall. Total revenue including Deere's financial services business, rose 5% to \$8.2 billion. Proceeds from the sale of a landscaping distribution business also boosted profit.

Deere said sales of farm and construction equipment in the U.S. and Canada fell 5% in its second quarter, while sales

elsewhere in the world increased 14%. The U.S. dip came during what is traditionally the best quarter in that market, as farmers buy equipment to plant their spring crops.

Deere said used farm-equipment inventories in the U.S. are easing. That could allow its dealers to rebuild inventories of new machinery for sale by encouraging them to accept a trade-in to sell a new model.

Analysts had expected Deere's results to reflect the continuing challenges in North America, so investors took their lead from the rosy profit outlook to drive Deere's shares up 7.3% to \$120.90 on Friday.

Rival machinery makers and other agriculture-focused firms also got a boost. Shares of equipment makers Agco Corp. and CNH Industrial NV and fertilizer maker CF Industries Holdings Inc. all rose about 4%.

—Austen Hufford contributed to this article.

wouldn't be scuttled.

SoftBank already has lined up a dozen deals of a billion dollars or more for the fund to invest in, said a person who helped set up the fund.

SoftBank executives initially envisioned having complete control over decisions about what to invest in.

PIF repeatedly sought assurances from SoftBank that the Vision Fund invest in companies and technologies that could help the kingdom's quest to diversify its economy.

The Saudi negotiators focused on who would be on the investment committee, how and when investors would get information on deals in the pipeline, and how much say they would have.

SoftBank agreed to let the Saudis sit in on deal meetings, although they won't get a vote on the investment committee.

But PIF insisted it get the right to veto deals. Eventually, SoftBank agreed to grant veto rights for deals over a certain size, with both sides accepting a high threshold.

—Alex Frangos, Jenny Strasburg and Summer Said contributed to this article.

Fund of Funds

SoftBank's Vision Fund is set to dwarf all tech funds to date.

Largest tech funds ever raised globally

Company	Final size, in billions	Year of final close
SoftBank Vision Fund	\$100*	Pending
Silver Lake Partners V	15.0	2017
Vista Equity Partners Fund VI	11.0	2017
Silver Lake Partners IV	103	2013
Silver Lake Partners III	94	2007
Thoma Bravo Fund XII	7.6	2016

*Estimated

Note: Funds listed invest primarily in tech and may have investments in other sectors

Sources: SoftBank (Softbank Vision Fund); Preqin

THE WALL STREET JOURNAL.

agreement to launch the Vision Fund in October, with \$45 billion from PIF and \$25 billion from SoftBank.

Other investors such as technology giants Apple Inc. and Qualcomm Inc. were signaling interest, and Mr. Son pushed to get the deal closed by the end of December.

One factor hampering the negotiations was that each step required formal approval on the Saudi side from multiple levels of government. Many measures needed ap-

proval from the prince himself, whose reformist initiatives such as eliminating energy subsidies have been controversial at home. Prince Salman "wants absolute control over anything, especially any matters concerning strategy," said a person close to the prince.

The back-and-forth from the Saudi negotiators made SoftBank executives begin to wonder if the Saudis were stalling. On at least one occasion, SoftBank executives sought assurance from PIF that the fund

voice and trying to make a point, he'll be just listening, maybe writing a note or two down on the side, then looking right into your eyes. He's never yelling back. Which is unusual and sometimes frustrating," Mr. Silverblatt said.

Mr. Blitzer is an icon in the indexing world. He's rarely seen or photographed without a bow tie. "It's harder to spill soup on them," he said.

He never imagined he'd become what one exchange-traded-fund-focused website once called him: a "legend of indexing." A New York native, Mr. Blitzer majored in engineering at Cornell University, where he developed an interest in environmental advocacy. After earning his master's degree in economics at George Washington University and his Ph.D. at Columbia University, Mr. Blitzer hoped to put his economics skills into use as a consultant for environmental groups.

The 1980 election of Ronald Reagan, who vowed on the campaign trail to slash environmental regulations, changed everything.

"I realized the environmentalists went into a bear market," Mr. Blitzer

said, laughing. "So I decided this was the time to look around and see what else there was."

Mr. Blitzer joined what was then known as McGraw Hill as a corporate economist in 1980, just as a swell of changes was beginning to shift the world of stock-market investing from active to passive management.

The 'legend of indexing' majored in engineering at Cornell University.

The Chicago Mercantile Exchange launched futures based on the S&P 500 in April 1982. That July, the Chicago Board Options Exchange introduced trading of options contracts based on the S&P 500. The company around him became more active in the indexing business, too. Mr. Blitzer joined the index committee in 1989 and became its chairman in 1995.

"It was clear this was a real, serious business, and that we had to be careful about adding or removing

stocks from the index," Mr. Blitzer said.

Some contend the index's structure is fundamentally flawed. The S&P 500 assigns weighting by market capitalization, meaning the largest companies have an outsize impact on performance. Some say passive investors are better served by indexes that weight companies by factors other than size alone, such as earnings or book value.

Other indexes are maintained in part or entirely by committees, including the FTSE Russell indexes and the Dow Jones Industrial Average. The Dow also is owned by S&P; Dow Jones & Co., a unit of The Wall Street Journal parent company News Corp, completed a sale of its stake in 2013. Two representatives of the Journal still help determine the composition of the Dow industrials.

Still, even critics of the S&P 500 say it's hard to identify a better broad index out there. "Nothing else has proven itself to be a better benchmark for the average large-cap investor," said Barry Ritholtz, co-founder and chief investment officer of Ritholtz Wealth Management.



Nguyen Thi Phuong Thao, who founded VietJet in 2011, became her country's first woman billionaire.

LINH LUONG THAI/BLOOMBERG NEWS

BUSINESS NEWS

Foot Locker Limps As Retro Craze Cools

Shoe chain posts tepid results as CEO says demand for some white sneakers wanes

BY SARA GERMANO

This just in: The retro Adidas white-shoe trend has peaked.

Demand for the sportswear company's iconic sneakers, the shell-toed Superstar and white-leather Stan Smith, has cooled, according to **Foot Locker** Inc. Chief Executive Officer Dick Johnson. The shift is a significant development for the sneaker industry, which was upended by the Adidas retro-craze over the past few years and sapped demand for higher-priced basketball shoes.

"I think it's the cycle slowing down. Superstars and Stan Smiths have been around a long time, and they have waves that they come through," Mr. Johnson said on Friday. Last year, "every teenage female, potentially in the world, needed to have a pair." He stressed the shoes are still moving off shelves at the 3,300-store global chain, just at a slower pace.

The observation came amid

lackluster quarterly results for Foot Locker, which reported just a 0.5% rise in sales at stores open at least a year. Shares of the company fell 17%, to \$58.72, on Friday.

Net income for the fiscal first quarter fell 5.8%, to \$180 million, or \$1.36 a share, compared with \$191 million, or \$1.39 a share, in the year-earlier period. Revenue rose 0.7%, to \$2 billion.

Sneaker trends, like most fashions, are cyclical. Industry insiders say the spark for the current Adidas-retro craze came from designer Phoebe Philo, who wore the Stan Smith shoes to close her 2011 runway show at French fashion house Céline. **Adidas AG**, meanwhile, shifted its design and merchandising strategy a few years ago to be more trend-aware to combat sluggish sales.

The changes worked: Adidas earned back valuable shelf space at sneaker retailers and the Superstar became the best-selling shoe at U.S. retailers in 2016, the first non-Nike Inc. shoe to claim the top spot in years, according to NPD Group.

That had a ripple effect on the athletic-sneaker market. Sales declined in the more lucrative basketball-shoe cate-

gory, which is dominated by Nike. Nike reduced the price for LeBron James signature shoes over several years from more than \$200 a pair to between \$140 and \$180. The company also introduced custom kicks for Paul George and Kyrie Irving at more moderate price points, between \$100-\$140. Both the Stan Smiths and Superstars retail for between \$60 and \$80.

In March, Nike gave a tepid outlook for sales growth this year, despite success with a retro Jordan sneaker, citing competition in the U.S. market and a more promotional retail environment. Overall, athletic footwear retail sales have fallen about 1% to \$5.4 billion so far this year, according to NPD Group.

"Both Superstar and Stan Smith are what we call footwear franchises," Adidas said Friday. "We proactively manage their life cycles across several seasons and years...to ensure longevity and avoid overheating." On the company's first-quarter earnings call this month, CEO Kasper Rorsted said that most of the sales growth in the company's retro-shoe category, Originals, was coming from newer shoe models like the NMD and Tubular.



The thirst for white sneakers over the past few years sapped demand for basketball shoes.

ZUMA PRESS

Uber Threatens to Ax Executive

BY JACK NICAS

Uber Technologies Inc. has threatened to fire Anthony Levandowski, the driverless-car engineer at the center of its legal battle with Google parent **Alphabet Inc.**, if he doesn't comply with a court order to turn over any files he might have.

Uber sent Mr. Levandowski a four-page letter Monday saying he must comply with the order issued last week requiring him to return 14,000 allegedly stolen files and provide an extensive accounting of any Uber employees' handling or knowledge of the files.

Mr. Levandowski, a former Alphabet engineer who joined Uber last year to run its driverless-car program, has repeatedly invoked his Fifth Amendment rights in the case, declining to comment and refusing to turn over documents.



ANDREW HARRER/BLOOMBERG NEWS

The ride-hailing company wants Anthony Levandowski to comply with a court order and turn over any Waymo files he may have.

U.S. District Judge William Alsup ruled last week that Mr. Levandowski's use of the Fifth Amendment doesn't bar Uber from firing him, and that the company shouldn't "pull any punches" in compelling him to present information about the

allegedly stolen files.

Waymo, Alphabet's self-driving car unit, sued Uber in February for allegedly conspiring with Mr. Levandowski to steal Waymo files. A trial for the civil suit is set for October in the U.S. District Court for

the Northern District of California in San Francisco.

Last week, Judge Alsup asked federal prosecutors to investigate Uber and Mr. Levandowski for potential trade-secret theft, which could lead to criminal charges.

Uber's letter to Mr. Levandowski was disclosed in a motion his attorneys filed with the court late Thursday that asks the judge to revise his ruling that Uber could fire Mr. Levandowski for invoking the Fifth Amendment.

Mr. Levandowski's attorneys wrote in Thursday's motion that the judge's ruling last week "can be summarized quite simply: Waive your Fifth Amendment rights...or I will have you fired. The choice is yours, Mr. Levandowski."

Uber and Waymo declined to comment. Attorneys representing Mr. Levandowski didn't respond to a request for comment.

Workers Walk Out In Weekend Protest At AT&T Wireless

BY DREW FITZGERALD

Thousands of **AT&T Inc.** employees walked off the job Friday afternoon, starting a three-day protest to demand more protections for retail workers, call-center staffers and technicians.

The strikers include as many as 21,000 AT&T wireless workers, including those staffing retail stores.

The Communications Workers of America said landline workers in California, Nevada and Connecticut, and DirecTV technicians in California and Nevada would also join the grievance strike.

"We will continue working hard to serve our customers," said AT&T spokesman Marty Richter, who declined to estimate potential store closures but said the company will "be open for business."

Mr. Richter said the contracts at issue cover a small portion of the company's 265,000-person workforce. CWA represents about 150,000 of them.

Landline workers in California and Nevada picketed for a day in March to protest work rules for some in-home technicians and the company's moves to replace jobs at U.S. call-center with contractors hired overseas.

The union highlighted the

outsourcing issue again Friday, noting that AT&T has cut 12,000 U.S. call-center jobs since 2011.

AT&T is no stranger to labor disputes, though walkouts affecting its stores are rare. AT&T said the stoppage is slated to end at midnight Sunday.

The union again cites outsourcing at call centers as a key issue in the dispute.

The strike comes at a difficult time for AT&T's wireless business, which has faced intense pressure since the start of the year from aggressive competitors and apathetic customers. The company said in April it would stop giving investors annual revenue estimates partly because shoppers were waiting longer to buy new smartphones.

Wireless service still powers the lion's share of AT&T's profits as the market for fixed telephone lines and satellite service wanes.

"We're really the heart of the company," said Mark Davis, an AT&T Mobility worker in Washington, D.C.

BUSINESS WATCH

TOSHIBA

Company's Chip Unit Attracts Bidders

South Korean chip maker **SK Hynix Inc.** and U.S. private-equity firm **Bain Capital** plan to bid between \$9 billion and \$13.5 billion for more than half of **Toshiba Corp.**'s memory-chip business, according to a person familiar with the matter.

SK Hynix said in a regulatory filing Friday that it and a partner

had entered a bid, but it didn't give details.

Taiwan's **Foxconn Technology Group** and U.S.-based **Broadcom Ltd.** and **Western Digital Corp.** are among the other technology companies interested in the Toshiba memory-chip business, the sale of which could bolster the Japanese conglomerate's chance of survival. Toshiba is reeling from large losses at Westinghouse Electric, its U.S. nuclear business.

—Eun-Young Jeong

IASIS HEALTHCARE

Hospital Operator Is Bought by Steward

Hospital operator **Steward Health Care System** will acquire **Iasis Healthcare** for \$1.9 billion, according to a person familiar with the transaction.

Steward, which is backed by private-equity firm **Cerberus Capital Management LP** and real-estate investment trust **Medical Properties Trust Inc.**,

announced the deal for the Tennessee-based hospital chain on Friday but didn't disclose the purchase price. As part of the deal, Medical Properties Trust will acquire the real estate for 10 Iasis hospitals and one behavioral-health facility for \$1.4 billion.

Boston-based Steward will roughly double to 36 the number of hospitals it operates with the acquisition. The combined company's revenue was projected at \$8 billion in 2018.

—Melanie Evans



PLAN PROTECT RETIRE

Nothing is going to stop you from taking care of them. Not even time.

Some responsibilities of love you have to do on your own. And some you shouldn't have to shoulder alone.

At Lincoln Financial, we know that the love for your family is undeniable; however, the future isn't as certain. And no one wants to leave their family with questions about what will happen next. Well, we have some answers. We offer financial solutions to help ensure your loved ones are protected, today and tomorrow, no matter how life unfolds.

Learn how we can help you plan to protect your family's financial future. LincolnFinancial.com

Lincoln
Financial Group

ADVERTISEMENT

Showroom

To advertise: 800-366-3975 or WSJ.com/classifieds

FERRARI

OFFICIAL
Ferrari
PRE-OWNED

MODERN 12 CYLINDER	
17 GTC4Lusso	On Display
17 F12 Red/Tan	DEMO
16 F12 Blk/Blk 6k	\$299K
16 F12 Red/Bge 1k	\$319K
15 F12 Dk Gry 4k	Sold Here New
15 F12 Blk/Blk 6k	\$199K
15 F12 Blu/Bge 3k	\$199K
15 F12 Blk/Blk 1k	\$219K
14 F12 Gry/Bge 8k	Sold Here New
11 GTO Blk/Blk 2k	\$750K
04 575M Si/Blu	\$149K

488 MID ENGINE

17 Coupe Red/Blk 1k	Call
17 Coupe Blk/Blk 1k	Call

458 MID ENGINE

One of the finest selections of
convenience, high option, low mileage,
Ferrari-certified vehicles available.

15 Challenge Race Car	SOLD
15 Spider Blk/Bge 3k	\$279K
14 F1A GT3 Rare	\$475K
14 Coupe Blk/Blk 4k	\$239K
13 Spider Blu/Bge 2k	\$259K
13 Spider Red/Dk Blk 1k	\$259K
12 Coupe Gry/Blk 8k	\$209K
11 Coupe Si/Blu	\$189K

CALIFORNIA

17 Blk/Bge Speciale	DEMO
16 Si/Blm 1k	\$219K
16 Red/Blk Speciale 1k	Call
16 Dk Red/Bge 1k	\$209K
15 Whl/Blu 16k	\$179K

360 MID ENGINE

03 Spider Blk/Blk 13k	\$94.9K
01 Spider Gry/Gry 19k	\$89K

348 TS

91 Targa Blk/Blk 23k	\$48K
90 Targa Red/Bge 15k	\$58K

328 GTS

89 GTS Wht/Red 20k	\$125K
--------------------	--------

COLLECTIBLES

12 Zagato AMRG 1k	SOLD
11 GTU Blk/Blk 2k	\$750K
05 SuperAmerica Red/Bge	\$450K
04 575M Si/Blu	\$149K
99 355 Spider Series Fiorano Blk/Bge	\$149K
83 BB512i Red/Blk 1 owner	\$349K

INTERESTING OTHERS

16 Jaguar XKR Coupe AWD Wh 2k	\$89K
15 Challenge 458 Race Car	SOLD
14 F1A GT3 Rare	\$475K
13 Aston Martin Vantage ProDrive GT4	\$125K
09 SL65 Blk/Blk 33k	\$69K

91 SCCA/TA/Vint. GT1 Weaver Camaro	\$89K
89 SCCA/TA/Vint. GT1 Corvette	\$265K
66 Corvette Coupe Blk/Road Car	\$77K
63 Vintage Grand Sport Continuation	\$199K

Official Dealer Since 1982	Lake Forest SportsCars
By Mancuso	847.295.6560
www.LFSC.com	

LEASE

swapalease
2016 BMW ALPINA B7 \$1,190/mo.
SAL ID# 1113604

swapalease.com
877-686-6449

LUXURY

2014 Nissan GT-R
Black/Black,
BUY FOR \$68,900.

2017 Range Rovers

In Stock. National delivery. Buy or lease for less.
Nationwide delivery. We offer all current
makes & models - for less. Zero down.
Call 7 days. Trades accepted.**877.989.1500**

www.LEASEFAX.com

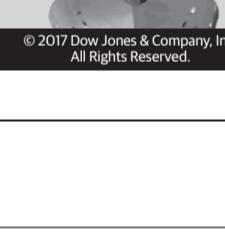
ROLLS ROYCE

Rolls Royce Dawn 2016 Convertible
With only 435 miles.
Medical Condition forces sale.
\$325,000 (248)309-3789

THE WALL STREET JOURNAL

SHOW ROOM

ADVERTISE TODAY

(800) 366-3975
sales.showroom
@wsj.comFor more information visit:
wsj.com/classifieds© 2017 Dow Jones & Company, Inc.
All Rights Reserved.

ADVERTISEMENT

The Mart

To advertise: 800-366-3975 or WSJ.com/classifieds

BUSINESS OPPORTUNITIES



14.5% YIELD - Ignore the Crowd.

Convertible Preferred Shares (Series A callable),
Nat'l. Pre-Publis U.S. Personal Injury Legal
Funding Corp, A+ Rating BBB, \$25K-\$1M per A/C:
info@LegalFundingNetwork.com

(Offer Exp. 6/30/17) This is not an offer or solicitation to buy or sell securities.

THE MANHATTAN GROUP
CORPORATE CENTER
1200 N Federal Hwy, 2nd FL
Boca Raton, FL 33432

Toll Free: 800.521.5460 • Fax: 888.434.0979
www.legalfundingnetwork.com
Boca Raton, FL • Washington, DC • Aurora, CO

ANNOUNCEMENTS

What essential info do CPAs & Lawyers need?
Answer: Constantly evolving in's & out's by "C" & "S" Corporations in the economy.
Book on sale for \$300
Call (800) 358-8001 ext. 118 or steve.davis@mastaxpub.com

BUSINESS OPPORTUNITY

GOLD STREET
• BUY 24K PHYSICAL GOLD
• \$625 oz/50% off spot
• Direct from large mine to you
Never pay spot price again

ACCREDITED INVESTORS ONLY
\$25k to \$10 mil

855-339-0749

STEM CELL INVESTMENT OPPORTUNITY
International developer of stem cell treatment centers
Is expanding worldwide.
Accredited investors only.
Minimum investment \$100,000.

Call Gary 480-454-7999

COMMERCIAL PROPERTIES

MULTIPLE INVESTMENT PTYS
New Haven, CTSingle Tenant, 10 yr net, exc crdt
(458K NOI)Multi Tenant, stbl office, CBD+non CBD
Large value add Ind/Flex

Contact David: 203.927.5933

TRAVEL

Save Up To 60%

First & Business

INTERNATIONAL

Major Airlines, Corporate Travel

Never Fly Coach Again!

WEEKEND INVESTOR

TAX REPORT | By Laura Saunders

The Large Blind Spot in a Gig Economy: Tax Collection



A loophole is helping gig-economy workers, online sellers and home-sharing hosts cheat on their taxes.

Under a law enacted in 2008 and later clarified by the Internal Revenue Service, many online-platform businesses that connect buyers and sellers and take credit-card payments, such as Airbnb Inc., TaskRabbit, Etsy Inc. and ride-sharing firms, fall into a special category.

These businesses have to report a provider's income to the IRS only if that person earns more than \$20,000 and has more than 200 transactions. In that case, the company sends both the provider and IRS a Form 1099-K listing gross income.

By contrast, freelance workers who don't use such platforms often face a much

stiffer reporting threshold of \$600 for Form 1099-MISC. For example, if a hardware store pays a plumber \$750 directly for work done, the store is supposed to send both the IRS and the plumber a 1099-MISC listing that amount.

The double-pronged threshold of Form 1099-K is so high that many gig workers fall below it and are often tempted to omit the earnings from their tax returns, says Derek Davis, owner of **Shared Economy CPA**, a firm with several hundred gig-economy clients around the country.

"We spend a lot of time explaining to people why they have to report income to the IRS even if they don't receive a tax form, and some say: 'I'll go somewhere else,'" he says.

Many in Washington have been considering this issue, although broad-brush tax proposals from President Donald Trump and House

Republicans don't address it. Congress could tighten rules affecting these workers if there are major or even minor tax changes, because lawmakers are hunting for revenue to offset spending on other provisions.

The Treasury Inspector General for Tax Administration, a Treasury watchdog, is

porting only 7% of income (\$15 billion) if the agency received notification about payments. On the other hand, taxpayers skipped reporting 63% of income (\$136 billion) if it was subject to little or no IRS notification.

Gig-economy firms vary in how they handle this issue.

Ride-sharing company **Uber Technologies Inc.** submits 1099-K forms for all drivers who earn income, although it isn't required. Drivers also get 1099-MISC forms if they earn payments for referrals. Rival **Lyft Inc.** changed its policy this year so that drivers earning more than \$600 or more now get 1099-K's.

Airbnb uses the official threshold of \$20,000 income and 200 transactions when issuing 1099-K's, although the home-sharing site is assisting state and local governments with other levies.

Mr. Davis, of Shared Economy CPA, says he knows

Airbnb hosts who earn more than \$100,000 annually but don't qualify for a 1099-K form because they don't have more than 200 transactions. An Airbnb spokesman said the company encourages hosts to pay taxes and offers substantial guidance and tools to help them.

While some gig workers mean to cheat Uncle Sam, some say others are bewildered by tax requirements that can be almost as complex for the owner of a microbusiness as for a much larger firm. Many know nothing about Schedule C (for a small business), payroll taxes and quarterly estimated payments. Often they're unaware of valuable write-offs as well.

"The government isn't getting the money it's owed, and workers aren't taking the deductions and offsets they're allowed," says Caroline Bruckner, managing director of the Kogod Tax Center at American University,

who studies microbusiness issues. In a survey she conducted of self-employed business owners working in the gig economy, 69% reported receiving no tax information from the platform they used.

Meanwhile, others like Ms. Bruckner and National Taxpayer Advocate Nina Olson are looking for ways to ease compliance burdens in this part of the economy. Some platform firms, such as Etsy, are encouraging these efforts.

Among the options: expand eligibility for Schedule C-EZ, including for home-sharing hosts; allow gig workers to have nonemployee tax withholding; and offer a "standard deduction" for small businesses akin to the one individuals can take.

"If we want gig workers to comply with the tax law, we have to help them and that starts with information reporting," says Ms. Bruckner.

Spending Slows As Doubts Grow

BY ANNE TERGESEN

Retirement experts have been puzzling over a phenomenon where Americans in their 60s and 70s start to spend less just as many can afford to start enjoying their life's savings.

A new study sheds light on one possible reason why: As people age, they become more pessimistic about the stock market, the economy and their own finances. This psychological change can lead retirees to cut spending and plow most of their money into safe but low-risk bonds, whether or not such decisions make economic sense.

When it comes to finances, "our ability to reliably anticipate the future weakens as we age," says study author Matt Fellowes, former chief executive of HelloWallet, a Morningstar Inc. subsidiary that helps employees manage their paychecks and workplace benefits.

For the many Americans who haven't saved enough for retirement, this tendency toward frugality isn't necessarily a bad thing.

But for those who have saved diligently, "they are not enjoying retirement in the way they should," says Mr. Fellowes, who plans to launch an online financial advisory service aimed at people 50 and over this summer.

The study, released this past week, examined responses to the University of Michigan surveys of consumers from 1978 to 2014. The study found that in 2014, in comparison to people under 35, adults over 64 were 30% to 40% less optimistic about their future financial health and the U.S. economy and stock market. This "optimism gap" persisted when Mr. Fel-

lowes controlled for income, education and gender.

The study also found that people spend less as they age—about 2.5% less, on average, in each successive year between 60 and 70 and by a greater percentage in later years.

Pessimism about money, he says, is closely related to risk aversion, which also rises with age. "We have known for a long time that people become more risk-averse as they age and for very good reason: They are progressively less able to earn an income from a job to cover unexpected expenses, which creates anxiety," Mr. Fellowes says.

Still, he adds, there is evidence that retirees can be overly pessimistic.

According to the University of Michigan surveys, on average, people over 64 gave the U.S. stock market a better than 50% chance of rising in only one of the 12 years between 2002 and 2014.

In contrast, younger respondents gave the market a better than even chance of appreciating in 10 out of those 12 years. The S&P 500 stock index rose in all but two of those years.

Meir Statman, a finance professor at Santa Clara University in California, says people who have more than they need often find it hard to break the frugal habits that made them successful savers.

"I have always been very mindful and careful with money," Prof. Statman says of his own acumen at saving. "But at some point, you look at your balance and say, 'What am I doing? There is no way for me to spend this money.' You require permission from yourself to spend it or give it away."



INVEST

Continued from page B1
the disclosures in ForceShares' offering document, which are the equivalent of a shrug emoji.

There, three tables show how the funds might perform. Remarkably, two of those tables assume that the market doesn't fluctuate at all. In one, stocks go up exactly 0.14% every day over the 20-day period; in another, they go down by that identical amount each day.

A third table assumes that stocks fluctuate at an annual rate of 12.54%, significantly lower than the 14.28% cited elsewhere in the ForceShares document for the five years ended in December 2015.

The maximum loss shown in these tables is less than 11%, although the prospectus does warn that the funds aren't suitable for long-term holders and "you could incur a partial or total loss of your investment."

Kris Wallace, principal executive officer of ForceShares, declined to comment on any aspect of the filing. A spokeswoman for the SEC also declined to comment.

But markets are rarely as calm as these disclosures imply.

William Trainor, a finance professor at East Tennessee State University, has been researching leveraged funds for years. I asked him to estimate the returns the ForceShares funds would generate over a full year.

If the S&P 500 falls between 18% and 22% in a year, a quadruple long fund would lose an average of about 60% even if stock prices declined in a smoother pattern than the historical average, says Prof. Trainor. If prices bounce around even more sharply on the way down, the fund could lose about 70%. A 4X short fund would produce comparable losses in a similarly rising market, his analysis shows.

That's not all. These funds

can lose money even if the market goes nowhere.

Pauline Shum-Nolan, a finance professor at York University in Toronto, calculates that even in a year when the stock market fluctuates normally but ends up delivering an annual return of zero, a quadruple long fund could lose 11.4%, and a quadruple short fund 18.4%.

While such funds might be suitable for short-term traders, says Prof. Trainor, "over periods of six months to a year you should expect to have most of your wealth disappear," especially in the quadruple-short variety.

Why do the returns of leveraged ETFs deviate so sharply over longer periods from the performance of their benchmarks?

Say you put \$10,000 in both the S&P 500 and a 4X long fund tied to it. If the market rises 10% today, your S&P investment would gain \$1,000, so you now have \$11,000 there. And the leveraged fund would gain four

times as much, turning \$10,000 into \$14,000.

Now let's assume that the S&P 500 falls 9.1% the next day. Your investment in the index would fall by \$1,000, leaving you with \$10,000, right back where you started. Meanwhile, the 4X fund would quadruple that loss, for a decline of 36.4%. That would knock your

\$14,000 down to just over \$8,900. (For simplicity, we're ignoring the effect of fees.)

The longer you hold such a fund and the more stocks fluctuate, the more its returns will differ from a simple quadrupling of the market.

All told, leveraged and inverse ETFs have a combined \$43.6 billion in assets, according to ETF.com. If speculators want to double, triple or even quadruple their bets, well, it's a free country. But they should, at the very least, get clear disclosures that enable them to understand the risks they're running.

Introducing BrightHouse Financial.
Specializing in annuities and life insurance
for a brighter financial future.

BrightHouse
FINANCIAL
Established by MetLife



Introducing Brighthouse Financial.

A new company established by MetLife.
Move forward to a more predictable
financial future.

In these changing times, financial predictability for your retirement has never been so important. We're Brighthouse Financial, a new company established by MetLife. We specialize in annuities and life insurance, two essential products that help protect what you have earned and ensure it lasts more predictably.

Partnering with financial advisors, we're dedicated to ensuring everyone can achieve a brighter financial future.

Get to know us. Visit brighthousefinancial.com

Annuities and life insurance are issued by Brighthouse Life Insurance Company, Charlotte, NC 28277 and, in New York only, by Brighthouse Life Insurance Company of NY, New York, NY 10017. Product guarantees are solely the responsibility of the issuing company. MetLife, a registered service mark of Metropolitan Life Insurance Company, is used under license to Brighthouse Services, LLC and its affiliates. Brighthouse Financial and its design are service marks of Brighthouse Financial, Inc. or its affiliates.



COMMODITIES

Futures Contracts

Metal & Petroleum Futures

	Contract				Open	
	Open	High	Low	Settle	Chg	interest
Copper-High (CMX) -25,000 lbs.; \$ per lb.	2,543.5	2,576.5	2,543.5	2,574.0	.0475	1,807
May	2,535.0	2,590.5	2,528.5	2,581.5	.0500	120,897
Gold (CMX) -100 troy oz.; \$ per troy oz.	1,246.80	1,256.40	1,246.10	1,253.60	.80	199,159
June	1,249.90	1,259.50	1,249.50	1,256.80	.70	145,092
July	1,253.30	1,262.80	1,253.30	1,260.10	.70	7,210
Aug	1,256.70	1,266.20	1,256.70	1,263.50	.70	65,304
Sept	1,260.20	1,268.50	1,260.00	1,266.80	.70	8,501
Oct	1,283.90	1,283.90	1,283.00	1,283.90	.70	5,914
Palladium (NYM) -50 troy oz.; \$ per troy oz.	670.60	766.70	755.75	760.70	-.475	22,189
June	763.90	766.70	757.90	760.25	-.470	4
July	759.55	765.20	755.00	759.80	-.465	13,439
Aug	760.95	761.95	760.95	759.40	-.470	278
Platinum (NYM) -50 troy oz.; \$ per troy oz.	933.50	943.40	933.50	939.70	.340	114
June	932.60	946.10	929.90	940.20	.340	63,014
Silver (CMX) -5,000 troy oz.; \$ per troy oz.	16.525	16.775	16.525	16.750	.129	110
July	16.580	16.875	16.565	16.796	.126	156,229
Crude Oil, Light Sweet (NYM) -1,000 bbls.; \$ per bbl.	49.28	50.53	49.28	50.33	.98	74,015
July	49.67	50.90	49.60	50.67	1.01	620,605
Aug	49.75	51.13	49.75	50.92	1.01	172,592
Sept	50.15	51.32	50.07	51.13	.99	188,049
Oct	50.64	51.74	50.54	51.56	.93	314,355
Dec'18	50.28	51.14	50.28	51.05	.75	155,165
NY Harbor USLD (NYM) -42,000 gal.; \$ per gal.	1,543.3	1,589.7	1,543.3	1,582.7	.0374	63,297
July	1,554.0	1,594.8	1,548.6	1,588.4	.0375	111,944
Gasoline-NYRBOB (NYM) -42,000 gal.; \$ per gal.	1,607.3	1,654.4	1,606.0	1,652.3	.0460	58,419
July	1,604.1	1,649.9	1,603.3	1,647.8	.0437	132,801
Natural Gas (NYM) -10,000 MMBtu; \$ per MMBtu	3.184	3.270	3.181	3.256	.074	106,350
July	3.281	3.370	3.281	3.353	.073	273,520
Aug	3.306	3.406	3.306	3.390	.070	129,451
Sept	3.308	3.387	3.308	3.372	.065	142,910
Oct	3.336	3.411	3.336	3.396	.062	200,792
Jan'18	3.596	3.647	3.585	3.635	.053	103,629

Agriculture Futures

Corn (CBT) -5,000 bu.; cents per bu.	366.00	373.00	366.00	372.50	6.50	738,461
June	384.00	390.75	384.00	390.25	6.25	281,102
Oats (CBT) -5,000 bu.; cents per bu.	226.25	245.00	236.00	241.75	5.75	4,928
July	222.00	225.00	221.75	222.00	.50	1,110
Soybeans (CBT) -5,000 bu.; cents per bu.	945.50	956.25	944.50	953.00	8.25	360,814
July	945.25	954.75	944.25	951.75	7.00	189,922
Soybean Meal (CBT) -100 tons; \$ per ton	307.30	310.80	306.90	307.00	-.50	196,429
July	309.90	313.20	309.60	310.40	.30	84,095
Soybean Oil (CBT) -60,000 lbs.; cents per lb.	32.50	33.08	32.41	33.04	.60	202,499
July	32.96	33.53	32.87	33.50	.61	94,371
Rough Rice (CBT) -2,000 cwt.; \$ per cwt.	1089.50	1089.50	1076.50	1083.00	-.550	8,060
Sept	1110.00	1113.00	1104.00	1108.50	-.500	804
Wheat (CBT) -5,000 bu.; cents per bu.	425.25	436.75	425.25	435.25	9.50	278,708
July	439.50	450.00	439.25	448.50	8.75	75,004
Wheat (K) -5,000 bu.; cents per bu.	426.00	439.00	426.00	438.00	12.00	155,968
July	468.00	480.50	468.00	480.25	12.25	39,154
Wheat (MPLS) -5,000 bu.; cents per bu.	544.50	556.00	544.50	555.75	11.00	29,522
Sept	551.50	562.75	551.50	562.50	11.00	11,815
Cattle-Feeder (CME) -50,000 lbs.; cents per lb.	142,700	143,850	142,500	143,350	1.075	2,948
July	149,975	151,325	148,625	150,450	1.100	33,052
Cattle-Live (CME) -40,000 lbs.; cents per lb.	120,050	121,400	119,425	121,050	1.400	182,534
June	123,325	124,050	122,475	123,450	.525	60,890
Hogs-Lean (CME) -40,000 lbs.; cents per lb.	78,675	79,550	78,325	79,500	.350	34,068
Aug	78,450	79,325	78,275	79,225	.500	44,433
Lumber (CME) -110,000 bd. ft.; \$ per 1,000 bd. ft.	368.00	368.00	362.20	363.00	-.470	3,563
Sept	361.90	362.70	358.90	359.60	-.330	777
Milk (CME) -200,000 lbs.; cents per lb.	15.62	15.62	15.60	15.60	-.01	4,844
June	16.22	16.42	16.20	16.32	.12	5,458
Cocoa (ICE-US) -10 metric tons; \$ per ton.	2,080	2,084	2,018	2,028	-.56	126,800
Sept	2,087	2,094	2,032	2,041	-.52	68,196
Coffee (ICE-US) -37,500 lbs.; cents per lb.	128.95	133.40	128.95	132.10	2.45	105,255
July	131.70	135.75	131.60	134.50	2.45	40,213

Sugar-World (ICE-US)-112,000 lbs.; cents per lb.

July	16.00	16.44	15.91	16.38	.35	358,006
Oct	16.24	16.63	16.13	16.59	.35	192,516
Sugar-Domestic (ICE-US) -112,000 lbs.; cents per lb.	28.03	28.20	28.03	28.08	-.21	1,200
Sept	28.03	28.20	28.03	28.05	-.24	1,779
Cotton (ICE-US) -50,000 lbs.; cents per lb.	79.40	79.50	78.42	79.45	.21	118,940
July	73.99	74.05	73.15	73.45	-.19	119,667
Orange Juice (ICE-US) -15,000 lbs.; cents per lb.	141.60	141.60	137.65	139.75	-.135	7,837
Sept	139.60	139.95	136.70	138.45	-.170	1,654

Interest Rate Futures

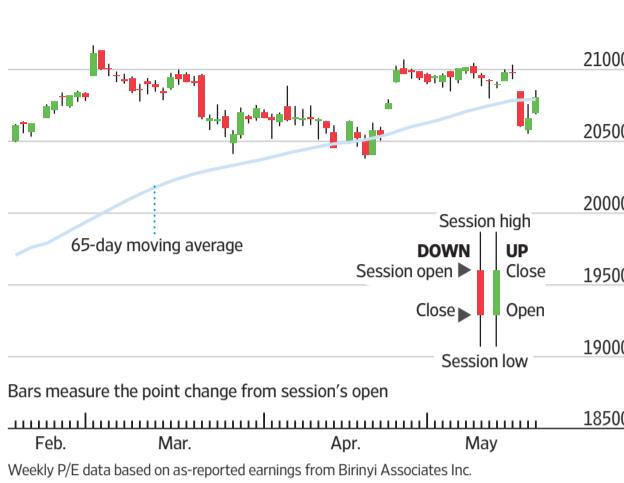
Treasury Bonds (CBT)-\$100,000; pts 32nds of 100%

MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

20804.84 ▲141.82, or 0.69%
High, low, open and close for each trading day of the past three months.



Bars measure the point change from session's open

Feb. Mar. Apr. May

Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

S&P 500 Index

2381.73 ▲16.01, or 0.68%
High, low, open and close for each trading day of the past three months.



Feb. Mar. Apr. May

65-day moving average

Nasdaq Composite Index

6083.70 ▲28.57, or 0.47%
High, low, open and close for each trading day of the past three months.



Feb. Mar. Apr. May

65-day moving average

Major U.S. Stock-Market Indexes

	Latest		52-Week		YTD		% chg	
	High	Low	Close	Net chg	Low	% chg	3-yr. ann.	
Dow Jones								
Industrial Average	20857.13	20687.94	20804.84	141.82	1.69	21115.55	17140.24	18.9 5.3 8.0
Transportation Avg	8935.83	8822.30	8879.19	60.61	0.69	9593.95	7093.40	15.7 -1.8 3.9
Utility Average	703.28	696.17	703.27	2.57	0.37	720.45	625.44	8.2 6.6 9.9
Total Stock Market	24729.11	24538.72	24648.95	167.44	0.68	24878.35	20583.16	16.7 5.9 7.8
Barron's 400	633.25	628.59	630.39	2.95	0.47	643.82	491.89	23.1 4.8 7.4

Nasdaq Stock Market

Nasdaq Composite	6106.55	6070.23	6083.70	28.57	0.47	6169.87	4594.44	27.6 13.0 13.8
Nasdaq 100	5673.63	5640.68	5651.56	25.25	0.45	5724.44	4201.05	29.5 16.2 16.1

Standard & Poor's

500 Index	2389.06	2370.43	2381.73	16.01	0.68	2402.32	2000.54	16.1 6.4 8.1
MidCap 400	1718.75	1698.80	1712.08	17.04	1.01	1758.27	1416.66	18.1 3.1 8.0
SmallCap 600	832.94	825.34	828.12	3.88	0.47	863.08	670.90	21.6 -1.2 8.7

Other Indexes

Russell 2000	1374.42	1361.53	1367.33	6.25	0.46	1419.43	1089.65	22.9 0.8 7.1
NYSE Composite	11573.21	11474.52	11542.69	108.62	0.95	11661.22	9973.54	12.6 4.4 2.8
Value Line	516.40	509.88	514.46	4.58	0.90	529.13	435.06	14.8 1.6 2.2
NYSE Arca Biotech	3670.07	3605.22	3609.02	-30.02	-0.83	3690.00	2818.70	18.4 17.4 12.2
NYSE Arca Pharma	519.68	517.56	518.59	1.12	0.22	554.66	463.78	2.4 7.7 0.9
KBW Bank	90.70	89.37	90.02	0.78	0.87	99.33	60.27	30.8 -1.9 10.1
PHLX® Gold/Silver	85.45	84.76	85.16	0.91	1.09	112.86	73.03	-3 8.0 -1.5
PHLX® Oil Service	153.23	149.25	152.45	4.07	2.74	192.66	146.14	-5.6 -17.1 -18.8
PHLX® Semiconductor	1064.30	1057.48	1060.77	11.48	1.09	1076.85	648.32	59.5 17.0 22.1
CBOE Volatility	14.23	11.72	12.04	-2.62	-17.87	25.76	9.77	-20.8 -14.2 -1.0

\$Philadelphia Stock Exchange

Sources: SIX Financial Information; WSJ Market Data Group

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Mkt and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 5,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
SPDR S&P 500	SPY	15,292.6	238.44	0.13	0.05	238.54	236.72
iPath S&P 500 VIX ST Fut	VXX	6,030.4	14.51	-0.13	-0.89	14.86	14.37
iShares MSCI Emg Markets	EEM	5,761.6	41.17	0.02	0.05	41.44	41.10
iShares Russell 2000 ETF	IWM	5,152.2	136.00	-0.03	-0.02	136.05	135.91
Snap	SNAP	3,084.9	20.00	...	unch.	20.17	19.90
iShares 20+Y Treasury Bd	TLT	2,949.0	123.60	-0.11	-0.09	123.73	123.27
First Select Sector SPDR	XLF	2,782.4	23.33	-0.02	-0.09	23.39	23.32
Qualcomm	QCOM	2,748.3	57.67	...	unch.	57.67	56.12

Percentage gainers...

Fibria Celulose ADR	FBR	31.1	10.40	0.36	3.59	10.40	9.97
Juno Therapeutics	JUNO	11.8	24.40	0.76	3.21	24.40	23.61
Gold Resource	GORO	9.3	3.63	0.10	2.83	3.63	3.51
Five Below	FIVE	17.8	53.96	1.33	2.53	53.96	52.55
Symantec	SYMC	62.2	29.74	0.72	2.48	29.74	29.01

...And losers

Eastern Co	EML	129.6	25.90	-3.05	-10.54	28.95	25.90
PTC Inc.	PTC	5.2	51.14	-3.86	-7.02	55.23	51.1

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, ISYE 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 the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was \$2 or higher.

Footnotes:
I-New 52-week high.
I-New 52-week low.
d-Indicates loss in the most recent four quarters.
FD-FIRST day of trading.

I-Does not meet continued listing standards **I-Has trading halted or suspended under the Bankruptcy Code, or securities assumed by such companies.** **V-Trading halted on primary market.** **V-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.** **q-Temporary exemption from Nasdaq requirements.** **t-NYSE bankruptcy.**

Wall Street Journal 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, May 19, 2017

YTD % Chg	52-Week High			Ytd % Chg			Net Chg
	Hi	Lo	Stock	Sym	% PE	Last	
NYSE							
-19.03 25.20 18.72 ABB ABB 3.0 24 25.08 0.41	4.31 13.32 10.73 AES AES 4.3 43 11.20 0.02	5.89 46.01 39.88 Coca-Cola KO 3.4 31 43.90 0.10	3.52 28.37 17.36 KoreaElecPwr KEP ... 5 19.13 0.79	3.42 46.17 37.31 JohnsonControls JCI 2.3 42 42.60 0.83	-3.07 43.65 23.82 Schwab SCHW 3.0 27 38.26 0.07	29.98 33.61 22.99 CadenceDesign CDES ... 41 32.78 0.46	
6.14 76.88 66.50 Afpac AFL 2.3 12 73.87 0.15	5.1 51 19.84 0.24	3.52 40.36 30.55 Coca-Cola Euro CCE 2.2 28 40.35 0.07	3.52 29.49 26.87 KeysightTechnologies KEYS ... 17 37.49 0.04	-4.17 50.62 41.74 SealedAir SEE 1.5 25 43.45 0.55	15.41 18.80 14.35 Carlyle CG 2.3 22 17.60 0.35		
-10.03 43.89 36.10 AT&T T 5.1 19 38.24 0.04	-4.63 41.68 33.08 ConagraBrands CAG 2.1 27 37.72 0.04	33.38 48.68 26.45 KBR Fin KBR ... 8 47.07 0.24	0.73 47.03 38.16 KAR Auction KAR 3.0 26 42.93 0.24	10.79 114.66 99.39 SempraEnergy SRE 3.0 19 111.50 0.74	1.02 127.64 94.42 Celgene CELG ... 44 116.93 0.47		
-2.93 71.06 51.33 AXIS Capital AXS 2.4 13 63.36 0.40	0.08 14.75 11.34 ConchoRscs CXO ... 12 132.71 2.59	19.88 19.30 11.63 KKR KKR 3.7 10 18.45 0.31	14.55 17.23 13.34 KT KT ... 12 16.14 0.19	12.50 33.20 24.90 ServiceCorp SCI 1.9 20 31.95 0.31	35.32 67.50 47.01 Cerner CERN ... 33 64.10 0.28		
12.37 45.84 36.76 AbbottLabs ABBV 2.5 44 43.16 0.34	9.08 81.88 65.68 ConocoPhillips COP 2.2 47 44.8 0.04	36.80 13.72 5.81 LATAMAirlines LTM 0.6 24 11.19 0.14	-2.24 78.33 60.89 KirbyRealty KIRK 2.1 31 21.27 0.48	11.46 138.87 111.30 KimberlyClark KMB 3.1 21 27.02 0.48	9.68 35.38 21.46 CharterComms CHTR ... 17 31.57 0.10		
4.73 68.12 55.06 AbbVie ABBV 3.9 17 55.08 0.32	9.08 81.88 65.68 ConEd ED 3.4 19 80.37 0.04	36.66 5.81 2.88 KinrossGold KCG 3.8 18 4.25 0.04	-5.75 23.36 17.07 KinderMorgan KMI 2.6 63 19.52 0.07	12.38 110.72 62.51 ServiceNow NOW ... dd 99.30 0.33	28.38 111.24 74.34 CheckPointSoft CHKP ... 25 108.43 0.26		
3.29 126.53 108.66 Accenture ACN 2.0 20 12.98 0.58	9.08 81.88 65.68 ConEd ED 3.4 19 80.37 0.04	36.66 5.81 2.88 KinrossGold KCG 3.8 18 4.25 0.04	-5.75 23.36 17.07 KinderMorgan KMI 2.6 63 19.52 0.07	12.38 110.72 62.51 ServiceNow NOW ... dd 99.30 0.33	28.38 111.24 74.34 CheckPointSoft CHKP ... 25 108.43 0.26		
1.26 59.89 38.09 167.88 AcuityBrands AYI 0.3 24 16.94 0.13	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
1.85 59.62 39.66 Adient ADNT 1.6 dd 69.45 0.85	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
10.44 177.83 134.08 AutoSenseAuto AAP 0.2 41 15.47 0.07	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
24.01 6.64 4.47 AutoSemEng ASX 4.1 17 6.25 0.07	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
-10.83 5.84 3.36 Aegeon AEG 5.6 14 4.93 0.04	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
6.92 49.66 31.45 AerCap AER ... 8 44 9.49 0.04	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
13.99 144.87 104.59 Aereta AET 14 44 14.36 0.03	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
5.09 177.76 130.48 AffiliatedMgrs AMG 0.5 17 15.69 0.18	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
23.20 58.83 41.98 AgilentTechs ABA 0.3 36 56.13 0.28	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
10.65 66.79 41.01 Allegany ALY ... 20 37.53 4.88	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
23.55 21.22 17.23 Allegro ALR 0.3 22 15.76 0.07	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
1.65 42.36 17.84 Alairus ALR 0.3 22 15.76 0.07	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
2.92 266.25 185.02 AllianceData ADS 0.9 31 23.17 0.51	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
15.27 6.38 4.70 Ambev ABEV 2.4 56 5.66 0.16	-17.29 60.33 39.30 ContinenRscs CL ... dd 42.63 0.22	-25.59 76.97 6.43 L Brands L 4.9 13 48.99 0.70	-2.96 19.53 10.21 KeyCorp KEY 2.1 21 17.73 0.05	17.00 45.37 30.57 ShinhanFin SHG ... 8 44.04 0.56	4.72 128.85 91.24 Cintas CTAS 1.1 26 121.02 0.44		
5.99 56.57 46.65 Amerton ADM 0.9 33 55.60 0.							

MONEY & INVESTING

Stocks in Volatility Lull Acted Like Bonds

BY JON SINDREU
AND CHRISTOPHER WHITTALL

Stocks now look so much like bonds that some investors are treating them as if they are.

That is raising concerns that some funds will quickly sell when markets spike out of the current volatility lull, and shares once again act like shares.

For much of 2017, stocks have defied traditional views that they are a riskier bet than bonds. Shares in the S&P 500 index recently fell to levels of volatility that put them almost on a par with ultrasafe 10-year Treasuries.

That has been a green light for the large number of investors who measure risk by looking at volatility to plow money into equities, helping push stock benchmarks toward records.

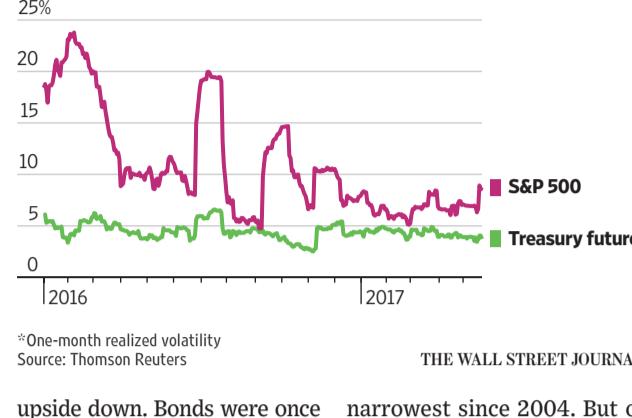
On Wednesday, the S&P 500 tanked and volatility spiked, offering investors a reminder that the tide can turn, even if markets had calmed again by Friday.

A volatility-targeting strategy "works fine as long as volatility stays low," said Robert Schoen, chief investment officer of global asset allocation at Putnam Investments. "If volatility spikes...all of a sudden you're caught offside with a lot more risk than you intended."

Money managers are grappling with these issues after a decade of unprecedented central-bank stimulus, in which the traditional rationales for choosing between stocks and bonds have often been turned

A Calm Stretch

Wednesday's selloff followed months of stocks becoming less volatile*



*One-month realized volatility

Source: Thomson Reuters

upside down. Bonds were once seen as a steady investment bought for their income, while stocks were the more exciting investment, which could rally but were more prone to swings.

But in the past few years, many investors have bought bonds to profit from surging prices, as interest rates touched fresh lows. Bond yields fall as their prices rise.

Those gains could soon turn to speedy declines if monetary policy suddenly changes. Meanwhile, investors have started seeing stocks as a stable, income-producing investment in an improving global economy.

"People are reassessing the risk properties of different assets," said Eric Lonergan, fund manager at M&G Investments, and markets have the "behavioral bias to allocate risk into lower volatility."

On average over the past six months, the difference between the realized volatility of the S&P 500 and that of 10-year Treasury futures is the

narrowest since 2004. But on Wednesday, it started widening again: Volatility is now 9% for stocks and 4% for bonds, compared with Tuesday's 6% and 4%, respectively.

Some investors, including Berkshire Hathaway Inc.'s Warren Buffett, have long questioned whether volatility is a good measure of how much risk holders of assets really face.

But there are funds that use volatility as the key measure of risk. That includes some U.S. insurance companies and investors such as risk-parity funds that decide how much to allocate between different asset classes based on their volatility. For these investors, lower volatility is a buy signal and, in some cases, a prompt to increase leverage.

"As asset prices go higher, volatility goes lower, causing you to buy more assets in a risk-parity framework," said Scott Hixon, head of research at Invesco, Ltd. "That's going to translate into more overall leverage in a portfolio."

Analysts believe the amount of assets in strategies that target volatility has grown in recent years. That money then may play a part in the speed of any market decline, and the size of the swings as it falls.

"We're seeing that as a fast-growing category, especially with insurance companies in the U.S.," said Mr. Schoen.

By this month, risk-parity funds had increased their equity allocations to 40%, the highest level since records started in 1999, according to Morgan Stanley.

Many investors point out that the rally in stocks and decline in volatility in recent months are merely the effects of greater optimism about economic growth and corporate earnings.

Invesco's risk-parity portfolio is 42% exposed to equities,

effort to ease a glut.

Light, sweet crude for June delivery settled up 98 cents, or 2%, at \$50.33 a barrel on the New York Mercantile Exchange, its highest settlement since April 19. U.S. crude has gained more than 2% only seven times in 2017. Brent crude, the global benchmark, rose \$1.10, or 2.1%, to \$53.61 on ICE Futures Europe. Friday's gains were the ninth in 11 sessions, a sharp turnaround since falling to a five-month low earlier this month. That led U.S. oil to gains of 5.2% for the week, the biggest since the last week of March. Brent rose 5.4%, its best week in six months.

This is the market's third push above \$50 a barrel since OPEC and other major exporters including Russia agreed in

November to cut production by 1.8 million barrels a day for the first six months of this year. While that has failed to lower historically high stockpiles or rally prices as much as many expected, a recent push to extend the deal has revived bullish expectations. Many traders now expect those producers to cut output through next winter.

"Today is just the optimism: We're getting closer, people think it can actually happen," said Ryan McKay, commodity strategist at TD Securities in Toronto.

Many spot markets are stronger, suggesting the OPEC cuts are having an effect and making supply a little harder to come by, said Scott Shelton, a broker at ICAP PLC.

—Timothy Puko

strategies have helped create a circular dynamic that could turn quickly. Investors buy more stocks because they look less risky, which pushes down volatility and drives investors to buy even more stocks. If stocks begin to fall, the spike in volatility may then exacerbate the selloff.

"It's basically a self-reinforcing feedback loop: As long as the market doesn't go down you keep accumulating new positions," said Nikol Koulajian, chief investment officer at Quest Partners LLC, a New York-based investment firm that offers clients protection against market crashes.

Mr. Koulajian is standing ready to quickly buy insurance against volatility if there are any signs of a fall in stocks.

"We are standing right on the edge of a cliff," he said.

Brazil Bears Appear After Bribery News

BY GUNJAN BANERJI

ket ETF, called EEM, rose to 9%, compared with the 2017 average of 8.5%, Markit data show. The put-call ratio rose to 2.52, vs. a year-to-date mean of 2.3, Trade Alert data show.

On the Brazil ETF, "we could see big moves to the upside and downside," Pravit Chintawongvanich, head of derivatives strategy at Macro Risk Advisors, said in a note.

He recommended that investors own options on EWZ with strikes—the prices at which the options can be exercised—higher or lower than where the fund now trades. He also noted how some prescient options traders managed to position themselves protectively ahead of Thursday's rout in Brazilian markets.

"Some investors appear to have been hedging against a major selloff in Brazilian equities and FX," wrote Mr. Chintawongvanich. Open interest in puts, or bearish contracts, expiring in June has increased this month, he said.

One of the top trades Thursday was on bullish call options, according to Trade Alert analyst Fred Ruffy. Still, investors wary of swings in U.S. stocks with significant exposure to Latin America can protect themselves with options, according to Amy Wu Silverman, equity derivatives strategist at RBC Capital Markets in a note this past week.

Companies include Caterpillar Inc. and major airlines such as United Continental Holdings Inc., Delta Air Lines Inc. and American Airlines Group Inc., she wrote.

Emerging Hedges

Investors have boosted bets that Brazilian markets will decline while adding to bearish options positions.

Percentage of EWZ* shares outstanding on loan



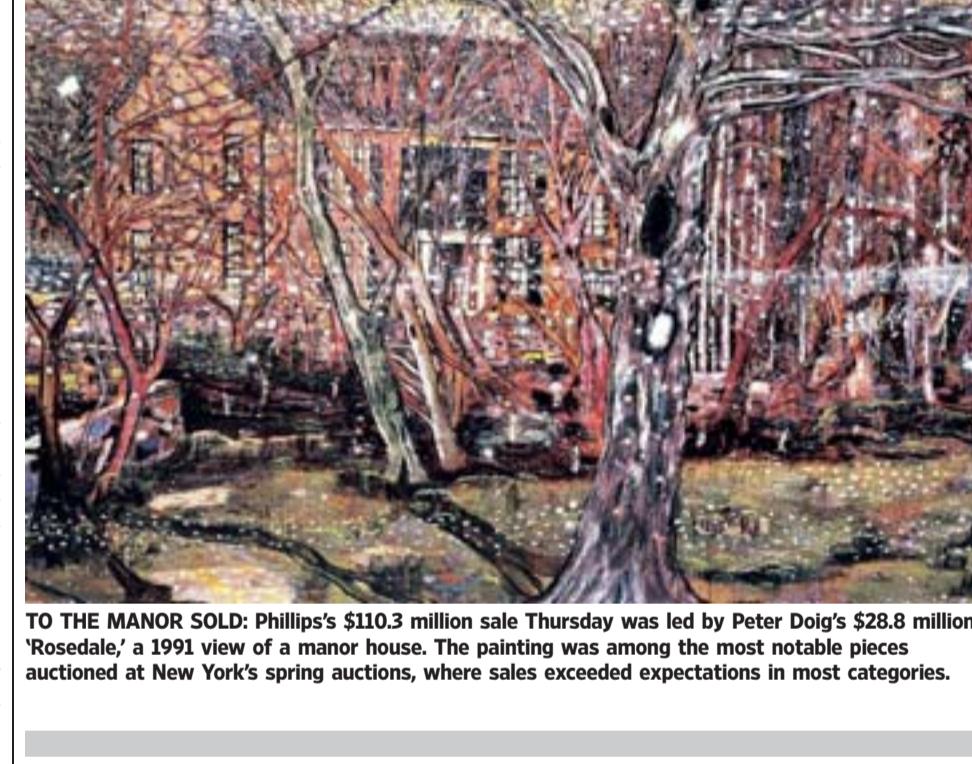
*iShares MSCI Brazil Capped exchange-traded fund

Note: Puts are bearish options that confer the right to sell at a certain price; calls are bullish options that confer a right to buy.

Sources: IHS Markit (shares on loan);

Trade Alert (put-call ratio)

Art Collectors Turn Bullish at New York Auctions



TO THE MANOR SOLD: Phillips's \$110.3 million sale Thursday was led by Peter Doig's \$28.8 million 'Rosedale,' a 1991 view of a manor house. The painting was among the most notable pieces auctioned at New York's spring auctions, where sales exceeded expectations in most categories.

Treasury Prices Pull Back

BY SAM GOLDFARB

U.S. government-bond prices edged down as investors tried to move past days of political turbulence in Washington that had sparked a rally earlier in the week. A large supply of new corporate bonds on Friday also contributed to the selling.

The yield on CREDIT MARKETS Treasury note settled at 2.243% on Friday, compared with 2.233% Thursday. Yields rise when bond prices fall.

Friday's price declines followed a similar move Thursday, following a series of damaging reports related to President Donald Trump in the aftermath of his decision to fire Federal Bureau of Investigation Director James Comey. Those developments led on Wednesday to the biggest one-day decline in the 10-year yield since last June as investors flocked to assets perceived as safe amid heightened political uncertainty.

"If we can just stop the news out of Washington for a period, there's room for an unwinding of the recent risk-off flows," said John Canavan, market analyst at Stone & McCarthy Research Associates in Princeton, N.J.

Friday's move was aided by an \$11 billion bond sale by Qualcomm Inc. backing its purchase of NXP Semiconductor NV. Firms and banks underwriting corporate bond deals typically sell Treasury debt to hedge against interest-rate swings.

One fallout from this week's political turbulence was some wavering in investors' confidence that the Federal Reserve will raise interest rates next month. The Fed has sometimes been hesitant to raise interest rates during periods of volatility. Yet there were signs by Friday of calm returning to the markets, with stocks rising.

Fed-funds futures, used by investors to bet on the Fed's monetary policy outlook, showed a 74% chance that the central bank would raise short-term interest rates by its June 13-14 meeting, according to CME Group Inc., compared with 65% on Wednesday.

Higher interest rates from the central bank reduce money supply in the broader economy and shrink the value of outstanding bonds.

Cash Floods Into Tech Funds At the Fastest Clip in 15 Years

BY CHRIS DIETERICH

A relentless stream of money is flowing into technology funds this year, and one strategist is asking if a mini-mania might be taking hold in the market's most popular stocks.

Tech-focused mutual and exchange-traded funds have gathered new money for 11 consecutive weeks and have pulled in \$8.7 billion in the year through Wednesday, according to EPFR Global. At the current pace, flows into tech funds would swell the group's assets by nearly 25% for the entire year, the fastest pace in at least 15 years, according to Bank of America Merrill Lynch.

Big market-capitalization tech stocks are the S&P 500's best performers in 2017, and fund flows indicate that investors are chasing performance in companies that sport high rates of profitability, such as Apple Inc. The world's most valuable company is up 32% in 2017, helping to drive up S&P 500 tech stocks by 17%.

And popularity for tech is registering elsewhere. For in-

Picking Up

Weekly flows in and out of tech funds



Source: EPFR Global

THE WALL STREET JOURNAL.

stance, the PowerShares QQQ exchange-traded fund isn't explicitly a tech fund but is heavy in the sector. Within this ETF, Apple, Microsoft Corp., Amazon.com Inc., Facebook Inc. and Alphabet Inc. represent nearly half of the ETF's weight. This ETF by itself has pulled in about \$1.2 billion in 2017 through Thursday, according to FactSet.

It isn't hard to see why big

tech names have been on fire. These companies have well-known brands and dominant businesses. At the same time, middling economic growth in the U.S. has made fast profit and earnings growth harder to find elsewhere in the U.S. stock market. Meanwhile, low government- and corporate-bond yields have left investors with few obvious choices for where to plunk down new money.

One potential issue is that, as tech stocks become increasingly popular, they may also become the first ones that investors sell during bouts of broader market turmoil. Take Apple this past week: As the U.S. stock market suffered its worst declines in eight months on Wednesday, shares of Apple, absent corporate news, plunged 3.4%—its worst day since the company missed analysts' expectations on an earnings report in April 2016.

Michael Hartnett, chief investment strategist at Bank of America Merrill Lynch, noted Friday that the longer it takes for U.S. economic growth to accelerate and bond yields to rise, there is "greater risk of tech mania."

Higher interest rates from the central bank reduce money supply in the broader economy and shrink the value of outstanding bonds.

MARKETS

Stocks End Week on Positive Note

S&P 500 rises about 1% since midweek slide as focus returns to economy, earnings

By CORRIE DRIEBUSCH
AND RIVA GOLD

U.S. stocks rebounded Friday, gaining back much of their midweek tumble.

The calm climb in recent sessions contrasted sharply with earlier in the week, when the S&P 500 posted its steepest one-day drop since September. Wednesday's sell-off was sparked by

FRIDAY'S MARKETS concerns about the latest political setbacks and controversies to hit the Trump administration.

The S&P 500 tumbled 1.8% on Wednesday. Since then, however, the index is up about 1%. Some analysts said the quick bounceback shows that political turmoil in the U.S. and abroad seldom rattles markets for long, and investors are instead focusing on economic growth and strong corporate earnings.

"At the end of the day, if data stays solid to improving, this cycle still has legs to it," said Matthew Peron, head of global equity at Northern Trust.

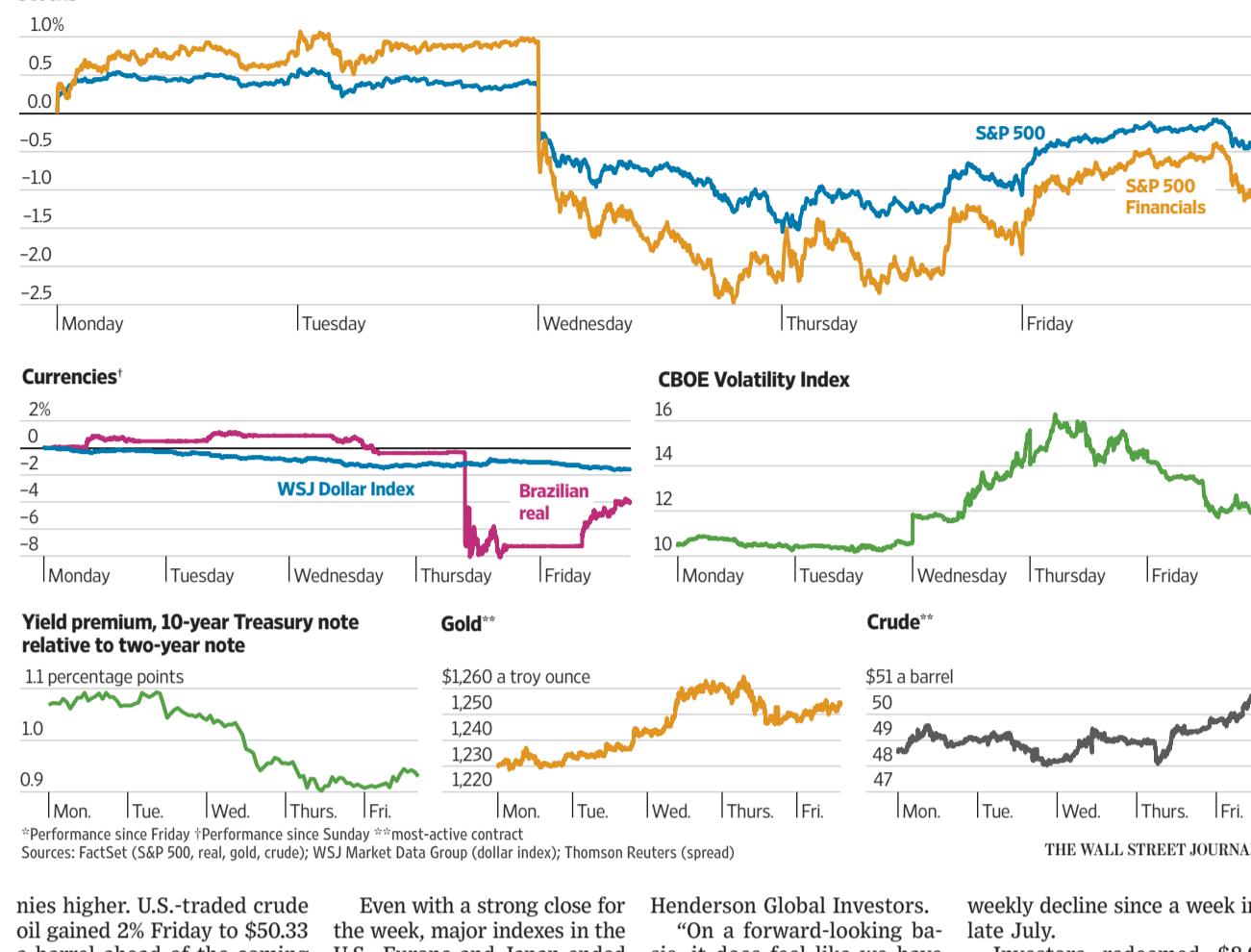
The S&P 500 rose 16.01 points, or 0.7%, to 2381.73 on Friday and the Nasdaq Composite climbed 28.57 points, or 0.5%, to 6083.70. The Dow Jones Industrial Average gained 141.82 points, or 0.7%, to 20804.84.

The blue-chip index rose as much as 194 points earlier in the day before paring gains following a Washington Post report that said the investigation into ties between Russia and the Trump campaign had identified a current White House official as a significant person of interest.

Rising oil prices sent shares of energy and mining compa-

Shaken

Politics rattled investors this past week, jolting financial markets.



*Performance since Friday †Performance since Sunday **most-active contract

Sources: FactSet (S&P 500, real, gold, crude); WSJ Market Data Group (dollar index); Thomson Reuters (spread)

nies higher. U.S.-traded crude oil gained 2% Friday to \$50.33 a barrel ahead of the coming week's meeting of the Organization of the Petroleum Exporting Countries, where production cuts are expected to be extended.

Solid earnings also lifted stocks. Deere climbed \$8.23, or 7.3%, to \$120.90 after the company raised its sales-growth and profit forecasts for the year. With nearly all of the S&P 500 companies reporting, earnings are on track to grow 13.9% from the previous year, which would mark the biggest earnings growth for the index since 2011, according to FactSet.

Even with a strong close for the week, major indexes in the U.S., Europe and Japan ended the week lower on worries about President Donald Trump's ability to push through proposals including tax cuts and infrastructure spending.

The S&P 500 fell 0.4% for the week, its worst in more than a month. The Dow industrials also fell 0.4% during the week and the Nasdaq Composite dropped 0.6%.

"We do think there's less chance of fiscal stimulus being delivered or that it will probably be more modest if it is, and we also see risks from slowing in China," said Mitul Patel, head of interest rates at

Henderson Global Investors.

"On a forward-looking basis, it does feel like we have seen what it's like when it's as good as it gets—where is that fresh impulse to be optimistic going to come from if China is off its peak and some optimism in the U.S. is now fading?" he said.

U.S. government-bond prices fell Friday, sending the yield on the 10-year Treasury note up to 2.243% from 2.233% Thursday. Yields still ended the week lower.

The WSJ Dollar Index, which tracks the dollar against a basket of 16 currencies, fell 0.6% Friday. It ended the week down 1.6%, for its largest

weekly decline since a week in late July.

Investors redeemed \$8.9 billion from U.S. equity funds this past week and devoted more investments to global equities, according to EPFR Global. Still, the Stoxx Europe 600 ended the week down 1%, its largest one-week decline since November.

Japan's Nikkei Stock Average rose 0.2% Friday, as the dollar trimmed a drop against the yen but still ended with its worst weekly decline against the currency in a month. Australian stocks fell 0.2% Friday as financials fell, concluding their worst week—down 1.9%—since October.

The Deal Year That Was, Well, It Wasn't

By STEPHEN GROCER

The year 2007 has reclaimed its title as the biggest year for global deal making.

With \$4.3 trillion in global deals, the year was unseated two years ago by 2015, which ended with \$4.7 trillion in announced deals. But since then, many of those deals have unraveled.

Anthem Inc. a week ago gave up on its two-year, \$55.2 billion bid to acquire **Cigna** Corp. after a Delaware judge denied Anthem's request to force Cigna to move forward. The managed-care companies had sparred over who was at fault.

The withdrawal of the deal dropped the value of acquisitions announced in 2015 to \$4.24 trillion, below 2007's \$4.3 trillion total, according to data provider Dealogic.

With margins stretched and economic growth sluggish, companies began to turn to deal making in 2014 to increase their bottom lines.

The value of acquisitions peaked in 2015, when \$5.3 trillion were announced globally, a record. But even before the year ended, many announced deals began to fall apart.

Some transactions ran into government opposition. **Pfizer** Inc. pulled its \$150 billion acquisition of **Allergan** PLC, 2015's biggest announced deal, after the Treasury Department in April 2016 imposed new curbs on "inversions" that relocated U.S. companies overseas. **Aetna** Inc.'s \$35 billion acquisition of **Humana** Inc. fell apart after running into antitrust roadblocks.

In all, deals valued at \$936 billion, including four of the 10 biggest acquisitions, were withdrawn from 2015's total, according to Dealogic.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

WSJ.com/Heard

Email: heard@wsj.com

Count Out Fed if Market Tumbles

A Bit of a Stretch

S&P 500's forward price/earnings ratio



Source: FactSet

are mostly better off. It is also because after years of rising stocks and so-so consumer spending, economists have begun to think that a rising stock market doesn't have much of an impact on consumption.

Third, the Fed thinks the stock market is expensive. The minutes from its March rate-setting meeting pointed out that price/earnings ratios had become even more stretched, and that some Fed officials "viewed equity prices as quite high relative to standard valuation measures." A Fed that has become concerned about valuation, especially because it has been criticized in the past for fueling market excess, likely wouldn't be all that interested in propping up a market it already sees as pricey.

Of course, even with these considerations, a big enough fall would likely get the Fed to act. The problem for investors is that it is probably far below where the stock market is now.

—Justin Lahart

OVERHEARD

Virtual reality was supposed to be the next big thing, but headsets haven't exactly been flying off the shelves. The question is, why?

There were \$1.48 billion in VR hardware sales in 2016, according to **SuperData Research**. That is far from the \$12.65 billion the research firm forecasts for 2020. That estimate has come down, and there is still reason to question whether VR will get there.

In March, digital marketing research firm **Thrive Analytics** asked the question to internet users who weren't interested in owning a VR headset. The survey, as summarized by eMarketer, showed many of the expected reasons: the headsets were too expensive, lack of virtual reality content and poor quality of what was out there, and fear of motion sickness.

The biggest chunk, some 53%, said they were "just not interested."

Perhaps actual reality is difficult enough.

Better Late Than Never In Oil Patch

It seems to have been a field of dreams for providers of services to the oil-and-gas industry.

At the beginning of 2017, with the price of oil buoyant following a supply cut from the Organization of the Petroleum Exporting Countries, U.S. drilling activity was on a tear. It still is, but analysts and investors got ahead of themselves when translating that to oil-field-services companies' profits. They should consider reupping that bet now that the sector has sold off 10% to 15% since December.

Analysts polled by FactSet saw industry sales leader Schlumberger earning \$1.92 a share this fiscal year back in December, but recently cut that to \$1.48. No. 2 Halliburton and No. 3 Baker Hughes also saw sharp cuts.

Executives are sounding more bullish, especially when it comes to U.S. shale plays. "The ramp-up in North America has become more robust than many had expected," said Martin Craighead, chief executive of Baker Hughes, last month.

The bonanza is merely delayed. "The expectation coming into the year was that service costs are going up across the board and everyone believed it," says Robert Thummel, a portfolio manager at Tortoise Capital. Now, he says, "it's going to be a second-half story."

Evidence of that is the product most sensitive to shale drilling, fracking sand. Earnings estimates for companies such as **Hi-Crush Partners** and **Fairmount Santrol Holdings** have surged as those companies have gained significant pricing power. The rest of the industry isn't far behind.

—Spencer Jakab

What Delinquent Auto Loans Say About Loose Lending

Auto loans are getting worse, and while the delinquency rate remains low, the increase is surprising given the strong employment picture. This is weighing on car sales, but more important, it is a window into lending standards after the financial crisis.

The percentage of auto loans that were over 90 days delinquent rose to 3.82% in the first quarter from 3.52% a year earlier, the **Federal Reserve** Bank of New York said in its quarterly report on household debt. That was the highest level in four years. The delinquency rate is well below the previous credit cycle's peak rate of

5.3%, reached in the fourth quarter of 2010. What is worrisome is that unemployment is now 4.4%; in December 2010, the unemployment rate was 9.3%, having peaked at 10% just over a year before. That rise in defaults was caused the old-fashioned way, because borrowers lost their jobs and couldn't make the payments.

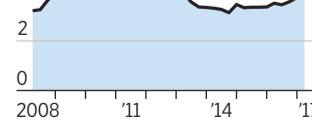
The other typical reason why defaults increase is a sharp rise in interest rates. The fact that auto delinquencies are rising absent these factors, says Standard Life economist Jeremy Lawson, "is a sign that there is a subset of people that shouldn't have gotten loans."

Having realized that they loosened the taps too much, auto lenders are now tightening terms somewhat. The median credit score on auto originations in the first quarter rose to 706 from 695 a year earlier, according to Fed data. This could help explain why auto sales figures have weakened in recent months. In April, U.S. vehicle sales fell 4.7% from a year earlier, according to Autodata Corp.

The aggressive auto lending is just a blip compared with the collapse in mortgage lending standards that led to the financial crisis. It is worth asking whether a bit of amnesia has crept into lending decisions.

Starting Up Again

U.S. auto loans delinquent by more than 90 days



Major banks that engage in auto lending can easily handle the increase in losses. The fallout is likely to hit specialized auto lenders harder, as well as the auto

industry itself. Investors should also be concerned about whether lending standards became too easy in credit cards, another area in which balances have risen strongly, or whether consumers scale back spending as they shy away from debt.

The good news is that consumer balance sheets are in good shape. At \$12.73 trillion, total household debt has finally surpassed its 2008 peak, according to the Fed data, but as a percentage of household incomes or gross domestic product it is much smaller.

The new debt cycle bears watching.

—Aaron Back

Science-tested
tips on psyching
up children to do
well on tests,
tryouts and more



C3

REVIEW



'Sgt. Pepper'
turns 50, with a
little help from
30-odd writers
and three books

C5

BOOKS | CULTURE | SCIENCE | COMMERCE | HUMOR | POLITICS | LANGUAGE | TECHNOLOGY | ART | IDEAS

© 2017 Dow Jones & Company. All Rights Reserved.

THE WALL STREET JOURNAL.

Saturday/Sunday, May 20 - 21, 2017 | C1



Divided We Rise

BY JEFFREY ROSEN

PRESIDENT DONALD TRUMP has issued a series of controversial executive orders on immigration that are now tangled up in federal courts. Judges in Hawaii and Maryland have blocked the president's ban on travelers from six mostly Muslim countries, and another judge in Seattle has blocked his executive order threatening to remove federal funding for "sanctuary cities" that refuse to cooperate with federal immigration agents.

If this contest between branches of government sounds familiar, it should. President Barack Obama also tried to use executive orders to push through his own very different immigration policies, and he was similarly rebuffed by the courts. They held that he lacked the unilateral authority to shield millions of undocumented immigrants from deportation.

There's a lesson in the symmetry of these two examples, and figures from across the political and ideological spectrum are increasingly embracing it: Many of the issues that recent presidents have tried to decide at the national level through executive orders are best resolved at the state or local levels instead. In an era of fierce partisan divisions, all sides are beginning to see the virtues of our federal system in accommodating differences—and encouraging experimentation—on issues such as immigration, law enforcement and education.

Federalism has long been a cause on the right, but now it's just as likely to be a rallying cry on the left.

People on the left and the right are turning to federalism as a way to resolve contentious issues and calm our polarized politics.

Rep. Zoe Lofgren, the top Democrat on the House Judiciary's immigration and border-security subcommittee, recently said: "The Constitution, specifically the Tenth Amendment, protects states' rights, and it prohibits federal actions that commandeer state and local officials. When it comes to immigration, these principles seem to be overlooked."

The framers of the Constitution would be pleased with this emerging consensus. By creating a national government with limited powers, they intended to al-

low the states and local governments to pursue a range of different policies on matters within what used to be called their "police powers"—that is, their authority to regulate behavior, maintain order and promote the public good within their own territory. The founders considered this arrangement the best way to protect liberty and diversity of opinion, as well as to defend political minorities from nationalist tyranny and concentrated power.

Of course, from the earliest days of the republic, the framers debated what form this division of powers would take. Alexander Hamilton famously urged the national government to assume more powers and to assert them aggressively against the states. Thomas Jefferson (and his close ally James Madison) resisted this centralizing impulse, pointing to the rights reserved to the states under the Tenth Amendment and the limits on congressional power.

This debate has defined the boundaries of constitutional argument since the Founding era, but it doesn't map neatly onto partisan politics, then or now. Throughout American history, Hamiltonians and Jeffersonians have come in many forms, left and right, and they have often found broad areas of agreement

Please turn to the next page

Mr. Rosen is the president and CEO of the National Constitution Center in Philadelphia and a law professor at George Washington University. His new biography of William Howard Taft will be published in March.

ILLUSTRATION BY PEP MONTSERRAT

INSIDE



WEEKEND CONFIDENTIAL
At 27, Ankur Jain is matching old industries with new ideas from young entrepreneurs.

C12



BOOKS

A novel by the late Michael Crichton offers up bullets, bad guys and rival paleontologists.

C8



MIND & MATTER

Robert M. Sapolsky on new research about when victims feel most victimized.

C2



ESSAY

Space suits: The old legal rules didn't anticipate the commercial race to the stars.

C3



EVERYDAY MATH

Which checkout system goes faster—a single serpentine line or many different queues?

C4

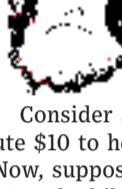
REVIEW



MIND & MATTER:

ROBERT M. SAPOLSKY

For Victims, Being Singled Out Hurts Most



THE WORLD teems with people who are mistreated both as individuals and in groups. But how we react to such misery often takes a strange, irrational course.

Consider a person who would contribute \$10 to help an impoverished child. Now, suppose that person is asked to help 10 such children. Will the donor give \$100? Just the opposite: The most common response, studies have found, is to give less than \$10.

Why does the suffering of one person affect us more than that of many? Research suggests that a single victim more readily engages our empathy: "Wow, I'd feel terrible if I were in his shoes." It's easier than imagining being in *their* shoes.

A recent study gives this psychological dynamic an interesting twist by looking at how victims themselves think of such situations. Does it make a difference to them if they see their suffering in terms of "why me?" as opposed to "why us?" It turns out that it does, and the pattern neatly tracks the limits of our own empathy toward victims.

The paper, "A Sorrow Shared Is a Sorrow Halved," was published last year in the journal *Frontiers in Psychology* by Dafne Konis of Tel Aviv University and colleagues. Ms. Konis, a doctoral student, and her fellow researchers gave 81 volunteers a personality test and an intelligence test. Volunteers were then told deceptively that they had scored way below average on the intelligence test.

Later, volunteers were informed about the deception in one of two ways. Half were told that they, along with all the participants in the experiment, had been deceived. The other half were told that they alone had been deceived, and that they had been chosen based on the score that they had received on that personality test taken earlier.

The researchers then asked participants to rate how negative they felt about the lie. Participants who had been told that the whole group was victimized found the deception less upsetting than the individuals who were told that they had been singled out.

Why should that be? It wasn't as if members of the first group could share their unhappiness with each other, thus lessening the effect of the deception. There was no "misery loves company" camaraderie to mitigate the deception rating.

The results echo the well-established finding that compassion for individuals always exceeds compassion for groups.

When considering a victimized group rather than an individual, people not only give less but report feeling less distress. And after donating money to a group, they report less of a boost in positive feelings, with less activation of brain regions associated with reward.

Lessened empathy for a group, studies have shown, is based in part on donors speculating that the misfortune must have been the victims' own fault. I would argue, in addition, that large numbers of the needy remind us of our own insignificance as specks in the universe, trying in vain to make a difference. It turns our concerns inward.

I would also suggest that the new study's results can be explained in large measure by one particular feature of the experiment: the fact that the researchers told individuals that their performance on the personality test had led to their victimization, rather than being chosen at random.

Telling a person that he was targeted because of the sort of person he is aches the most. It makes him complicit in his own victimhood: "Oh, that's the answer to 'why me.' It has always been me and always will be."

Federalism for the Left and the Right

Continued from the prior page

on issues of federalism, if sometimes for different reasons.

Consider, for example, the Supreme Court during the Progressive era. Under Chief Justice William Howard Taft, who served from 1921 to 1930, justices from across the ideological spectrum upheld limits on federal power. Justice Louis Brandeis, a proud Jeffersonian, famously praised the states as laboratories of democracy. As he wrote, "It is one of the happy incidents of the federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country."

Chief Justice Taft himself was a convinced Hamiltonian and less sympathetic to limits on national power. But he too was a firm supporter of federalism. As he wrote in a 1922 essay, the diffusion of power between the national and state governments serves "to defend us all against the danger of sudden gusts of popular passion." There might be a populist assault on property rights in Kansas—one of his examples—but the unhappy experiment there could instruct other states and the national government to make better choices. As he observed, "the diversity of opinion in State governments enforces a wise deliberation."

Today, as during the Progressive era and the long resistance of the South to national efforts to end segregation, the embrace of federalism and states' rights can be opportunistic, even cynical. The current rediscovery of states' rights on the left is driven, in some instances, by the election of Mr. Trump and the fact that Republicans now control both houses of Congress. The states are their last enclaves of resistance.

For their part, conservatives often invoke the Constitution's Tenth Amendment, which says that powers not given to the national government are "reserved to the States, or to the people," but they haven't been consistent defenders of federalism either. President Ronald Reagan issued an executive order on federalism in 1987, declaring that "in most areas of governmental concern, the States uniquely possess the constitutional authority, the resources, and the competence to discern the sentiments of the people and to govern accordingly." But the size and reach of the federal government continued to grow during the Reagan era. As an advocacy group called the Tenth Amendment Center concludes, "Disappointingly, Reagan the president wasn't nearly as devoted to federalism and the Constitution as was Reagan the rhetorician."

All postwar presidents have tended to amass federal power rather than to devolve it. And opposition parties have always defended states' rights as a way of protecting dissent and their own policy agendas. At the same time, the courts have increasingly repudiated attempts by presidents—from George W. Bush and Barack Obama to Donald Trump—to use executive orders to implement policies that they can't persuade Congress to enact. Today's effort to revive federalism acknowledges and builds on these institutional and political realities.

What does it mean in practice? Immigration is a good place to start, since at first glance it might seem like an obvious area of far-reaching federal control. But the Constitution's grant to Congress of the power to establish a "uniform rule of naturalization" leaves a great deal of room for local variety.

In a 2014 article in the journal *Democracy*, Cristina Rodriguez of Yale Law School argued that leaving key immigration decisions to the states needn't be "scary" to progressives. Some border states might stress enforcement, she pointed out, but other states would be free to adopt more permissive policies. She pointed in particular to a bill signed in 2013 by Gov. Jerry Brown of California that constrained police in the state from cooperating with federal immigration agents. It is a precedent with particular force today, as California and other Democratic states have moved to resist the Trump administration's immigration crackdown.

Some conservatives also have favored a decentralized approach to immigration. In a partial dissent from a 2012 Supreme Court decision limiting Arizona's power to control immigration enforcement, the late Antonin Scalia wrote that the ruling deprived states of "what most would consider the defining characteristic of sovereignty: the power to exclude from the sovereign's territory people who have no right to be there." The Supreme Court may revisit these issues in a series of pending constitutional disputes over immigration policy.

Meanwhile, states have other options, which they have been exercising since well before the Trump administration. A 2014 article in *National Journal* by Andrew Wainer and Audrey Singer noted that the previous year had seen a 64% increase in proposed or enacted local and state laws on immigration. They pointed, for example, to a proposal by Gov. Rick Snyder of Michigan, a Republican, to attract 50,000 high-skilled immigrants to Detroit. A more expansive variation on this theme is now being promoted by Sen. Ron Johnson of Wisconsin and Rep. Ken Buck of Ohio, both Republicans. As they told an audience at the libertarian Cato Institute in early May, states should be able to hand out thousands of guest-worker visas to the recipients whom they consider most deserving.

Policing is another area where federalism could have a salutary

effect. Attorney General Jeff Sessions recently upended a bipartisan consensus, embraced by significant constituencies on the right and the left, by ordering federal prosecutors to pursue the toughest possible sentences even for low-level drug crimes. Though this effort is limited to federal offenses, it may well hurt ongoing experimentation at the local and state level to find policies better suited to the circumstances of particular parts of the country.

Mr. Sessions also recently announced that the federal government will back away from the Obama administration's strategy, in response to rising racial tensions, of monitoring troubled police departments. He warned that "the greatest increase in violence and murders" has been in areas where federal policy has undermined "respect for our police and made, oftentimes, their job more difficult." Although Mr. Sessions's claims about rising violence are contested, this withdrawal of federal oversight could help to shape a new consensus that police departments need the autonomy to build trust in their own communities while also being held to rigorous standards of accountability by local and state authorities, who are no less responsible than federal officials for upholding constitutional guarantees.

Less federal interference in policing may lead to better policy in the long run. Policing has always been a state rather than a federal responsibility, and the most innovative new strategies in law enforcement have come from localities dealing with practical problems on the ground. The next wave of reforms—on issues like eyewitness investigation and the videotaping of police encounters with citizens—will emerge from the many different ways in which police departments and city and state legislatures try to strike the right balance between privacy and public safety.

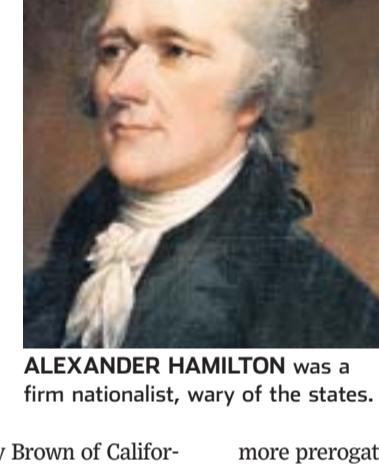
Or consider education, another area traditionally left to the states. Here the Trump administration has struck a blow for federalism by launching a review of Obama-era regulations and guidance for school districts. The executive order directs Education Secretary Betsy DeVos to modify or repeal measures that she considers to be federal overreach. "For too long, the government has imposed its will on state and local governments. The result has been education that spends more and achieves far, far less," Mr. Trump said in announcing the order.

Trump critics such as former Gov. Jeb Bush of Florida have been pleased. As he wrote in USA Today, "The state laboratories of government should have ample chance to innovate with scores of new ideas and policies to spark economic growth and improve education to lift people out of poverty and lift up the middle class."

These moves away from federally imposed priorities also have won the support of liberals in recent years. During the Obama administration, California's Gov. Brown, for example, was a strong critic of national testing standards, telling a group of technology leaders in 2013 that they were "just a form of national control."

A more controversial aspect of education policy is the recent debate over bathroom policies for transgender students. In this area, there is vigorous disagreement about how to read the federal civil-rights law. Neither Mr. Obama nor Mr. Trump has been able to get Congress to address the issue, and both tried to do so through executive action. The Supreme Court may ultimately decide whether federal law supports one side or the other. Meanwhile, assuming that Congress continues to ignore the issue, it will percolate at the local and state level, as it should.

It's hard to know what form the new dispensation on federalism might take in the years ahead, especially if the Supreme Court returns



ALEXANDER HAMILTON was a firm nationalist, wary of the states.

more prerogatives to the states. But a preview of sorts can be seen in a recent online discussion sponsored by the National Constitution Center (which I direct). For the libertarian legal scholar Randy Barnett of Georgetown University, a principled return to federalism offers the possibility of "keeping social issues local" and avoiding "a war of all against all." As he observes, "A rich diversity of preferred lifestyles can only be achieved at the local level." Elevating such issues to the national level is a recipe for "more contentiousness, bitterness, and gridlock."

For her part, Heather Gerken of Yale Law School, the leading advocate of "progressive federalism," argues that in contested areas ranging from health care to the environment, the states and federal government govern best when operating shoulder-to-shoulder. "Take a look at telecom, the AFDC [anti-poverty program], Medicaid, drug enforcement, workplace safety, health care, immigration, even national security law," she writes. "In these integrated regulatory regimes, the states and federal government have forged vibrant, interactive relationships that involve both cooperation and conflict."

A respect for federalism and state autonomy is perhaps the only way that all sides can peacefully coexist in today's political environment. With dysfunction now reigning on Capitol Hill and federal courts increasingly ready to strike down the unilateral action of presidents, Americans will at least be able to take some comfort in local autonomy and control. In these polarized times, citizens who strongly disagree with each other may be able to unite around the goal of making federal power less intrusive and national politics less of a contest where the winner takes all.



PROTESTERS march in Los Angeles, May 1, to support sanctuary for immigrants in the city and to protest Trump administration policies.

WORD ON THE STREET: BEN ZIMMER

'Blabber' Gets Its Own Scandal

EVER SINCE the Watergate burglary in 1972 and the subsequent coverup that brought down President Richard Nixon, every political scandal has needed its own "-gate" label. President Donald Trump earned a new one this week: "Blabbergate."

"Blabbergate" quickly spread as a Twitter hashtag after the Washington Post broke the news on Monday that Mr. Trump had revealed highly classified information to Russia's foreign minister and ambassador at the White House last week. Mr. Trump later tweeted that he was within his rights to share what he did with the Russians.

"#Blabbergate is both the best '-gate' & the best hashtag ever," tweeted Eric Corey Freed, a San Francisco-based architect, on Monday night.

But it wasn't the first time that "Blabbergate" had bubbled up on Twitter. In June 2012, when President Barack Obama's administration was under fire for leaks regarding cyberattacks on Iran's nuclear facilities, one tweet read, "What's the hashtag for the Obama nat'l security leaks? #Blabbergate."

"Blabber" goes all the way back to the 14th century, when it could mean "babble" or "talk idly," probably echoing an infant's gibberish. A related word, "blab," could refer to a chatterer or revealer of secrets. By the 16th century, both "blab" and "blabber" were used as slangy verbs for indiscreet talk. The British slang lexicographer Jonathon Green calls them "the first slang terms relating to speech."

"Blabber" eventually made its way to the American colonies. In a 1793 journal entry, Thomas Jefferson wrote of one of his many conflicts with Alexander Hamilton that the latter "endeavored to patch up the indiscretion of this blabber by saying he did not know."

"Blab" and "blabber" have generated many new slang terms for loose talkers, going all the way back to 1600, when "blab-tongue" is recorded by the Oxford English Dictionary.

"Blab-mouth" shows up in American newspapers in the mid-19th century: A character in an 1859 story appearing in the Brooklyn Evening Star growls,

"Open your lips to him, and I

Echoes of a Jackie Gleason TV episode.

will shake your liver out of you, you young blab-mouth."

"Blabermouth" soon made its appearance as well, and by the 1930s, it had become the preferred slang term for someone who just doesn't know when to shut up. John Steinbeck used it in his 1936 novel "In Dubious Battle": "One minute he's a blabermouth kid, and the next minute, by Christ, he just boots me out and takes over."

In terms of pop culture, "blabermouth" may have hit its zenith in the classic television comedy "The Honeymooners." In a 1956 episode, Ralph Kramden, played by Jackie Gleason in bug-eyed fury, blows up at his mother-in-law for revealing the ending of a murder mystery, screaming, "You are a blabermouth! A blabermouth!"

Joy Behar recalled that scene on the talk show "The View" earlier this week, as the panel reviewed Mr. Trump's latest indiscretions. "I don't think the people who created our government expected to have a blabermouth in the White House," Ms. Behar said, in Kramden-esque style.

REVIEW



EVERYDAY MATH: EUGENIA CHENG

Which Checkout Line to Pick?

I LOVE online grocery shopping—in part because I enjoy buying the same thing every week, in part because I don't drive, but mainly because I hate standing in line.

When I do get stuck, I often find myself analyzing the way that checkout lines work. We are used to the standard system of one line for each cashier. But what if there is just one big lane feeding multiple cashiers?

How we think about the virtues of these two systems depends in part on psychology, but there's quite a bit of mathematics in there too. The math of queuing theory turns out to be satisfyingly counterintuitive.

Having one line feeding many checkouts is sometimes called the "serpentine" system: The single queue often snakes around, as lines do at airport security checkpoints. Mathematical queuing theory says that the serpentine system should be faster than separate lines leading to separate cash registers, but only with a condition called "no jockeying"—the assumption that people in multiple lines won't hop over to a different line that has become free.

But that isn't realistic, as we can all attest. If you allow jockeying in multiple lines, the serpentine system is no faster on average. It might intuitively seem faster because you won't get stuck behind a single person taking a long time, but that same delay is just portioned out among more people, leaving the average wait time the same.

I enjoy doing a small simulation by hand about one problematic customer, and I've found that under both systems, the mean wait time—the total of all wait times divided by the number of people—is the same.

In practice, the average wait time is likely to be longer in the serpentine system. That is because of human delays: reaction times, walking times, unloading times. In a curious twist, one recent study showed that cashiers work faster when they are serving a dedicated line. Perhaps it instills a sense of pride or connection with the customers waiting for one hardworking cashier.

Summing up a situation in a single number is useful but crude. Averages are the most familiar way to summarize data, but they come in different types. Instead of the mean, we could consider the median—the middle number in a list of customers' wait

times—in which case multiple lines seem better than a serpentine line. A few people get through very slowly, but more people get through quickly.

Still, averages omit information that might be key. For the serpentine lines, I care about a measure called variance, which assesses how far the numbers in the set vary from the mean. This can be far greater under the standard system, since an unlucky choice of line can lead to an extra-long wait. The serpentine system distributes that risk, which means that there is less variance.

I often care more about the variance than any average because I prefer predictability to good averages over time. That's why I prefer escalators to elevators: An elevator may be faster on average, but I dislike not knowing how long I'll have to wait for it. Similarly, I like walking (within reason) even if it takes a bit longer than waiting for a bus or a train.

A different principle applies for meeting someone at the airport. I need neither the mean nor the variance; I need just the minimum time it could take them to wait for their checked bags.

When I'm walking to work, I need to know the maximum time my commute can take (if I hit a red light at every crosswalk). If I'm in a car or a bus, my calculation is more subtle. The maximum time the trip can take is almost infinite, since a bad accident could mean a big delay.

But that isn't very likely, so I'm more focused on something like the 95th percentile: If the mean journey time is 30 minutes and the 95th percentile is 45 (that is, 95% of journeys take less time), I'll allow 45 minutes to be 95% sure of arriving on time. But I'll add some time for luck, especially if I really need to be punctual. Sometimes, the only way to be completely certain of being on time is arriving the day before.

As for our grocery lines: Life isn't math. Human factors prevent us from knowing which line is the fastest. My best strategy is just not to be in a hurry. I once spent a few weeks trying to pick the slowest lines and used the time to memorize Wordsworth's "Intimations of Immortality." It not only helped me to pass the time but actually made me want to stand in line longer.

R&D: DANIEL AKST

Beacons to Ward Off Co-Workers

INTERRUPTIONS ARE the bane of workers in open-plan offices, with some resorting to headphones, busy lights and other paraphernalia to ward off chatty co-workers. At the engineering giant ABB, a few have even set out small orange road cones to keep visitors at bay.

But deciding when to put up a "Do Not Disturb" sign can itself amount to an interruption. People may be reluctant to appear unhelpful, uncollegial or unfriendly.

Academic researchers and collaborators at ABB have developed an automated solution: a light that turns red, green or yellow to indicate when interruptions are OK and when they aren't. The team says that the system, known as FlowLight, reduced interruptions by 46% for 36 users who reliably logged such intrusions.

Overall, 449 ABB participants in 12 countries—including Norway, Poland and Vietnam—used the system, most for at least several weeks. Although only three dozen logged intrusions according to directions, 183 took part in a survey, and 23 were interviewed in depth. In general, employees reported becoming more conscious of how disruptive interruptions can be and more motivated to focus.

FlowLight is modeled on Skype's user-status indicators and consists of a light mounted on a cubicle wall or outside an office. If the light is green, a worker is available. A red light means busy, suggesting that interrupters stay away. A more intimidating, pulsing red means, essentially: Do not disturb except for something crucial. Yellow means that the staffer is away.

"The FlowLight itself is about the size of a quarter and shaped in a rectangle," says David Shepherd,

ABB's lead researcher on the project. The lights are triggered by a worker's sustained computer activity, based on software that tracks typing and mousing. Algorithms smooth out

the data to avoid turning on a red light during a brief burst of feverish activity. The system also tracks calendar events.

Of course, computer use isn't always the best indicator of on-the-job focus. For those who want it, the system includes a switch to turn the different lights on manually.

To avoid making red lights into status symbols, they were at first limited to going on for 18% of the workday. But employees considered that excessive, so it was cut to 9%. Thomas Fritz—one of the researchers, who is now at the University of British Columbia in Canada—says that the limit was imposed to keep workers from trying to fire their lights competitively. The limit also reflects prior research suggesting that most workers are only truly productive for some fraction of the day.

Not all interruptions are bad, Dr. Fritz adds. Ill-timed or trivial ones tend to hurt productivity, but many interruptions lead to valuable discussions that can benefit a firm, he says. So the idea isn't to do away with them but to channel them between periods of intense concentration.

The researchers were also surprised by the extent to which FlowLight became a useful feedback system to encourage concentration by professionals whose jobs offer considerable opportunities for distraction. One user told the researchers, "If I see the red light, I sense I am in the flow, and I keep working."

"Reducing Interruptions at Work: A Large-Scale Field Study of FlowLight," Manuela Züger, Christopher Corley, André Meyer, Boyang Li, Thomas Fritz, David Shepherd, Vinay Augustine, Patrick Francis, Nicholas Kraft and Will Snipes, Proceedings of the 2017 CHI Conference on Human Factors in Computing Systems (May 8)

It's a Mud, Mud, Mud World

An Afghan boy cooled off under a muddy waterfall Tuesday in the outskirts of Jalalabad, a city in eastern Afghanistan.

Answers
To the News Quiz
on page C13

1.B, 2.A, 3.B, 4.C,
5.D, 6.D, 7.D, 8.C

PHOTO OF THE WEEK



PARWIZ/REUTERS

BOOKS

THE WALL STREET JOURNAL.

Saturday/Sunday, May 20 - 21, 2017 | C5

Guaranteed to Raise a Smile

Pop music, psychedelia and nostalgia fused together in the album that defined the 1960s

Sgt. Pepper's Lonely Hearts Club Band
By Brian Southall
Imagine!, 192 pages, \$30

Sgt. Pepper at Fifty
By Mike McInerney, Bill DeMain & Gillian G. Gaar
Sterling, 176 pages, \$24.95

In Their Lives
Edited by Andrew Blauner
Blue Rider, 300 pages, \$23

BY DOMINIC GREEN

IT WAS 50 YEARS AGO (this June) that "Sgt. Pepper's Lonely Hearts Club Band" redefined pop music. Since then, the Beatles have been going in and out of style, but the best of the album's songs, and its winning conceits, still are guaranteed to raise a smile. Universal Music Group, which owns Capitol Records, is marking the anniversary by issuing a multi-disc box set. There is also a box-full of books intended to reintroduce to us the act we've known for all these years. Brian Southall, a pop journalist when the band was together, handled publicity for EMI in the 1970s. Mike McInerney designed the sleeve of the Who's "Tommy." Lavishly illustrated, their books reflect the synthesis between pop entertainment and thoughtful art that the Beatles were after.

Kenneth Tynan called the release of "Sgt. Pepper" in June 1967 "a decisive moment in the history of Western civilization." Keith Richards has called "Pepper" a "mishmash of rubbish." Both are right. "Pepper" abounds in weak compositions (Paul McCartney's "Fixing a Hole") and shallow sonic novelties (John Lennon's "Good Morning Good Morning"). But in music, as in comedy—and in both when Ringo is singing—timing is all.

Mr. McCartney has explained "Pepper" in Hegelian terms. "The mood of the album was in the spirit of the age because we ourselves were fitting into the mood of the time," he once mused.

The 1960s formed the Beatles. The Beatles, with a little help from their friend, producer George Martin, made "Sgt. Pepper." Now "Sgt. Pepper" defines the '60s.

"Pepper" was not the first concept album, only the biggest. In 1955, Frank Sinatra had pioneered the form with "In the Wee Small Hours"—and Sinatra, unlike the Beatles, sustained his concept past the third track. Nor is "Pepper" the Beatles' best album.

Three-fourths of the Fab Four agree on this. Ringo's favorite is "Abbey Road."

George preferred "Rubber Soul" and "Revolver."

John, who doubted whether "Pepper" was a concept al-



BAND IN BRITAIN 'Kids were already wearing army jackets on the King's Road,' John Lennon said. 'All we did was make them famous.'

bum at all, listed three of its tracks—"When I'm Sixty-Four," "Lovely Rita" and "Good Morning Good Morning"—among his least favorite Beatles' numbers. Only Paul prefers "Pepper."

But then, it was Paul's album. After

their final tour concert in San Francisco on Aug. 29, 1966, the band took a three-month break. John made a film, George studied sitar with Ravi Shankar and Ringo launched a construction firm, Bricky Builders. Paul immersed himself in London's underground scene—avant-garde music, Op Art galleries and all-night psychedelic raves.

In his notes to the reissue box set, he

professes "a little bit of amazement"

that "Sgt. Pepper" became "a lasting

piece of art." Maybe he's amazed, but

that was always his plan.

During the sessions that produced

"Revolver," the album they recorded

earlier in 1966, the Beatles had rein-

vented pop production: beefing up the

drums with "close-miking" and the vo-

cals with automatic double-tracking,

as well as anticipating samples with tape

loops ("Tomorrow Never Knows") and

reversing the tapes ("Rain"). They now

had the sonic means and the studio

time to be artists, not just mop-topped

entertainers.

Mr. McCartney wanted to beat the

Californians—to produce an album

with better production than the Beach

Boys' "Pet Sounds," a bigger concept

than Frank Zappa's "Freak Out!" The name and military uniforms of Sgt. Pepper's Lonely Hearts Club Band are Edwardian equivalents of the buckskin nostalgia of San Francisco hippy bands

than Frank Zappa's "Freak Out!" The name and military uniforms of Sgt. Pepper's Lonely Hearts Club Band are Edwardian equivalents of the buckskin nostalgia of San Francisco hippy bands

like Quicksilver Messenger Service. A

band of "alter egos" suited the Beatles'

wish to escape pop celebrity.

In breaking away, the Beatles broke

the mold. The screaming audience on

"Sgt. Pepper" was recorded at a Beatles' concert, but the Lonely Hearts Club Band would never tour. The "Pepper" package reworked the uniforms

and vaudeville patter of the Beatles'

stint as teen idols. It also recast Mr.

McCartney's gift for traditional song-

writing as collage and even pastiche—

modernism for the mass market.

We see the past through a glass

darkly, or even a glass onion: Two

songs that undoubtedly are of "Sgt.

Pepper" are not on it, Lennon's sub-

lime and innovative "Strawberry Fields

Forever" (original name: "It's Not Too

Bad") and "Penny Lane," a jaunty toe-

tapper from Mr. McCartney's one-man

Tin Pan Alley store. The band's man-

ager, Brian Epstein, wanted to main-

tain the band's profile between al-

bums, so in February 1967 the two

tracks were issued as a single with two

A sides. In Britain, this was also the

first Beatles' single in four years not to

reach No. 1; Engelbert Humperdinck's

"Release Me" stopped it. With the

press pondering the band's decline,

Epstein insisted that neither track be

on the new album. George Martin was

to call his assent to this plan "the big-

gest mistake of my professional life"

(this from the man who recorded Ce-

line Dion).

Beatleheads and historians will al-

ready own Mark Lewisohn's "Complete

Beatles Recording Sessions" (1988),

which annotates every twang, pluck

and thud, and Ian MacDonald's "Revo-

lution in the Head" (1994, revised

2005), which interprets the Beatles'

music through the social and cultural

changes of the '60s. The two new

"Pepper" books by '60s survivors pro-

vide further insight into the era.

In "Sgt. Pepper's Lonely Hearts Club

Band," Mr. Southall describes the

"Pepper" dialectic by dividing his book

into a musical "A-side" and a historical

"B-side." The A-side has flattering bi-

ographies of the protagonists and a

quick summary of the "Pepper" ses-

sions. The B-side has short and tidy

essays on key topics like "The Rise of

Psychedelia" and a month-by-month

summary of the period 1966-68. Photo-

graphs include the Studer four-track

recorder on which "Pepper" was

taped, acidheads writhing on a floor,

Hendrix torching his guitar at Montre

rey three weeks after the release of the

album and (the true wonder of the age) England winning the 1966 World

Cup. Mr. Southall's book will be a

handy primer for children and an aide-

mémoire for boomers who have en-

tered senescence without ever leaving

their adolescence.

"Sgt. Pepper at Fifty" is a deeper

social and cultural history. Mr. McIn-

nerney, abetted by music journalists

Bill DeMain and Gillian G. Gaar, works

from outside in, from the "mood" of

Swinging London to the "look" and

"sound" of "Pepper," and thence to the

"legacy." This quartet of themes hits

the sweet spot. On the "mood," Mr.

McInerney ranges expertly across

British social history from 1960 to the

album's launch: pirate radio, drugs and

the intimate, intoxicated world of Lon-

don's hip avant-garde find mention,

as do such figures as poet Jeff Nuttall,

photographer John "Hoppy" Hopkins,

journalist Barry Miles and the art

dealer John Dunbar, at whose Indica

Gallery John Lennon met Yoko Ono in

November 1966.

Please turn to page C6

An Einstein of the Dismal Science

Founder of Modern Economics, Vol. 1
By Roger E. Backhouse
Oxford, 736 pages, \$34.95

BY ERIC MASKIN

FORTY YEARS AGO, Paul A. Samuelson was a household name. The first American Nobel laureate in economics, he wrote a regular column for *Newsweek* (alternating with Milton Friedman) and was widely remembered as President Kennedy's personal economics tutor. Hundreds of thousands of college students each year were introduced to the principles of economics through his best-selling textbook—the most successful economics textbook ever written.

Today Samuelson, who died in 2009 at age 94, is no longer so familiar to the general public, nor does "Economics" (1948) still stand atop the textbook heap (although its current, 19th edition—edited by William Nordhaus—sells well). But Samuelson left a deep and abiding impression on his field. He, Kenneth Arrow and John Maynard Keynes are arguably the most important creative economists of the 20th century. (Friedman was also immensely influential, but—except in his magisterial volume with Anna

Schwartz on U.S. monetary history—more as a public intellectual than an economic researcher.) If Samuelson's papers no longer appear frequently on graduate-course reading lists, it's only because their lessons have been so thoroughly absorbed into the subject. Physics students no longer read Newton's "Principia," either.

The first volume of Roger E. Backhouse's two-volume biography,

'A good fairy whispered to me,' he said, 'that math was a skeleton key' to solving problems in economics.

"Founder of Modern Economics," makes the case for Samuelson's importance, and largely succeeds. Mr. Backhouse—who here gives us the story through 1948, when Samuelson was 33—notes that the life was neither dramatic nor especially colorful, and so concentrates mainly on Samuelson's work and the people who influenced him.

Unlike Arrow (the father of social choice theory) or Keynes (who revolutionized macroeconomics), Samuelson created no new branch of economics. Instead, as the 1970 citation from the

Royal Swedish Academy observes, his distinctive contribution was "raising the level of analysis in economic science." He modernized the discipline.

including Jacob Viner, who taught Samuelson at the University of Chicago—had little mathematical skill and were skeptical that math was useful in

once the inquiry was done, the mathematics should be "translated into English"—and then "burned."

Samuelson utterly rejected Marshall's view: He felt that mathematics was exactly the right tool for cutting through the brambles of an economic wood "that have overgrown to the extent that one cannot move." Mathematical arguments not only lent clarity, brevity and precision to a paper but were also good for the disposing of long-standing fallacies.

Mr. Backhouse gives a nice example of fallacy-jettisoning in Viner's graduate theory course, which Samuelson attended. Viner was lecturing on "cost curves," which show how the average cost of producing a commodity varies with the quantity produced. Viner made the claim that a cost curve in the "long run" (when the producer is free to vary all the inputs into production) consists of the minimum points of all the "short-run" cost curves (when some inputs, such as factory sizes, can't be changed). This

BOOKS

'Medicine is not a science; it is empiricism founded on a network of blunders.' —Emmet Densmore

Medicine's Age of Wonders

Miracle Cure

By William Rosen

Viking, 358 pages, \$28

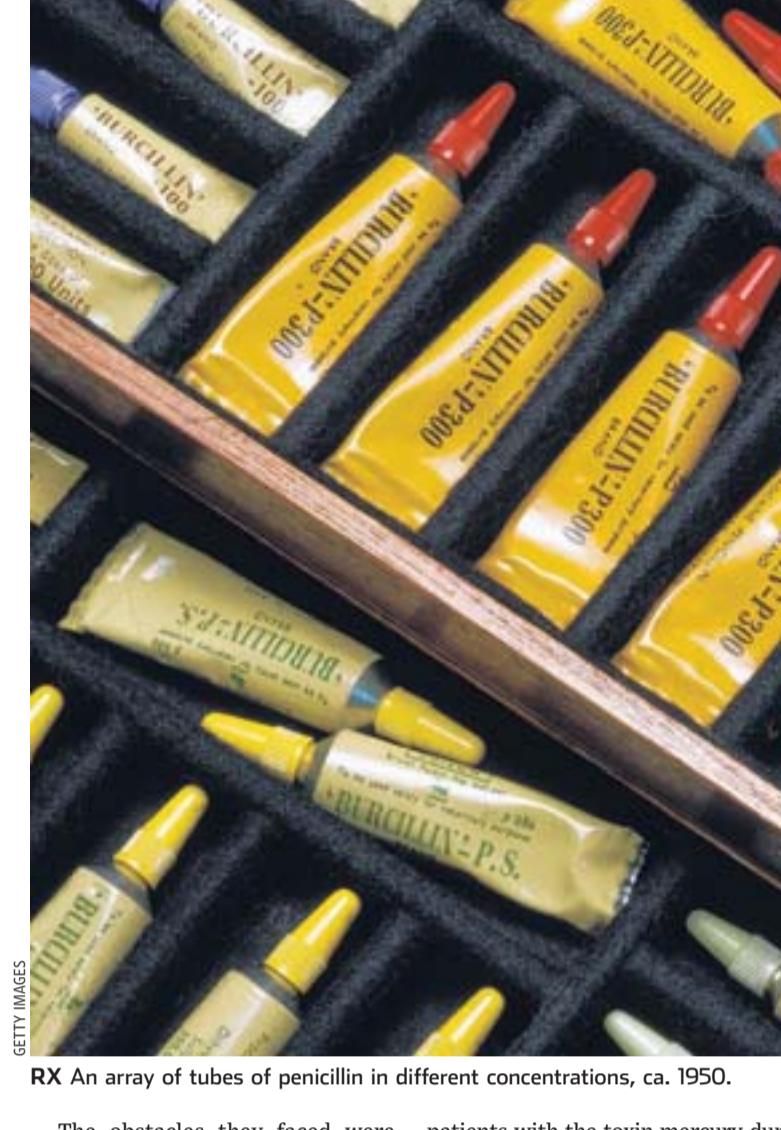
BY MEREDITH WADMAN

IN FEBRUARY 1941, an Oxford policeman in his early 40s named Albert Alexander lay gravely ill in the city's Radcliffe Infirmary. Bacteria had spread through his body after a rose thorn scratched his face months earlier. Huge abscesses had taken root in his left eye, his scalp, his arms, his face and his lungs. Visiting his bedside, a gifted young scientist named Norman Heatley noted in his diary that Alexander was "oozing pus everywhere."

Three days later, Alexander became the first infected person ever treated with penicillin. One day after his intravenous therapy was started, his fever had vanished, the abscesses had stopped oozing pus, his face was no longer swollen and he was able to eat.

Penicillin quickly became the most public triumph of a victorious decade: Between the late 1930s and the late 1940s, every major class of antibiotics was developed, as William Rosen meticulously recounts in "Miracle Cure: The Creation of Antibiotics and the Birth of Modern Medicine." Rosen's highly informed retelling captures the drama of scientists' quest, against long odds, to find and produce bacteria-killing drugs—and the egos, ambitions, brilliance and resolve that drove them. The book also shines a light on the commercial impact of the new wonder drugs. Eager to beat competitors to the latest discovery and helped by a new brand of slick, physician-targeted advertising, pharmaceutical companies by 1958 had vaulted from a B-league enterprise into the U.S.'s most profitable business. In the meantime, U.S. regulators scrambled, not always successfully, to keep up.

In a book stuffed with stories, the penicillin tale stands out. Rosen portrays the all-out wartime struggle by a group of scientists at Oxford University to isolate the drug, which was needed to combat infected war wounds in front-line soldiers. True, it was Alexander Fleming, in 1928, at St. Mary's Hospital in London who discovered that penicillin killed bacteria. But he grew frustrated with the unstable substance and thought "the trouble of making it...not worthwhile." A decade later, the Oxford group disagreed. With tremendous ingenuity and determination, they transformed penicillin from yellow droplets clinging to a petri-dish mold into a fine brown powder that, dissolved in water and injected in a vein, vanquished life-threatening microbes.



RX An array of tubes of penicillin in different concentrations, ca. 1950.

The obstacles they faced were daunting. They worked in a lab so strapped for cash that the elevator had been shut down and glassware purchases forbidden. Heatley, a mechanical wizard, cobbled together an apparatus that included a castoff doorbell to wring the drug from batches of mold grown in 16 bedpans stolen from the Radcliffe Infirmary. In February 1941, the supply of the new drug was so minuscule that Albert Alexander's urine was collected after each dose—penicillin is excreted in active form in the urine—and ferried by bicycle 1.5 miles to the lab where the industrious Heatley recycled it. Nonetheless, the meager supply of the drug soon ran out, and Alexander died on March 15.

It would take three more years and the engagement of numerous American labs and companies to launch industrial-scale penicillin production, just in time for D-Day. But the British rightly won Nobel glory: Fleming and the leaders of the Oxford group, Howard Florey and Ernst Chain, collected their prize in 1945.

Though the major antibiotics discoveries came in a single midcentury sprint, Rosen's story stretches back to the physician and patriot Benjamin Rush, who dosed hundreds of

patients with the toxin mercury during an epidemic of yellow fever in Philadelphia in 1793. ("Eighteenth-century physicians knew as little about the causes of disease as a cat knows about calculus," the author observes.) The book recounts the pioneering work of—and the bad blood between—the brilliant 19th-century microbiologists Louis Pasteur and Robert Koch, who illuminated the nature of infectious diseases and linked illnesses with the microbes that cause them. And it chronicles the development in 1910 by the Nobel-winning German physician Paul Ehrlich of the first lab-manufactured medicine, Salvarsan. It treated what was then a bane of high-end parlors and brothels alike: syphilis.

After Salvarsan, the quest for microbe-destroying drugs hit a standstill; by 1930, physicians had effectively thrown up their hands at treating bacterial diseases. They despaired slightly too soon. Six years later, a headline in the New York Times proclaimed: "YOUNG ROOSEVELT SAVED BY NEW DRUG... CONDITION ONCE SERIOUS. But Youth, in Boston Hospital, Gains Steadily."

President Franklin Delano Roosevelt's 22-year-old son and namesake had been in grave condition with an

illness that began as strep throat and spread. The novel cure, sulfanilamide, developed by Gerhard Domagk, a German physician at Bayer, shut down the bacterial culprit, Streptococcus. Sulfanilamide and the derivatives that followed were also effective against gonorrhea and some forms of meningitis. And vitally, they attacked Streptococcus in all its manifestations: strep throat, scarlet fever, pneumonia and the post-labor infections that regularly killed new mothers in the era. Mortality from "childbed fever" soon fell to 4.7% from 20% to 30%.

With the introduction of the sulfa drugs, "medicine was off and run-

Antibiotics transformed pharmaceutical firms into America's most profitable businesses.

ning," the physician and writer Lewis Thomas later recalled. In a sudden, profound shift, doctors were transformed from hand holders to healers. And patients, who were soon demanding sulfa drugs for every ailment, had become consumers. (Rosen also treats the alarming bacterial resistance that 70 years of antibiotic overuse has caused.)

It is a strength of "Miracle Cure" that Rosen places its many tales of discovery in their larger contexts, explaining for instance the near-complete lack of drug-safety regulation that prevailed when the Tennessee-based S.E. Massengill Co. began selling Elixir Sulfanilamide in October 1937. To make the drug more palatable, the company's chief chemist had dissolved it, along with raspberry flavoring, in a toxic chemical also used in brake fluid. At least 73 people died. The Federal Food Drug and Cosmetic Act became law the following year. Companies would no longer be able to market new drugs without government licensing. And the government would have to ensure that they were safe.

This book is not for the casual reader. At some points Rosen gets into weeds so thick that only aficionados will find a way through. Still, it's an important contribution to a still-germane yet fast-receding history. And it's all the more impressive that Rosen, formerly a book editor and publisher, wrote it as he was battling his own intractable disease. An aggressive cancer took his life in April 2016. He left behind a history worth reading.

Dr. Wadman is a staff writer for *Science* and the author of "The Vaccine Race: Science, Politics and the Human Costs of Defeating Disease."

'Sgt. Pepper'

Continued from page C5

Mr. DeMain's chapter on the "look" gives a thorough account of Peter Blake's design for the "Pepper" album cover but also takes in the psychedelic era's revival of late-Victorian and Edwardian fashions and the Victoria & Albert Museum's influential celebration of Aubrey Beardsley in May 1966. Ms. Gaar's chapter on the "sound" includes just enough trivia about how George Martin and the Beatles weaved in and out of styles.

Recording "With a Little Help From My Friends"—working title "Bad Finger Boogie"—Ringo refused to sing the line, "Would you throw ripe tomatoes at me?" because he feared that, should the band return to touring, audiences would take it as an invitation. "Within You Without You," George Harrison's masterly sitar feature, begins side two of "Sgt. Pepper" because George Martin rejected Harrison's "Only a Northern Song." Mr. McCartney, the son of an old-time musician, had written "When I'm Sixty-Four" in 1957 or 1958; finally he placed it on a record.

Most of the album's tics and tricks had been used to better effect on "Revolver." The great exception is "A Day in the Life." Its splicing of two different song fragments depicts the polarity of the Lennon and McCartney styles and anticipates the divergence that would break up the band. The grandeur—the muffled thunder of Ringo's fills, the reference to an empty Albert Hall, and the orchestra that fills up the song's climax—is essential to the composition. And in the months after the album's release, Mr. McCartney's addition to Lennon's opening section, the provocative "I'd love to turn you on," became a synecdoche for the Summer of Love.

Still, most of the sounds of "Pepper" are better than most of its songs. This may be why only "Lucy in the Sky With Diamonds," "She's Leaving Home" and "A Day in the Life" appear in Andrew Blauner's "In Their Lives." Twenty-nine authors and musicians—New Yorker writer Adam Gopnik gets the inseparable "Strawberry Fields Forever"/"Penny Lane"—testify to the personal meaning of 30 Beatles' songs. Most of the essays record childhood epiphanies and adolescent disillusionments. It is as though the Fab Four were America's babysitters, elder siblings explaining the adult world.

The novelist Mona Simpson recalls dancing with her mother to "Sgt. Pepper" as "kindred spirits, wild fans." Fifty years later, she holds Mr. McCartney's lyric to "She's Leaving Home" as a mirror to the past. Meanwhile, the Beatles were so much a "semipermanent part of the aural environment" in 1970s New York that Thomas Beller was surprised to find out that they were English. Associating "Lucy in the Sky With Diamonds" with his father's death from cancer, Mr. Beller interprets the song's lyrics as caught between "staying within the world of innocence and parents and family and taking a trip." Yet Lennon's psychedelic doggerel clearly advocates the latter course. Only a few contributors transcend solipsism: Mr. Gopnik, despite inventing a chord called a "major fifth," is good on the cultural context. "Strawberry Fields Forever" and "Penny Lane" express the British Invasion's deep "strain of English nostalgia": childhood memories inspired threnodies for England's dying industrial cities.

"Pepper" endures not just because it caught the mood of the Summer of Love, or because it married pop music to the modernist techniques of the collage and the tape loop, or because it sounds quaintly futuristic. "Pepper" endures because it entered the past so quickly. On June 25, 1967, little more than three weeks after the album's release, the Beatles joined Maria Callas and Picasso in the first live international satellite broadcast, for which they performed a new song, "All You Need Is Love." The event initiated our age of simultaneous global media and announced the triumph of television. Like its Edwardian costumes and parping brass, "Pepper" was a colorized document from history—from a past in which music, not the visual image, could still change the world.

"Life," Hegel said, "is essentially the concept which realizes itself through self-division and reunification." The Beatles split up, but their look and sound are inescapable, forever joined. Today it is not necessary to own the Beatles' albums. They are here, there and everywhere, a part of everyone's consciousness—at least for now. Because tomorrow, as Ringo said, never knows.

Mr. Green is a historian, critic and jazz musician.

Why Bad Ideas Come Naturally

Scienceblind

By Andrew Shtulman

Basic, 311 pages, \$30

BY STEVEN POOLE

YOUNG CHILDREN have charmingly inaccurate ideas about how the world works. They classify things as alive if they move (robots) and not if they don't (plants). They can experience an object's heft and bulk, but they don't understand density or atoms. And they think our eyes emit rays that allow us to see things. Such beliefs are what the psychologist and cognitive scientist Andrew Shtulman calls "intuitive theories," and they are, he argues, a big problem—because many persist into adulthood, thus harming our prospects of internalizing the best scientific explanations. And so we have a world in which nearly 80% of Americans support mandatory labeling of "foods containing DNA"—in other words, any food containing plant or animal matter—and in which ungrounded fears about vaccination are causing new outbreaks of measles and other disease.

Mr. Shtulman's fascinating, empathetic book "Scienceblind" is organized by subject area, broadly divided into physics (ideas about mass, heat, gravity, motion, and geology) and biology (ideas about life, growth, disease, and evolution). For each subject, the author recounts the experiments he and others have done to tease out the intuitive theories of both children and adults, and explains how these

theories differ from reality. Even people who understand that you need two wires to make an electrical circuit, for instance, still habitually think of electricity as "juice" that flows through a single cable from the wall to the kettle. And most people intuitively have an "impetus theory" of objects in motion, with an imaginary force (the impetus) that fades over time—even though standard Newtonian physics has no room for such a concept. Disturbingly, when asked to

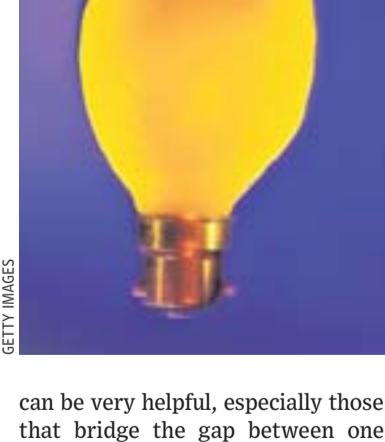
Most people unthinkingly think of electricity as 'juice' that flows through a cable, like a liquid.

consider the story of clean-living person who has contracted a "mysterious and deadly illness," adults are actually twice as likely as children to think it must be Peter's own fault. Some examples of the limits of our intuitive capacities are practical as well as vivid. How much beer, for example, is missing from a pint glass that is underfilled by 0.875 inches? The distressing answer is nearly a quarter of the full amount—because "that standard pint glass is tapered and tapered glasses hold more beer at their top than at their bottom."

The acquisition of scientific knowledge, Mr. Shtulman shows, doesn't overwrite our intuitive theories: the two kinds of theory live alongside each other, in a kind of uneasy

master-slave relationship. Scientists are not people who have no intuitive misconceptions; they're just the ones who have learned to "inhibit" them, most of the time.

From his research, Mr. Shtulman distills some useful ways to improve science education in the classroom and for the adult public. Analogies



can be very helpful, especially those that bridge the gap between one easy example and the counterintuitive truth. (If you push down on a spring, the spring exerts a force upward, right? So, every object on which another object is resting—e.g., a table—is also exerting a similar force upward.) The author also suggests that evolutionary ideas need to be taught before high school, using vividly graspable charts of relationships among species, called cladograms.

In general, he explains: "Students need an explication of their intuitive theories, an explanation for why those theories are flawed, and a demonstration of how scientific theories of the same phenomena fare much better."

So far, so laudable. But the unreliability of our intuitive theories is not the whole story of why people reject science. Mr. Shtulman explains why children think the Earth is flat (it looks that way), though we have known the planet is roughly spherical since ancient Greece. But what the author does not mention is the remarkable modern resurgence of Flat Earth theories on the internet. Many people sincerely believe the world is a disc surrounded by a wall of ice, that gravity does not exist and that stars are merely holographic projections.

The contemporary Flat Earth theory is what I call a zombie idea: one that was apparently killed but still shambles around in a parody of life. Modern Flat Earthers, like other science-denying groups, are motivated by a paranoid distrust of established experts. At one point, Mr. Shtulman writes that general lessons in critical thinking do not measurably improve performance on science tests—but they are surely crucial for creating a citizenry capable of applying skepticism to pseudo-scientific claims of the kind that bombard us every day.

Mr. Poole is the author of "Rethink: The Surprising History of New Ideas."

Mr. Green is a historian, critic and jazz musician.

BOOKS

'A Tory is a thing whose head is in England, and its body in America, and its neck ought to be stretched.' —Old Whig slogan

Redcoats and War Crimes

Scars of Independence

By Holger Hoock

Crown, 559 pages, \$30

BY STEPHEN BRUMWELL

IN THE EARLY HOURS of Sept. 28, 1778, several hundred British redcoats stealthily approached the village of Old Tappan, close to New Jersey's border with New York. Their commander, Maj. Gen. Charles Grey, had ordered them to remove the flints from their muskets to minimize any risk of gunfire that would rob them of surprise as they closed in upon their objective, a Continental Army cavalry regiment billeted in barns nearby. But their long, lethal bayonets were fixed and ready for use. The Americans, believing themselves among friendly inhabitants and safe from attack, were taken unawares when the British burst in. Half asleep, dozens were bayoneted or clubbed with musket butts before they could reach for their weapons and defend themselves. Others who tried to surrender fared no better and were likewise skewered or, in the words of a British officer, "knock'd on the head." Before the bloodshed ended, more than 70 had been killed, wounded or captured.

But as Holger Hoock shows in his "Scars of Independence: America's Violent Birth," the events of that bloody night also resonated long afterward. Shocked at the "massacre" of an elite unit that included the young sons of many prominent Virginian families, Congress swiftly authorized an investigation to document the unwarranted brutality of the British. Its report, conducted to forensic standards and complete with the harrowing depositions of wounded survivors, was widely printed in Patriot newspapers as part of a sophisticated propaganda campaign to prove what Congress called the "savage cruelty" of the British Empire. Mr. Hoock views this as a prescient precursor of later efforts to exploit "war crimes" in order to "control the narrative" and claim the "moral high ground" in a conflict.

In "Scars of Independence," the author aims to restore such little-known episodes of visceral violence to a struggle that he believes to be popularly perceived as a sedate story of "great white men debating independence in Philadelphia's hallowed halls." Drawing upon impressive research, he makes a fluent, original and thought-provoking contribution to American Revolutionary scholarship. By examining a series of case studies, which follow a roughly chronological sequence, and then teasing out their broader significance, Mr. Hoock compellingly argues that the era was characterized

by far more pervasive brutality—both physical and psychological—than prevailing perceptions of a high-minded fight for liberty might suggest.

Well-crafted vignettes reveal how the violence unleashed by the Revolution spread far and wide, leaving few communities immune from its effects. In 1779, for example, the Patriots launched what the author calls a "genocidal" campaign that sought to punish Britain's Native American allies among the Iroquois Confederacy of northern New York by torching their crucial cornfields. Meanwhile the enslaved African-Americans of the South, who were promised freedom by the British, all too often experienced what Mr. Hoock characterizes as "the mutually reinforcing violence of racial oppression and war." In 1781, when a free black Virginian, Shadrack Furman, provided supplies to British

raiders led by the renegade American general Benedict Arnold, vengeful rebels exacted retribution, burning his home and crops, and leaving him blind and crippled.

"Scars of Independence" offers an even-handed study of a partisan conflict. From the outset, Mr. Hoock emphasizes that the Revolutionary War was also America's first civil war, waged between bitterly opposed factions—Patriots who favored independence, and Loyalists determined to stay faithful to King George III—who nonetheless shared much in common: language, religion and, not least, a belief in hallowed political rights. Indeed, the author was inspired to tackle his subject after being struck by the many memorials in English churches that commemorate Loyalists who had been forced into exile from their native land.

In terms of population the Revolu-

tionary War was bloodier for American combatants than any in the nation's history—with the exception of that other, catastrophic civil war between the states. The death rate among prisoners of war was unequaled: Poor hygiene, epidemic illness, mismanagement and deliberate cruelty resulted in truly appalling attrition, especially among Patriot prisoners crammed aboard the foul British prison ships, or "hulks," moored off New York City.

While "Scars of Independence" lays unflinchingly bare, the American Revolution and the war that confirmed it were restrained affairs when set against the bloody excesses of the Old World.

alists who endured the ordeal of tarring and feathering at the hands of Patriot mobs (an experience portrayed in a shockingly effective scene in the HBO drama "John Adams"). And by exploiting the surviving court martial records of the British army, Mr. Hoock is able to give a voice to a Long Island widow, Elizabeth Johnstone, who was raped by two drunken redcoats who thought her nothing better than a "Yankee whore."

The fact that Mrs. Johnstone's attackers were both convicted and hanged for their crime is instructive. While many other such assaults must have gone unreported, or unprosecuted, such official action to protect civilians suggests the British army was

Far from a high-minded fight for liberty, the war was characterized by brutality on both sides.

not entirely unaware of the importance of winning that other battle, for "hearts and minds." As the conflict ground on, George Washington spared no effort to ensure that the unruly behavior of his own army did not alienate the civilian support upon which the American cause depended. The Continental Army's discipline grew tougher: Starving men who plundered farms for food could expect a flogging; more vicious marauders faced execution.

Mr. Hoock is likely right that the violence of the American Revolutionary era has been underemphasized, but for the sake of perspective it's perhaps useful to draw comparisons with events across the Atlantic during the decade or so following Britain's grudging recognition of American independence. For sheer ferocity, the American Revolution produced nothing to compare with the August 1792 massacre of some 600 Swiss Guards, who were literally hacked to pieces as they tried to defend the Tuilleries Palace in Paris. And when the Poles were inspired by the French revolutionaries to rebel against Russian rule, they were crushed with pitiless brutality: On a single day in November 1794, up to 20,000 insurgents were massacred outside Warsaw. For all its undoubtedly brutality, which "Scars of Independence" lays unflinchingly bare, the American Revolution and the war that confirmed it were restrained affairs when set against the bloody excesses of the Old World.

Mr. Brumwell's books include "White Devil: A True Story of War, Savagery, and Vengeance in Colonial America."



TARRED & FEATHERED 'A New Method of Macaroni Making, as practised at Boston, 1774. A 'macaroni' was a dandy.'

Continued from page C5
Samuelson replied, "with a good thick pencil, you can do it."

Just as Samuelson won his skirmish with Viner, he won his war with the profession. Almost any theoretical article in an economics journal today bristles with mathematical formulas. And nearly every proposition makes an assertion that, in principle, could be refuted empirically. Samuelson was interested only in mathematical derivations whose assumptions and conclusions could be checked by *observation*. He had no use for a statement such as "Alice likes apples twice as much as bananas" because there is no experiment that could test such a claim.

Samuelson's own work divides into two categories: *methodological* contributions, which develop technical tools for generating hypotheses in a broad range of applications (his Ph.D. thesis falls largely into this category; after some revision it was published, in 1947, as "Foundations of Economic Analysis," his second most cited work), and *substantive* contributions, which use the tools to derive novel hypotheses in specific settings. (Samuelson proposed novel hypotheses for an astonishingly wide variety of economic subfields: public finance, international trade, business cycles, political economy, welfare economics, consumer demand, monetary theory and more.)

Among other tools, Samuelson developed a technique he called the Le Chatelier Principle (after the 19th-century chemist Henri Le Chatelier, a theorist of equilibrium). To picture this principle in action, imagine a manufacturer (which uses labor and machinery) responding to a fall in the wage rate (that is, the cost of labor). We should not be surprised if the

lot of rice makes inefficient use of high-skilled workers' abilities. So when trade opens up, American production will naturally shift away from rice and toward smartphones. The smartphones that Americans don't consume will be exported, and the rice demanded by Americans but not grown domestically will be imported.

Because this arrangement uses the labor force more efficiently, American consumers will have both more smartphones and more rice than before. So GDP is higher because of trade. Moreover, high-skilled workers are better off, because the increase in smartphone production puts them in higher demand and so increases their wages. But less-skilled workers are worse off: Their wages fall with the decline in domestic rice production.

In terms of population the Revolu-

tionary War was bloodier for American combatants than any in the nation's history—with the exception of that other, catastrophic civil war between the states. The death rate among prisoners of war was unequaled: Poor hygiene, epidemic illness, mismanagement and deliberate cruelty resulted in truly appalling attrition, especially among Patriot prisoners crammed aboard the foul British prison ships, or "hulks," moored off New York City.

While "Scars of Independence" lays unflinchingly bare, the American Revolution and the war that confirmed it were restrained affairs when set against the bloody excesses of the Old World.

(then a backwater in economics) is anti-Semitism. (Samuelson preferred to say simply that MIT made him a better offer.) While not denying the role of anti-Semitism, Mr. Backhouse quotes a long letter from E.B. Wilson to Samuelson making a strong case that his protégé would be better off at MIT for intellectual reasons. In any case, Samuelson made the move and remained at MIT for the rest of his life.

Samuelson's textbook, which had substantial Keynesian elements, was strongly attacked by the chairman of the Visiting Committee to MIT's economics department as likely to bring "discredit" on the institute. The matter was quelled only when MIT's vice president stood up to the chairman and vigorously defended Samuelson's academic freedom.

Samuelson always insisted that he counted Milton Friedman as a friend, despite their professional differences. But, as a letter from Friedman to a Chicago colleague reveals, Friedman tried (unsuccessfully) to block a job offer that Chicago made to Samuelson in 1946-47. He complained about Samuelson's Keynesianism.

Of course, there is much that is missing from Mr. Backhouse's book—in particular, two-thirds of Samuelson's life. This later period includes his more mature papers—his best, in my view, especially a masterpiece on money and overlapping generations—as well as the development of the MIT economics department into the powerhouse that now leads graduate teaching in the U.S. and the world. All good reasons to look forward to volume two.

Mr. Maskin, a Nobel laureate in economics, is Adams University Professor at Harvard.

The Life of Paul A. Samuelson

Continued from page C5
Samuelson replied, "with a good thick pencil, you can do it."

Just as Samuelson won his skirmish with Viner, he won his war with the profession. Almost any theoretical article in an economics journal today bristles with mathematical formulas. And nearly every proposition makes an assertion that, in principle, could be refuted empirically. Samuelson was interested only in mathematical derivations whose assumptions and conclusions could be checked by *observation*. He had no use for a statement such as "Alice likes apples twice as much as bananas" because there is no experiment that could test such a claim.

Samuelson's own work divides into

two categories: *methodological* contributions, which develop technical tools for generating hypotheses in a broad range of applications (his Ph.D. thesis falls largely into this category; after some revision it was published, in 1947, as "Foundations of Economic Analysis," his second most cited work), and *substantive* contributions,

which use the tools to derive novel hypotheses in specific settings. (Samuelson proposed novel hypotheses for an astonishingly wide variety of economic subfields: public finance, international trade, business cycles, political economy, welfare economics, consumer demand, monetary theory and more.)

Among other tools, Samuelson developed a technique he called the Le Chatelier Principle (after the 19th-century chemist Henri Le Chatelier, a theorist of equilibrium). To picture this principle in action, imagine a manufacturer (which uses labor and machinery) responding to a fall in the wage rate (that is, the cost of labor). We should not be surprised if the

lot of rice makes inefficient use of high-skilled workers' abilities. So when trade opens up, American production will naturally shift away from rice and toward smartphones. The smartphones that Americans don't consume will be exported, and the rice demanded by Americans but not grown domestically will be imported.

Because this arrangement uses the labor force more efficiently, American consumers will have both more smartphones and more rice than before. So GDP is higher because of trade. Moreover, high-skilled workers are better off, because the increase in smartphone production puts them in higher demand and so increases their wages. But less-skilled workers are worse off: Their wages fall with the decline in domestic rice production.

In terms of population the Revolu-

tionary War was bloodier for American combatants than any in the nation's history—with the exception of that other, catastrophic civil war between the states. The death rate among prisoners of war was unequaled: Poor hygiene, epidemic illness, mismanagement and deliberate cruelty resulted in truly appalling attrition, especially among Patriot prisoners crammed aboard the foul British prison ships, or "hulks," moored off New York City.

While "Scars of Independence" lays unflinchingly bare, the American Revolution and the war that confirmed it were restrained affairs when set against the bloody excesses of the Old World.

(then a backwater in economics) is anti-Semitism. (Samuelson preferred to say simply that MIT made him a better offer.) While not denying the role of anti-Semitism, Mr. Backhouse quotes a long letter from E.B. Wilson to Samuelson making a strong case that his protégé would be better off at MIT for intellectual reasons. In any case, Samuelson made the move and remained at MIT for the rest of his life.

Samuelson's textbook, which had substantial Keynesian elements, was strongly attacked by the chairman of the Visiting Committee to MIT's economics department as likely to bring "discredit" on the institute. The matter was quelled only when MIT's vice president stood up to the chairman and vigorously defended Samuelson's academic freedom.

Samuelson always insisted that he counted Milton Friedman as a friend, despite their professional differences. But, as a letter from Friedman to a Chicago colleague reveals, Friedman tried (unsuccessfully) to block a job offer that Chicago made to Samuelson in 1946-47. He complained about Samuelson's Keynesianism.

Of course, there is much that is missing from Mr. Backhouse's book—in particular, two-thirds of Samuelson's life. This later period includes his more mature papers—his best, in my view, especially a masterpiece on money and overlapping generations—as well as the development of the MIT economics department into the powerhouse that now leads graduate teaching in the U.S. and the world. All good reasons to look forward to volume two.

Mr. Maskin, a Nobel laureate in economics, is Adams University Professor at Harvard.

Continued from page C5
Samuelson replied, "with a good thick pencil, you can do it."

Just as Samuelson won his skirmish with Viner, he won his war with the profession. Almost any theoretical article in an economics journal today bristles with mathematical formulas. And nearly every proposition makes an assertion that, in principle, could be refuted empirically. Samuelson was interested only in mathematical derivations whose assumptions and conclusions could be checked by *observation*. He had no use for a statement such as "Alice likes apples twice as much as bananas" because there is no experiment that could test such a claim.

Samuelson's own work divides into

two categories: *methodological* contributions, which develop technical tools for generating hypotheses in a broad range of applications (his Ph.D. thesis falls largely into this category; after some revision it was published, in 1947, as "Foundations of Economic Analysis," his second most cited work), and *substantive* contributions,

which use the tools to derive novel hypotheses in specific settings. (Samuelson proposed novel hypotheses for an astonishingly wide variety of economic subfields: public finance, international trade, business cycles, political economy, welfare economics, consumer demand, monetary theory and more.)

Among other tools, Samuelson developed a technique he called the Le Chatelier Principle (after the 19th-century chemist Henri Le Chatelier, a theorist of equilibrium). To picture this principle in action, imagine a manufacturer (which uses labor and machinery) responding to a fall in the wage rate (that is, the cost of labor). We should not be surprised if the

lot of rice makes inefficient use of high-skilled workers' abilities. So when trade opens up, American production will naturally shift away from rice and toward smartphones. The smartphones that Americans don't consume will be exported, and the rice demanded by Americans but not grown domestically will be imported.

Because this arrangement uses the labor force more efficiently, American consumers will have both more smartphones and more rice than before. So GDP is higher because of trade. Moreover, high-skilled workers are better off, because the increase in smartphone production puts them in higher demand and so increases their wages. But less-skilled workers are worse off: Their wages fall with the decline in domestic rice production.

In terms of population the Revolu-

tionary War was bloodier for American combatants than any in the nation's history—with the exception of that other, catastrophic civil war between the states. The death rate among prisoners of war was unequaled: Poor hygiene, epidemic illness, mismanagement and deliberate cruelty resulted in truly appalling attrition, especially among Patriot prisoners crammed aboard the foul British prison ships, or "hulks," moored off New York City.

While "Scars of Independence" lays unflinchingly bare, the American Revolution and the war that confirmed it were restrained affairs when set against the bloody excesses of the Old World.

(then a backwater in economics) is anti-Semitism. (Samuelson preferred to say simply that MIT made him a better offer.) While not denying the role of anti-Semitism, Mr. Backhouse quotes a long letter from E.B. Wilson to Samuelson making a strong case that his protégé would be better off at MIT for intellectual reasons. In any case, Samuelson made the move and remained at MIT for the rest of his life.

Samuelson's textbook, which had substantial Keynesian elements, was strongly attacked by the chairman of the Visiting Committee to MIT's economics department as likely to bring "discredit" on the institute. The matter was quelled only when MIT's vice president stood up to the chairman and vigorously defended Samuelson's academic freedom.

Samuelson always insisted that he counted Milton Friedman as a friend, despite their professional differences. But, as a letter from Friedman to a Chicago colleague reveals, Friedman tried (unsuccessfully) to block a job offer that Chicago made to Samuelson in 1946-47. He complained about Samuelson's Keynesianism.

Of course, there is much that is missing from Mr. Backhouse's book—in particular, two-thirds of Samuelson's life. This later period includes his more mature papers—his best, in my view, especially a masterpiece on money and overlapping generations—as well as the development of the MIT economics department into the powerhouse that now leads graduate teaching in the U.S. and the world. All good reasons to look forward to volume two.

Mr. Maskin, a Nobel laureate in economics, is Adams University Professor at Harvard.

BOOKS

'The worse the country, the more tortured it is by water and wind . . . the more it attracts fossil hunters, who depend on the planet to open itself to us.' —Jack Horner

Cowboys and Dinosaurs

Dragon Teeth

By Michael Crichton

Harper, 295 pages, \$28.99

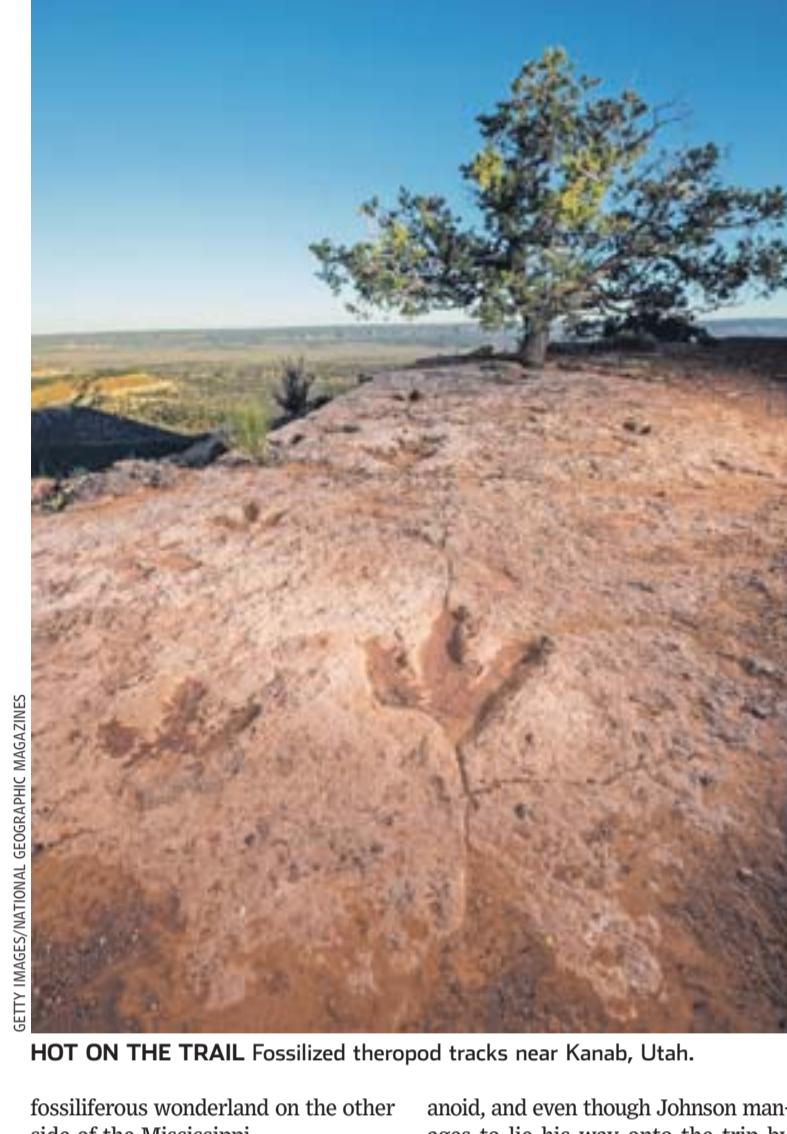
BY BRIAN SWITEK

THERE IS A ROMANCE to paleontology digs, an undeniable draw to the wide-open spaces where extinct monsters rest, to be exhumed only with arduous pick and shovel work. Heat, thunderstorms and biting insects are constant companions, but species as yet unknown call out just the same. With summer setting in, paleontologists around the country are gearing up to follow the pull, just as they have done since the beginning of the science. But even the most strenuous modern expedition pales in comparison to a time that paleontologists hold up as legendary. The late-19th-century Bone Wars pitted two naturalists against each other for the title of America's greatest paleontologist, the rivals building their reputations on the bones pouring out of the Western states. This era is the backdrop for Michael Crichton's posthumous novel "Dragon Teeth," an homage to pulp as much as paleo.

Anyone who has cracked open a book on fossils has at least heard of the Bone Wars. Also known as the Great Dinosaur Rush, this founding conflict in American paleontology ran from about 1877 to 1892, with the naturalists Edward Drinker Cope of Philadelphia and Othniel Charles Marsh of Yale trying to discover and name as many prehistoric species as possible. The two had started off as friends after meeting while studying in Europe, but, as the story goes, their relationship disintegrated when Marsh bribed some workers at a New Jersey marl pit to funnel fossils to him instead of Cope. From then on, the two did everything they could to promote themselves while undermining each other.

The actual events of the Bone Wars need no embellishment. Details of the "bitter warfare," as the New York Herald called it in 1890, have been told over and over again in books, comics and documentaries. The question, then, is what Crichton's novelization (written in the mid-1970s) brings to an already famous story of egocentric personalities and skulduggery.

The fictional protagonist of "Dragon Teeth" is William Johnson, a snooty young Yale student with more pride than talent. On a dare, Johnson decides to head out West to prove his masculinity, and his best ticket there is Marsh's annual expedition to the



HOT ON THE TRAIL Fossilized theropod tracks near Kanab, Utah.

fossiliferous wonderland on the other side of the Mississippi.

The real Marsh had a stern and cautious demeanor. One early acquaintance likened getting to know him to "running against a pitchfork,"

Michael Crichton's Wild West Show of a book is based on the Bone Wars of old-time paleontology.

and he was so serious that his classmates at college called him Captain. Marsh was notoriously suspicious of visitors as well, always wanting to know "the whys and wherefores" of questions being asked. Crichton turns all these traits up to 11. When Johnson insists that he must go West, Marsh retorts: "Young man, the only place you must go is away." Their relationship doesn't improve much. Crichton's Marsh is relentlessly brusque and par-

anoid, and even though Johnson manages to lie his way onto the trip by claiming that he could act as the expedition's photographer, Marsh quickly ditches the young man under suspicions that the undergrad is working for the rival Cope.

That's precisely who Johnson meets in a Cheyenne, Wyo., hotel after being abandoned by Marsh's crew. In most historical retellings, as well as Crichton's novel, Cope comes off as the more charming and amenable naturalist. He could certainly give as good as he got when hurling academic insults and was reportedly just as cantankerous as his nemesis, but the Cope whom Johnson encounters is more the stereotype of a highly driven and sometimes cranky scientist. "Quick, energetic, even nervous," Johnson assesses upon their first meeting, but not the monster Marsh had portrayed. And it's with Cope that Johnson finally stumbles across the Jurassic McGuffins that drive the rest of the story—the titular "Dragon Teeth."

As often happens in the field,

Johnson makes a stunning find by accident. What initially appear to be unremarkable boulders turn out to be the huge teeth of a Brontosaurus. "Each man had examined the teeth, felt their ridges and knobs, weighed their heft in one hand," Crichton writes, but this turns out to be a dinosaur-size club on Crichton's part. The teeth of long-necked dinosaurs were ludicrously tiny—the tooth of an 80-foot Diplodocus looks like an enamel-covered golf pencil—and it was Marsh, rather than Cope, who named the great "thunder lizard."

A run-in with angry Sioux during a prospecting trip pushes Johnson, teeth in tow, off course through the Badlands to the lonely, lawless town of Deadwood, S.D. There he finds himself stuck with a load of mysterious treasure the entire town wants to get a peek at. Shovels are traded for six-shooters as Johnson runs afoul of the local bullies, but, as luck would have it, sharpshooters Wyatt and Morgan Earp just happen to be in town and for hire. "Bring ammunition and plenty of whiskey, and don't worry any further," the legend of Tombstone tells the jittery young man. "You have Wyatt Earp on your side now." Crichton's hero is effectively a dust-covered Forrest Gump, bumping into 19th-century celebrities everywhere he goes.

From Deadwood it's a wild dash to Cheyenne and some familiar, if not exactly friendly, faces. And while the novel's afterword praises Crichton's love of history and attention to detail, the Bone Wars are really just a setting for Johnson's adventures. But that's what sets "Dragon Teeth" apart from the techno-thrillers that Crichton built his career on. "Dragon Teeth" revels in the juvenile fun of shoot-outs, stagecoach chases and double crosses. There's no stand-in for Crichton himself, as Ian Malcolm was in the "Jurassic Park" novels, to wax philosophical about the nature of science and technology, and, as might be expected for an unpublished manuscript, Crichton's writing here isn't as juicy with detail as in his later work. "Dragon Teeth" isn't so much a novel with something to say about the nature of science as it is a ride through a romanticized piece of Americana. Still, though we can be thankful that modern paleontology involves less gunplay, Johnson's rollicking journey through the West makes for more of a page-turner than most field reports.

Mr. Switek is the author of "My Beloved Brontosaurus: On the Road With Old Bones, New Science, and Our Favorite Dinosaurs."

FICTION CHRONICLE: SAM SACKS

Shelf Help



HATS OFF TO Richard Russo for complicating one of today's more complacent cultural pities—the notion that people who read fiction are more empathetic than those who don't. In "Horseman," the first of the four long stories making up "Trajectory" (Knopf, 243 pages, \$25.95), we meet a beleaguered literature professor, Janet Moore, whose anxieties include plagiarized student essays, a strained marriage and a fragile relationship with her autistic son, who prefers her husband's company. Books are her livelihood and her problem. She has used, she realizes, "the study of literature to distance herself and build a fortress around her heart."

"Voice" features another isolated, self-doubting academic, one who claims "his true love has always been Jane Austen." Again Mr. Russo perceptively explores his bookworm's awkward confrontations with disorderly reality, in this case a student with Asperger's. An alternating narrative follows his trip to northern Italy

For Richard Russo's bookworms, literature isn't a consolation, it's a fortress around the heart.

to recover from his mistakes in the classroom. But literature haunts this getaway too. "I reread 'Death in Venice' on the plane," he tells people, "which failed to cheer me up."

"Milton and Marcus," in which a novelist navigates the shark tank of Hollywood, is the book's odd duck out, as Mr. Russo lacks the nasty streak needed for a showbiz sendup. But "Intervention," about a Maine real-estate agent reluctantly coming to terms with a cancer diagnosis, is another of the author's peerless depictions of small-town life. The title "Trajectory" nicely evokes the arc of Mr. Russo's career. His novel "The Risk Pool" (1988) charted the stumbles and heartbreaks of growing up; "Empire Falls" (2001) was his masterly saga of parenthood; "Intervention" brings the same rueful humor and casual intimacy to the trials of aging and illness. "They were human and there was no app for that," the seasoned main character reflects. He's part of a flawed but highly sympathetic cast groping toward improvement—with books or without them.

The dangers of childhood are central to Erin Pringle's story collection "The Whole World at Once" (Vandalia Press, 243 pages, \$17.99) and Tessa Hadley's "Bad Dreams and Other Stories" (Harper, 224 pages, \$26.99). Ms. Pringle casts a somber gaze at the formative traumas that beset blue-collar America. In "The Wandering House," a young woman is disfigured in a meth-lab explosion. The subtly disquieting tale "The Boy Who Walks" depicts a child's personality change after he nearly freezes to death while wandering through the snow. "After that day, the boy's different. Like his own ghost thinks he died, though he didn't, but now tags him everywhere he goes." You can feel that Ms. Pringle has labored over her sentences, giving them the strength of tempered steel. She has a knack for the cinematic image as well.

In "When the Frost Comes," when a girl discovers her mother dead of a brain aneurysm, she notices a tire outside "swinging from the tree in large sweeps." Hours later they are still alone in the house and the tire swing has stopped.

In contrast to these close-ups of catastrophe, Ms. Hadley's stories widen out, deftly employing the free indirect third-person style to shift among differing perspectives and portray the vagaries of firsthand impressions. The girl in "One Saturday Morning" spies her mother in an embrace with a widower during a dinner party, but there's more to the scene than her imagination can assimilate. "An Abduction" concerns a 15-year-old girl who, one summer's day in the 1960s, is picked up by a carful of stoned college kids. Despite the fearfulness of the premise, her experience turns out to be joyous and singular; decades later, a coda reveals, she will cherish it as a memory of "real life." Ms. Hadley seeks out the secrets embedded in the ordinary, and though this collection is more variable than her best work—the 2013 novel-in-stories "Clever Girl"—it's filled with these odd and glittering nuggets.

The Eternal Feminine

Like Death

By Guy de Maupassant

NYRB, 218 pages, \$15.95

BY MARTIN RIKER

WE KNOW Guy de Maupassant (1850-93) as France's greatest practitioner of the short story. He is as widely anthologized as O. Henry and is known, in the U.S. at least, for much the same thing: the carefully contrived tale-like plot with a surprise ending. But while O. Henry made a career of such light-hearted "twist" tales, for Maupassant they were only a small part of a diverse lit-

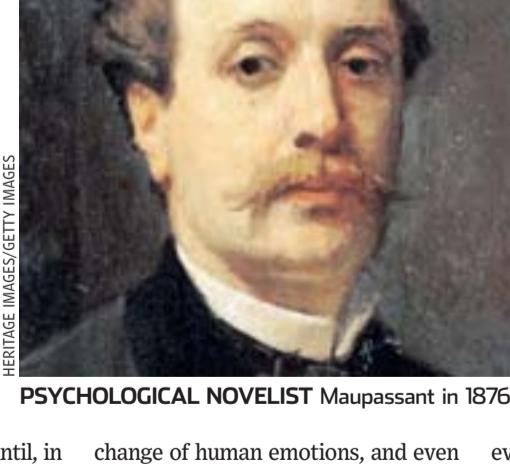
with fresh translations of his later works. In 2008 came "Afloat," Douglas Parmée's magnificent rendering of "Sur l'eau" (1888), a work of travel writing that expands lyrically into historical and personal anecdotes, polemics and dreams. In 2009, the venerable Richard Howard gave us "Alien Hearts," a translation of Maupassant's final novel, "Notre Coeur" (1890). Now Mr. Howard has followed with "Like Death," his version of the 1889 psychological novel "Fort comme la mort."

A story of love's destructive irrational power—think Proust's "Swann in Love"—"Like Death" centers on Olivier Bertin, a famous painter who in his youth began an affair with Anne, Comtesse de Guilleroy. Now entering their 40s, the lovers remain as devoted as ever, though Anne, still married, lately worries that Olivier will tire of bachelorhood and seek a wife. He assures her otherwise, yet both have grown anxious, she about losing him, he about his art, "the fear of being depleted, of having reached the end of his inspiration." At the height of their powers, they find themselves teetering on decline, "like one of those rosebushes that keep blooming all season until, in an hour, they fall to pieces."

The falling-to-pieces starts when Anne's daughter Annette returns from her schooling, grown-up and bearing a striking resemblance to her mother. Faced with a younger, more beautiful version of his lover, Olivier grows increasingly obsessed with Annette, though he refuses to admit to himself the power her youth holds over him. Meanwhile, Anne suffers not only the loss of her lover's attention but the revelation, when compared to her daughter, of her own

fleeting beauty: "This face suddenly seemed to her that of another woman, a new face that was distorted, decomposed, irreparably diseased." In the simplest terms, "Like Death" is the story of two lovers sharing a mid-life crisis, each struggling to understand the other's feelings and to reason through their own.

Like other great psychological novelists (Henry James was an admirer, as was Tolstoy), Maupassant proves a master at capturing the slow sea



PSYCHOLOGICAL NOVELIST Maupassant in 1876.

change of human emotions, and even more their complexity. There is plenty of despair in "Like Death," but in place of the anger or resentment we might expect between two characters destroying themselves, there's remarkable sympathy. Anne realizes early her daughter's effect on Olivier and warns him of the impending catastrophe: "When you've reflected you'll understand that I pointed out a great danger to you when there was still time to escape from it." When, much later, Olivier finally does admit how deeply he's fallen, they discuss it

as friends, both terrified by the destruction to their own love this new passion has wrought. They commiserate that it is not really Annette he loves but rather her likeness to her mother; the true source of their self-destruction is not a new love but the ghost of their old one. "From this natural and willed resemblance," says Maupassant's narrator, "was born in the painter's mind and heart the whimsical impression of a double being, old and new, intimately known

and almost unknown . . . of the same woman perpetuated, rejuvenated, having become once more what she had been."

Maupassant's tragedy is built upon such sophisticated ironies and complicated sympathies. Passion is not idealized but fraught with self-consciousness, while lust looks more like a desperate form of adulthood. The sources of anxiety are never simple but always multiple, such as when a performance of Gounod's "Faust" sends Olivier immediately from thoughts of art to age and love: "He felt old, done for, lost! Ah! To expect no more of life, to have no hope, no further expectations, to be waiting for nothing more, to be hoping for nothing more, no longer to have even the right to desire."

The result is a wonderfully mundane tragedy, albeit with a dramatic end. Maupassant does not plumb the depths of the psyche as voraciously as Dostoevsky or Henry James, but he turns an impassioned chronicle of destructive love into a very modern-seeming portrait of aging, friendship and loss.

Mr. Riker teaches English at Washington University in St. Louis. His novel, "Samuel Johnson's Eternal Return," will be published next year.

BOOKS

'The destiny of nations depends on how they nourish themselves.' —Jean Anthelme Brillat-Savarin

The American Bazaar

Grocery

By Michael Ruhlman
Abrams Press, 307 pages, \$28

BY RIEN FERTEL

IS THERE ANY PLACE more American than the supermarket? Forget the airport and the voting booth; for nearly a century, the one-stop shop has remained a temple of consumerism, not to mention our particular form of consumerist anxiety. "What peaches and what penumbras!" Allen Ginsberg wrote in "A Supermarket in California" (1956). "Whole families shopping at night! Aisles full of husbands! Wives in the avocados, babies in the tomatoes!" Three decades later, a pre-presidential Boris Yeltsin marveled at pudding pops in a Houston-area grocery store and later wrote in his memoirs that "when I saw those shelves crammed with hundreds, thousands of cans, cartons and goods . . . I felt quite frankly sick with despair for the Soviet people." In "White Noise," Don DeLillo's post-modern novel about, in part, the alienation caused by the modern American supermarket, the author writes that "here we don't die, we shop. But the difference is less marked than you think."

In "Grocery: The Buying and Selling of Food in America," Michael Ruhlman is only slightly less cynical. "Supermarkets illuminate what we care about, what we fear, what we desire," often simultaneously. Products that might make us live longer share a space with name brands that will most certainly shorten our life spans. Wobbly-wheeled shopping carts now come SUV-size—some are even equipped with drink holders—but also cause more than 24,000 injuries involving children each year. We demand out-of-season bananas, tomatoes and apples—in his 1985 novel, Mr. DeLillo is awed by the half-dozen varieties for sale, a pitfall in today's produce aisle—while insisting that grocers act responsibly and sustainably. Supermarkets are America's "invisible behemoth," Mr. Ruhlman warns, despite the fact that we shop at them, on average, twice a week—ignore the elephant in the aisles at your own peril.

In this book, Mr. Ruhlman returns to a conceit that worked wonderfully in "The Soul of a Chef" (2000), which investigated the American restaurant revolution by tracing the fortunes of a pair of cooks turned celebrity chefs, Thomas Keller and Michael Symon. Here the focus is on his beloved hometown supermarket,



ASILE BE THERE The Super Giant supermarket in Rockville, Md., in 1964.

Heinen's Grocery Store, a Cleveland-based chain with 23 locations in Ohio and Illinois. Joe Heinen opened the first one in 1933, three years after Michael Cullen launched "the first true supermarket," in Mr. Ruhlman's designation: King Kullen in Queens, N.Y. Heinen, like Cullen, stockpiled meat, seafood, dairy, produce and groceries, often at a discount, under a single roof. (King Kullen's slogan was "Pile it high. Sell it low.")

There are now 38,000 grocery stores in America, some as large as 90,000 square feet. Heinen's has annual sales of some \$600 million—on a margin of only 1.25% to 1.5%, typical of the industry. "You do sales of half a billion dollars," a Heinen's executive notes to Mr. Ruhlman, "and you only have profit of \$5 million—what kind of a business is that?" With the blessing of its current owners, twin brothers Tom and Jeff Heinen, Mr. Ruhlman shadows a range of Heinen's employees, a unionized workforce earning

full benefits and vacation pay. He learns firsthand the art of bagging groceries: Inspect what's coming down the conveyor belt; lettuce, not

world's only supermarket chain that employs a chief medical officer and takes pride in thinking responsibly and sustainably when stocking the

The first supermarket, King Kullen, opened in 1930 in Queens, N.Y., with the slogan 'Pile it high. Sell it low.'

eggs, is the most fragile item; cold cuts always go on top. He scouts new products—probiotics and beef jerky are hot—at fancy food shows with Heinen's buyers. In the prepared-foods department, or "high-end leftovers," in Mr. Ruhlman's words, he gushes about the chain's popular Chicken Romano. And he forages for wild edibles and medicinals in Cleveland parks with the corporation's Thoreau-quoting "wellness" promoter and chief medical officer, Dr. Todd Pesek.

Though Heinen's might be the

perimeter of each store with produce, dairy, meat and fish, each location still must pack its center aisles with Wonder Bread, Bud Light and a host of "the most worked-over, processed, and heavily marketed products on earth." The author rightly regards this "heart of abundance," the grocery's central cavity, as a "food desert," a term most often used to describe neighborhoods with little to no access to affordable healthy foods.

Today the average supermarket

carries 40,000 to 50,000 different products—that's up from just 200 items when the modern grocery store was born. Twenty thousand new items are introduced each year; including, according to Mr. Ruhlman, inordinate varieties of Oreos. On a recent visit to my local supermarket, I counted 28 different flavors, shapes and sizes of the cookie lining a single aisle. There are just too many items to buy.

It's not rare for even the most mildly ambitious of home cooks to supplement their supermarket shopping with visits to the local farmers market, a wholesaler like Costco and any number of niche stores: the artisan bakery, whole-animal butcher shop, cheese monger, Asian and Latin food marts, and trusted bottle shop. Now the best grocery stores compete in a crowded marketplace by combining all of the above while becoming obligatory shopping, and even tourist, destinations. Wegmans, an East Coast chain frequently named America's top grocery, and Central Market, an upscale offshoot of Texas' H-E-B ("Here Everything's Better"), have generated the kind of fervent fan bases once limited to sports franchises. No trip to San Francisco is complete without a stop at one of two Bi-Rite locations. While New York City sightseers now skip the once-mandatory visits to Macy's and FAO Schwarz to gaze and graze upon the more than 50,000 square feet of Eataly—an Italian megastore imported to these shores by food personalities Mario Batali and Lidia and Joe Bastianich.

Mr. Ruhlman's skillful portrait of Heinen's might make you want to catch a flight to Cleveland—and as soon as possible. As groceries grow in size (Jungle Jim's International Market outside Cincinnati recommends first-time visitors allot two to four hours to peruse the 150,000-plus products on display), Jeff Heinen fears that the supermarket will eventually go the way of the suburban shopping mall. "We'll be prepared food and specialty products," he tells Mr. Ruhlman. Everything else, all those center-aisle products, in his estimation, will be delivered via Amazon. But before that great rearranging of the shelves takes place, we will steer our shopping carts up and down increasingly unfamiliar aisles, filling the basket with kale chips, yogurts and flavored waters, trying to remember where we'd last seen the Cream of Wheat.

Mr. Fertel is a former grocery store owner and the author, most recently, of "The One True Barbecue."

Growing Up in the Maison

The Mighty Franks

By Michael Frank

Farrar, Straus & Giroux, 304 pages, \$26

BY MOIRA HODGSON

WHEN HE IS 8 years old, Michael Frank overhears his aunt say that she loves him "beyond life itself." She tells his mother that Michael is the most marvelous child she's ever known. "I wish he were mine." She seems to mean it.

Her name is Harriet Frank Jr., but she is known in the family as "Hank." She and her husband, Irving Ravetch, are Hollywood screenwriters: "The

A boy held in the orbit of his glamorous aunt, who employs every wile to make him hers alone.

Long Hot Summer," "Hud," "Norma Rae." They are childless and doubly Michael's aunt and uncle. (Each has a sibling who is one of Michael's parents.) They live just three blocks away from him in Laurel Canyon, and Michael's grandparents live nearby.

It all seems to have made for an unusual childhood, almost gothic in its strange intensities and yet intoxicating, too, at times. With "The Mighty Franks"—a phrase his aunt uses to describe the close-knit clan—Mr. Frank, a book critic and essayist, has written a marvelous, clear-eyed memoir about his eccentric family but especially about his glamorous but dangerously possessive Aunt Hank.

She tells him: "You and I, Lovey,

"It's time to get started, quick-quick, on reading grown-up novels."

Over the next few years, to train her precocious nephew's eye, she takes him on shopping trips "noodling around" for art and antiques, dismissing certain items as "mo-derne" or "country" or "Shaker-shmeker." Mr. Frank writes that he felt clever "merely by being with her and listening to her, learning what



THEIR KIND The Franks in Santa Monica, ca. 1944.

she had to teach, absorbing some of her spark—her sparkle."

Aunt Hank believed in absolutes, and Mr. Frank calls her a "jugger-naut of unstoppable opinion." It was "yes" to the Renaissance, "no" to the Middle Ages; Periclean Athens made the grade but not those "death-obsessed and stylizing ancient Egyptians or those copyists and engineers the Romans." Faulkner (two of whose books she and her husband adapted into films) was permitted

but not Hemingway and not Fitzgerald, who "was a drunk who drove his wife mad." Mr. Frank writes of himself: "Did a boy dare speak up, ever? Sure he did. He spoke up to parrot and assent, agree and confirm. It was the only way."

Aunt Frank's house, which she calls the "maison," is jam-packed with paintings of aristocrats and souvenirs of the Grand Tour, including an onyx

figure of Napoleon, for whom she has had a lifelong passion—"not because he was a dictator, mind you, but because he wrote the most beautiful love letters and freed the Jews from the ghetto."

As she rides around with the boy captive in the car, Aunt Hank becomes increasingly manipulative.

"You have to know that it would be perfectly all right if you told me what you felt deep down about your father or . . . your mother. You know I would always understand."

Michael, now 13, reacts to her remarks by "going dead."

Meanwhile Uncle Irv comes across as an acquiescent figure, though eccentric in his own way. When faced

with a shelf of floor solvents, Mr. Frank writes, Irv "would hold up to the light first one bottle and then another, evaluating them in mock imitation of the way other men might evaluate a fine burgundy."

Irv's place for strategic retreat is his private walk-in closet, where he goes to smoke cigars. Michael likes to join him there because it is a refuge from his aunt, at least for a while.

One afternoon at the maison, when Michael is still 13, his aunt looks at him with "glittering eyes." She turned

to Irv. "Don't you wish he were ours?" she says, her voice "cracking and her face suddenly full of desire." "Let's steal him!" Michael begins to worry that she has some kind of mental imbalance that makes her yearn to do just that, a worry that is hardly assuaged when she confides: "Sometimes, Lovey, affinity trumps blood—do you know what I mean by that?"

"The Mighty Franks" develops an almost thriller-like pace as Michael begins to draw away from his increasingly desperate aunt. When he turns down an invitation from her she becomes like a character in a Roald Dahl story, terrifying and disruptive. Mr. Frank writes: "Philip Roth somewhere mocks Henry James for describing moments in which characters are said to rear up. Who, he wonders, rears up in actual life? Roth never laid eyes on my aunt."

The color scheme of the maison, habitually changed according to mood, becomes increasingly dark. One day Michael notices that Aunt Hank has painted everything black: the woodwork, flowerpots, statuary. The family is roiled by her manic behavior. He can't figure it out either and soon breaks free of her spell. Eventually he moves to New York, marries and has a daughter.

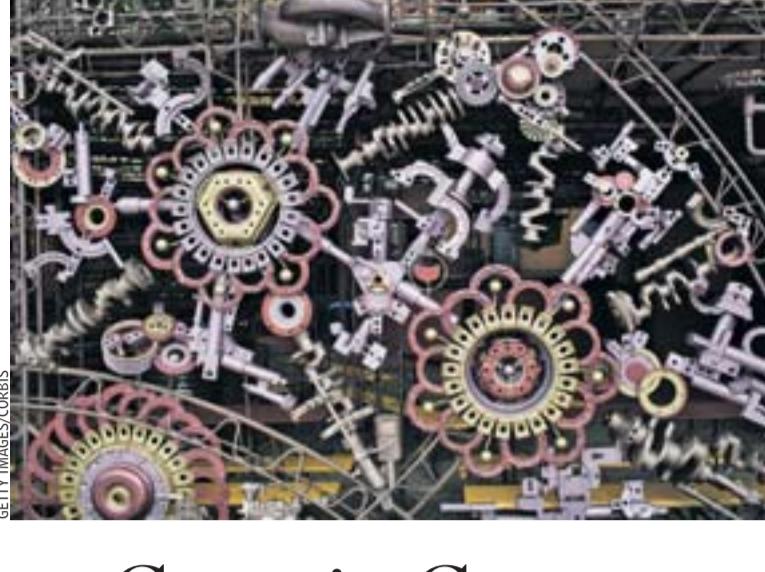
When she reached old age, Mr. Frank would visit her, wondering each time if it would be the last, as she underwent her inexorable decline. She is still alive, age 100. The memory of her when she was younger clearly continues to haunt him, one result being this beautifully written book. Maybe Aunt Hank should get some credit for that.

Ms. Hodgson is the author of "It Seemed Like a Good Idea at the Time: My Adventures in Life and Food."

BOOKS

'We didn't need sex. We had Tyrone Power.' —Barbara Cartland

CHILDREN'S BOOKS: MEGHAN COX GURDON



GETTY IMAGES/ORBIS

Cryptic Capers

THE ALTERNATIVE New York in 'York: The Shadow Cip- pher' (Walden Pond, 476 pages, \$17.99)

has an enigma built into its architecture. In Laura Ruby's steampunk mystery for 10- to 15-year-olds, York is world-famous for exquisite, impossible buildings and high-tech amenities that date, incredibly, to the early 19th century. We learn that the founding geniuses behind the city's wonders, the Morningstar twins, disappeared in 1855 and that cryptologists have been trying ever since to crack the Old York Cipher that the pair left behind. Now three children have 30 days to solve the puzzle before a rapacious property developer tears down the last Morningstar buildings.

It's an exciting story, with a strange narrative quirk: No character is too minor to go without a color label. Individuals are black, bronze, brown, light brown, tan, beige, olive, white, pallid, pale, yellowish pale, pasty, sallow, alabaster, pink, fake orange, "the color of ranch dip," "so pale he was almost gray" and "so white his freckles looked a bit like cereal floating in milk." It is as odd as being told, say, the exact age of every single character, and gives a didactic edge to what is otherwise a rip-roaring start to a planned series.

In October 1917, a British intelligence officer with a haversack of documents set off on horseback into the Middle Eastern desert. When Ottoman troops opened fire, the wounded man escaped with his life but without his precious cargo, which the Turks conveyed to their wartime allies in German intelligence. Among the bag's treasures: a code book that allowed the enemy to start listening in on British war plans.

It was a perfect coup—by Britain, as it turns out, for as Paul B. Janeczko explains in **"Double Cross: Deception Techniques in War"** (Candlewick, 240 pages, \$16.99), the entire episode had been "a classic deception practice: the haversack ruse." The officer had faked his injuries,

and the "secret" code conveyed only misinformation. In this volume for military-minded readers ages 10-15, Mr. Janeczko offers a survey of deception, starting with the Old Testament tale of Gideon tricking his foes with blaring trumpets and ending with the feints that Gen. Norman Schwarzkopf used to surprise Saddam Hussein's forces in the first Gulf War. Mr. Janeczko's wide historical scope is, in a tantalizing way, not quite wide enough. This companion to **"The Dark Game: True Spy Sto-**

**Cracking ciphers in
a steampunk city and
deceiving enemies on the
psychological battlefield.**

ries"

(2010) begs for a sequel tackling the chicanery and viral mischief made possible by the internet.

"You can learn things from other people, and you can learn things by keeping your eyes open. But you can learn things from your own self, too.

From what your gut tells you."

This advice is just what Crow needs to hear from her foster father, Osh, as she begins to probe the mystery of her origins in **"Beyond the Bright Sea"** (Dutton, 283 pages, \$16.99).

Lauren Wolk situates young readers in 1925 in the Elizabeth Islands, off the coast of Massachusetts, where 12 years earlier Osh had found a newborn girl drifting in a skiff. He and Crow have since lived happily as father and daughter. Most islanders, though, shun the girl, refusing even to make contact with things she has touched. Crow can't help wondering "who had looked at me, soft and fresh as a blossom, and decided to give me to the tide." The sight of a campfire on a distant island, the site of a former hospital for lepers, proves the catalyst for a series of discoveries and events—some poignant, some frightening—that Ms. Wolk unfolds with uncommon grace in this novel for 11- to 15-year-olds.

FIVE BEST: A PERSONAL CHOICE

Carol Dyhouse on heartthrobs

Byron

By Fiona MacCarthy (2002)

T'**HAT BEAUTIFUL** pale face is my fate," declared Lady Caroline Lamb in her diary after meeting Lord Byron. Her passion for the man was to drive her to the edge—some would say well over the edge—of sanity. She wasn't alone. As Fiona MacCarthy's book shows, Byron was a celebrity heartthrob on an international scale. Adored by women, he also enjoyed cult status among men, who copied his hairstyle and his pose of romantic lassitude. But it was the scale of his female fandom that was legendary. Young ladies threw themselves at him, fired off bold proposals for assignations and besieged him with keepsakes and locks of their hair. This scholarly work, an engrossing account of Byron's life, loves, literature and politics, takes us beyond earlier biographies by addressing Byron's complex sexuality. Byron hoarded his love letters and hair trophies from female admirers, but, the author argues, for all his affairs with women and the passion he inspired in the female sex, his most serious emotional attachments were to boys.

Dark Lover

By Emily W. Leider (2003)

2 **SILENT-SCREEN** actor Rudolph Valentino wasn't only the greatest heartthrob of the early 20th century—he was a star who redefined and broadened American masculine ideals. His dark-skinned, exotic looks and smooth style, whether as a virile



GETTY IMAGES

MATINEE IDOL Rudolph Valentino in 'The Son of the Sheik' (1926).

desert sheikh or an Argentine tango dancer, drove masses of women wild. Emily Leider's biography is especially strong on the subject of Valentino's hold on women, as well as on his relations with female colleagues, lovers and friends. The book also helps explain why Valentino provoked powerful responses in men. He suffered taunts about "pink powder puffs" and his alleged effeminacy—to which he responded by offering to punch his detractors. He himself was not above taunting American men for their lack of sophistication in lovemaking. "Dark Lover" reminds us that the "phenomenon" of Valentino rested on the growing clout of women as consumers. Newly independent female wage earners made their own choices of what to read, when to go dancing and whom to swoon over at the cinema.

Liberace

By Darden Asbury Pyron (2000)

3 **SHOWMAN-PIANIST** Wladziu Valentino Liberace was named after the heartthrob of his mother's youth. His concert performances were packed with female fans, and he was inundated with letters from admirers keen to marry him. Darden Asbury Pyron's perceptive and wide-ranging biography says a great deal about the cultural history of the 1950s, particularly the way in which attitudes toward gender and sexuality shaped and constrained lives. There was a celebrated libel case against an English journalist who had described

Liberace as (among other things) a "superb piece of calculating candy-floss." He was deeply attached to his mother, a well-known fact that his detractors attributed to a lack of virility. But Liberace's sexual identity—he was a gay man, if an undeclared one, as the times required—in no way hindered his great appeal to women. He was a gentleman, sensitive and gallant. Everything about him told women that he knew them, understood them; hardly any wonder so many adored him. It didn't hurt that in periods of economic austerity, Liberace came before them lavishly dressed, his enjoyment of daring and expensive clothes unconcealed.

Last Train to Memphis

By Peter Guralnick (1994)

4 **ELVIS**, the consummate performer, worked to his audience and thus, biographer Peter Guralnick explains, had



MS. DYHOUSE is the author, most recently, of 'Heartthrobs: A History of Women and Desire.'

both teenagers and grandmothers dancing in the aisles. On stage and screen he rehearsed a range of masculine identities, but in his personal life and behavior he exuded a sincerity that drew people to him and encouraged them to project their desires onto him. Mr. Guralnick points out that in his early years at Sun Records, Marion Keisker, the first to record the young Presley, recognized this quality: "He was like a mirror in a way: whatever you were looking for, you were going to find in him."

The story of Elvis is inextricably bound up with that of Colonel Parker. Representing, managing—and controlling—the career and public image of a heartthrob was to become big business. The potential for gaps and discordances between man and myth, private self and public image, was there from the start, as Mr. Guralnick's detailed account makes riveting clear.

Paul Newman

By Shawn Levy (2009)

5 **PAUL NEWMAN** was beautiful—indeed, well-nigh perfect. But it wasn't just his looks that counted, though those blue eyes "stunned and dazed even cynics," according to Shawn Levy, who shares rumors that their effect was intensified with the aid of imported French eyedrops. This sublimely talented actor was also sexy, funny and good. He worked at being a loyal husband and caring father. To be sure, he had a tougher, more adventurous side, evident not least in his love of daredevil car racing. Still, those looking for the dark side in this story will be disappointed. Newman amassed a fortune, in part through marketing homely food-stuffs and salad dressing, and proceeded to give huge quantities of his wealth away. In Mr. Levy's account, he was an inspiration to men as well as women—not just a heartthrob but an exemplar.

Best-Selling Books | Week Ended May 14

With data from NPD BookScan

Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Option B Sheryl Sandberg/Knopf Publishing Group	1	2
Astrophysics for People in a Hurry Neil deGrasse Tyson/W.W. Norton & Company	2	1
Make Your Bed William H. McRaven/Grand Central Publishing	3	4
Shattered J. Allen & A. Parnes/Crown Publishing Group (NY)	4	3
The Magnolia Story Chip & Joanna Gaines/Thomas Nelson	5	-

Nonfiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Astrophysics for People in a Hurry Neil deGrasse Tyson/W.W. Norton & Company	1	1
Mom & Me & Mom Maya Angelou/Random House Publishing Group	2	-
Upstairs at the White House J.B. West/Open Road Media	3	-
Here's the Story Maureen McCormick/HarperCollins Publishers	4	-
Hillbilly Elegy J.D. Vance/HarperCollins Publishers	5	5
Option B Sheryl Sandberg/Knopf Doubleday Publishing Group	6	4
Bright Line Eating Susan Peirce Thompson Ph.D./Hay House, Inc.	7	-
Killers of the Flower Moon David Grann/Knopf Doubleday Publishing Group	8	3
Jackie's Girl Kathy McKeon/Gallery Books	9	New
Shattered J. Allen & A. Parnes/Crown/Archetype	10	2

Nonfiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Astrophysics for People in a Hurry Neil deGrasse Tyson/W.W. Norton & Company	1	1
Option B Sheryl Sandberg/Knopf Publishing Group	2	2
Milk and Honey Rupi Kaur/Andrews McMeel Publishing	3	6
Shattered J. Allen & A. Parnes/Crown Publishing Group (NY)	4	3
Make Your Bed William H. McRaven/Grand Central Publishing	5	5
The Zookeeper's Wife Diane Ackerman/W.W. Norton & Company	6	8
Jesus Calling Sarah Young/Thomas Nelson	7	-
Killers of the Flower Moon David Grann/Doubleday Books	8	4
Hillbilly Elegy J.D. Vance/Harper	9	10
The Subtle Art of Not Giving A F*ck Mark Manson/HarperOne	10	-

Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Into the Water Paula Hawkins/Riverhead Books	1	4
Oh, the Places You'll Go! Dr. Seuss/Random House Children's Books	2	5
16th Seduction J. Patterson and M. Paetro /Little, Brown and Company	3	2
The Trials of Apollo, Book Two Rick Riordan/Disney-Hyperion	4	1
Against All Odds Danielle Steel/Delacorte Press	5	6

Fiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Making It Right Catherine Bybee/Montlake Romance	1	New
16th Seduction J. Patterson and M. Paetro /Little, Brown and Company	2	1
The Fix David Baldacci/Grand Central Publishing	3	4
Into the Water Paula Hawkins/Penguin Publishing Group	4	3
The Thirst Jo Nesbo/Knopf Doubleday Publishing Group	5	New
Golden Prey John Sandford/Penguin Publishing Group	6	7
Assassin's Fate Robin Hobb/Random House Publishing Group	7	New
The Girl Who Knew Too Much Amanda Quick/Penguin Publishing Group	8	New
Until Sage Aurora Rose Reynolds/Aurora Rose Reynolds	9	New
The Best Is Yet To Come Bella Andre/Oak Press, LLC	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 Wal-Mart) 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

REVIEW

PLAYLIST: W. KAMAU BELL



Heavy Metal of My Own

The comedian explains why Living Colour's 'Pride' was just as potent as rap

W. Kamau Bell, 44, is a comedian who hosts the CNN series "United Shades of America." He is the author of "The Awkward Thoughts of W. Kamau Bell" (Dutton). He spoke with Marc Myers.

I grew up in Hyde Park, a pretty nice section of Chicago. In high school, my friend Rob and I used to spend weekends eating out and seeing a movie. Then we'd wind up at Rose Records. Rob had money, so he bought cassettes of new albums for his car. That's where I first heard Living Colour's "PRIDE."

I went to a private school, and my best friends were into the Grateful Dead and Frank Zappa. I was a TV junkie, so I wasn't up on all the music things I probably should have been. For example, Rob had to tell me that Jimi Hendrix was black.

On one of those nights in late 1990, Rob bought Living Colour's album "Time's Up." As we listened to it, I looked at the cover's bright colors and strange symbols. The band inside was composed of four black musicians.

Which was strange, since the music was heavy metal. "Pride" was the third track, and all I could think was, "Black people play music like this?" But everything clicked. The music was as black as rap but in a different way.

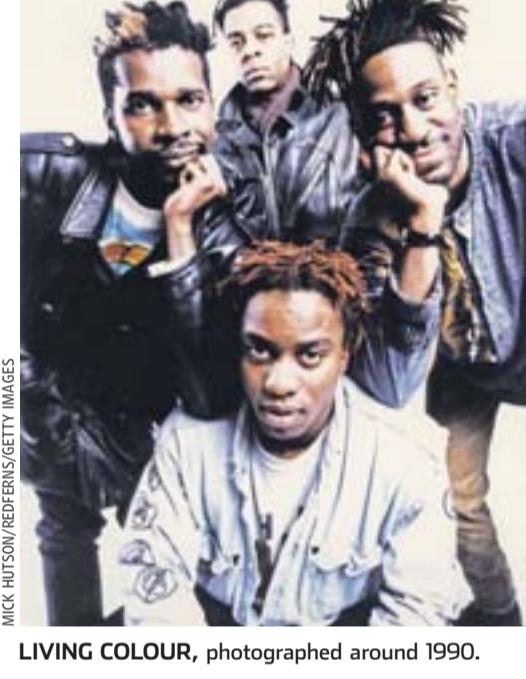
"Pride" opens with a guitar that sounds like an electric razor. Then comes the driving bass, a thundering drumbeat and a wailing guitar. The voice on the lead vocal was strong but earthier than most metal bands.

A guitar that spelled out what it's like as a black kid.

The verses are in a minor key: "When I'm feeling proud / You say I'm lazy / I look around and see the true reality." But the chorus shifts to major: "History's a lie that they teach you in school / A fraudulent view called the golden rule / A peaceful land that was born civilized / Was robbed of its riches, its freedom, its pride."

I loved the song and album—so much so that I began giving it to girls. I wanted to show them what it meant to be me, as if the record would be some sort of aphrodisiac for the relationship. One girl stopped returning my calls.

Vernon Reid's metal guitar spelled out what it felt like to be a black kid growing up. The song said it's OK to be you but you have to fight for what you want. "Pride" came to define my career.



LIVING COLOUR, photographed around 1990.

MICK HUTSON/REDFERNS/GETTY IMAGES



HISTORICALLY SPEAKING: AMANDA FOREMAN

'KING ARTHUR':
Charlie Hunnam, that sword and that stone.



WARNER BROS. PICTURES

Arthur's Battles, Then and Now

IN THE MOVIE business, even the stuff of legend is no sure bet: The box-office returns for the latest version of the perennially popular Arthurian stories, "King Arthur: Legend of the Sword," have marked the film as one of the biggest flops yet for 2017.

What went wrong? High on the list of critics' complaints was the rewriting of Arthur's character and story to make him seem more down-to-earth and less like the virtuous leader of legend. The Journal's Joe Morgenstern called the film "a choppy hunt for the grim, the grungy, the darkness of dungeons and the clamor of a war-torn world."

Ordinarily, filmmakers might get away with playing fast and loose with a fictional character. But Arthur is different. For one thing, some people really think he once lived: Pilgrims have been visiting his alleged grave in England's Glastonbury Abbey since the 12th century, though analysis of the site suggests abbey monks may have made up the claim to raise funds after a fire. But Arthur is real in a psychological sense as well, the epitome of the flawed hero, the great man whose unwavering belief in his own righteousness leads to fatal mistakes.

The fascination with this tragedy has lasted almost a millennium. The story first appeared after the Norman conquest of England in 1066. The vanquished English, in need of a national hero, found him in a "History of the Kings of Britain," a work of "fake history" from around 1136 by an Oxford cleric named Geoffrey of Monmouth. He combined several figures to create Arthur, a British fifth-century military commander who drove the Romans out of eastern France, only to have his triumph cut short by treason at home. Geoffrey's work also includes the wizard Merlin and Queen Guinevere.

The "History" was immensely popular, especially in medieval France. The King Arthur story married easily with the new Gallic literary tradition of chivalry and courtly love. Naturally, the French couldn't help adding a few spicy details of their own, such as Guinevere's adultery, the semi-mystical Round Table of noble knights and the quest for the Holy Grail. The castle of Camelot appeared. But the essential story of a paradise lost through human frailty remained the same.

Still, that story needed an author with the genius to unify and immortalize these various elements. The person who succeeded in this knightly task couldn't have been less likely.

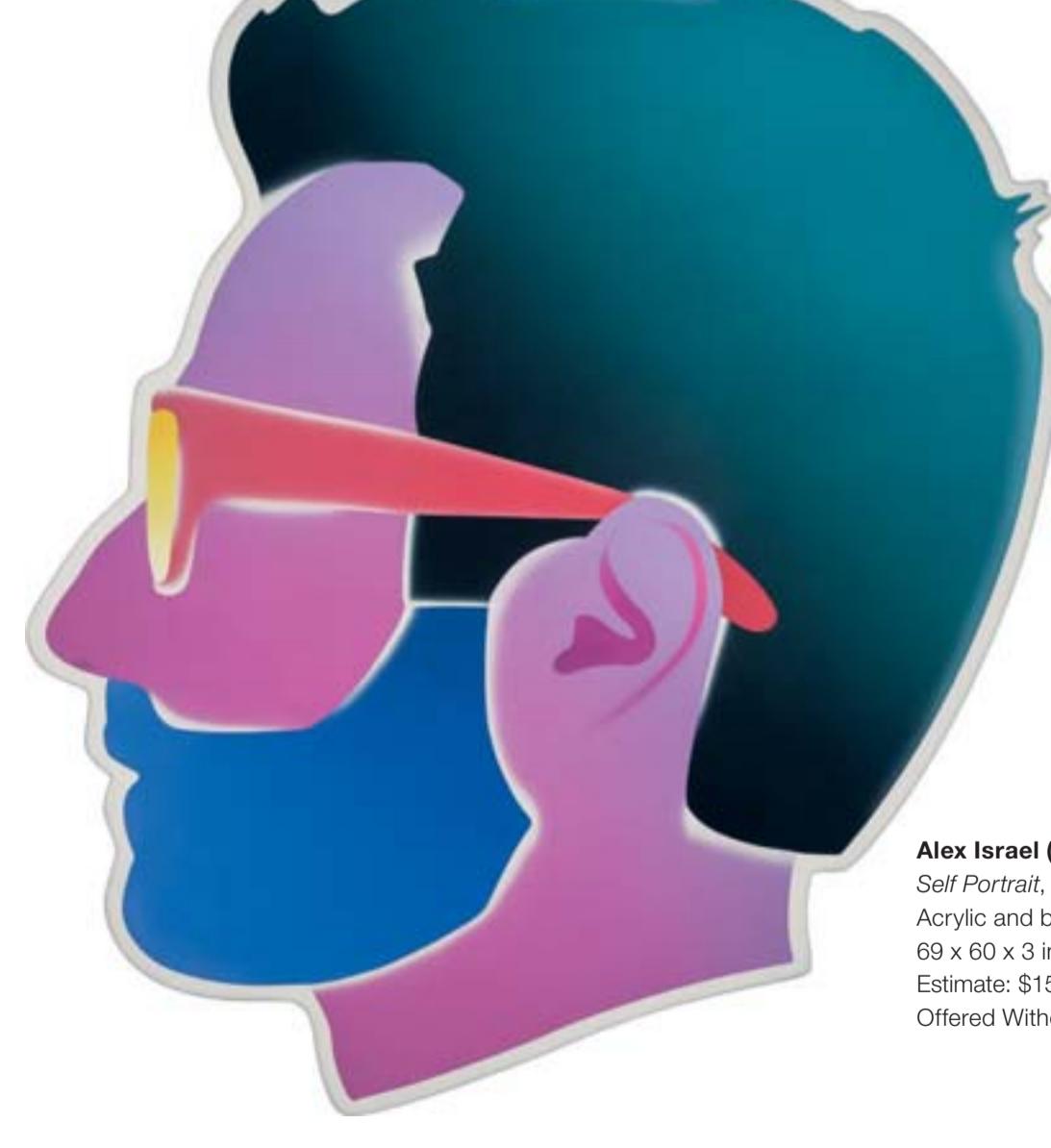
Thomas Malory seems to have been a violent thief, extortionist and accused rapist. He spent a lot of time in jail. In the midst of England's 15th-century civil war, known as the Wars of the Roses, Malory was jailed again, now as a political prisoner. He apparently spent his time imagining a once and future England full of valor and nobility, translating all the various Arthur pieces into an English prose work under the title "Le Morte D'Arthur," published posthumously in 1485. It became the foundation for almost all the famous Arthurian writings to come.

The Camelot legends—along with their themes of idealism, courage, betrayal and loss—deeply influenced Chaucer and Miguel de Cervantes, the author of "Don Quixote." More recently, versions of the tales were written by Alfred Lord Tennyson, John Steinbeck and T.H. White ("The Once and Future King," 1958).

When Jackie Kennedy said of her husband's tenure at the White House, "There will never be another Camelot," people knew what she meant. Nobody seems to know what "King Arthur: Legend of the Sword" was supposed to mean, if anything, and that's its tragedy.

MODERN & CONTEMPORARY ART

May 22 | New York | Live and Online



Alex Israel (b. 1982)

Self Portrait, 2014

Acrylic and bondo on fiberglass

69 x 60 x 3 inches

Estimate: \$150,000-200,000

Offered Without Reserve

On View May 20-21 | 10AM-5PM | 445 Park Avenue
212.486.3505 | FineArt@HA.com | HA.com/5300

HERITAGE
AUCTIONS

AMERICA'S AUCTION HOUSE

DALLAS | NEW YORK | BEVERLY HILLS | SAN FRANCISCO | CHICAGO | PALM BEACH

PARIS | GENEVA | AMSTERDAM | HONG KONG

Always Accepting Quality Consignments in 40 Categories

1 Million+ Online Bidder-Members

K. Guzman #0762165; Heritage Auctions #1364738 & SHDL #1364739. 45899

REVIEW



AMANDA FRIEDMAN FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL: ALEXANDRA WOLFE

Ankur Jain

The young entrepreneur is matching old industries with new ideas

ONE THURSDAY AFTERNOON

last month, some 200 attendees of the Kairos Global Summit boarded a fleet of helicopters in Manhattan for one of the largest such nonmilitary departures from the city in decades. Some 20 minutes later, the group—which included former CIA director Michael Hayden, AOL chief executive Tim Armstrong, actor Joseph Gordon-Levitt and dozens of 20-something entrepreneurs—emerged at the 3,500-acre Rockefeller Estate in Sleepy Hollow, N.Y., for cocktails, networking and bowling at the event's kickoff dinner.

The three-day summit was held

by the Kairos Society, a 9-year-old nonprofit aimed at helping young entrepreneurs solve problems in old industries through technology. On the first day, panelists such as former Mexican President Vicente Fox, Fannie Mae CEO Timothy Mayopoulos and former Apple CEO John Sculley had three minutes each to talk about a market failure that they thought needed tackling, such as cybersecurity threats and the lack of public transportation in some developing countries. Another day, 50 entrepreneurs—all under the age of 26—presented their early stage companies, in search of funding and advice.

Today Kairos has about 1,000 members age 25 or under in 50 countries. At 27, Kairos co-founder and chairman Ankur Jain is still a part of this young cohort. He and a few friends started the nonprofit while they were undergraduates at the Wharton School of the University of Pennsylvania.

Now with a full-time staff of six, the group provides advice on starting a company as well as connections to industry leaders and to like-minded peers. "It's a mix between an incubator and a community," says Mr. Jain.

So far, Kairos has been a side project for Mr. Jain. But in June,

he will step down from his role as vice president of the online dating app Tinder to focus on Kairos full-time. He joined Tinder last year when the company bought Humin, a startup he co-founded that helps people manage their contacts across different apps, for an undisclosed sum.

Born in Seattle, Mr. Jain learned about business and technology at an early age. His father, a tech entrepreneur who started the web-services company InfoSpace in the 1990s, introduced him to the basics of managing a company. His mother runs their family foundation. At age 10, he got his first cell-

He started his nonprofit when he was in college.

phone, a flip model that could text only one person at a time. He learned basic computer coding so that he could build a program that allowed him to text multiple friends from his computer.

He was soon building online gaming portals and instant-messenger widgets and making a few thousand dollars a month from ads placed on those services. During his freshman year in high school, his servers crashed, but he didn't go through the trouble of rebuilding them. By that time, he had become more interested in politics and foreign relations, and he was busy with the usual high-school activities. "I'd kind of been moving on," he says.

In 2008, at the end of his freshman year at Wharton, he decided that he wanted to start an incubator for young entrepreneurs. With the recession, jobs in finance and consulting were hard to come by for new graduates. And he saw opportunity in rethinking old ways of doing business. "You hear about all these old industries of retail and telecom and health care, education and government...and there was so little innovation," he says.

Mr. Jain and his friends started out meeting regularly on campus to brainstorm new company ideas. Then they started reaching out to friends at other campuses. They called it Kairos, an ancient Greek word for an opportune moment.

In 2009, Kairos was on 20 campuses and hosted its first gathering of members at the Intrepid Sea, Air & Space Museum in New York. Using all the connections they could muster, Mr. Jain and his friends sent out 50 invitations to current and former executives and politicians. Former President Bill Clinton sent in a video message to be broadcast at the event, and former Boeing CEO Philip Condit and former DuPont CEO Ellen Kullman spoke. They got more interest than they had anticipated. "We got in so over our heads," Mr. Jain says. To prepare for it, he adds, "I even canceled spring break."

Today, the 25 biggest companies started by current and former Kairos members have raised over \$600 million in capital and have a combined value of more than \$3 billion, he says. They include Casper, an online mattress company, and Radish, a fiction-sharing portal backed by the author Amy Tan.

This spring, Kairos launched a for-profit venture-capital arm for investing in startups. Current ventures include Abaris, which aims to automate retirement planning online, and Mi Águila, a transportation network for the Colombian workforce.

Mr. Jain divides his time between Los Angeles and San Francisco. Despite his large network, he says that he doesn't like the idea of networking; he calls making connections for the sake of having connections "useless." "That said," he adds, "I highly recommend having a community or platform that lets you surround yourself with the smartest people in the world who share your passion."

MOVING TARGETS: JOE QUEENAN

What a Really Smart Phone Would Tell Me

A COUPLE OF WEEKS AGO, I was attending a street fair when my smartphone alerted me that the Greek restaurant directly in front of me offered terrific food. The same thing happened last Saturday night, when I was standing outside a local Indian restaurant.

I must have signed off on these alerts at some point, but for reasons I still don't understand, my smartphone apps are always tracking where I am and what I am doing. When I drove 270 miles to see those amazing sand dunes in southern Colorado, my phone not only knew that I was there but had suggestions about where I should eat. Same deal with the Garden of the Gods Visitor & Nature Center in Colorado Springs.

In New York, my phone knew that I was at the Museum of Modern Art before I'd even bought my ticket. After I started getting alerts, I tried to throw my overseers a curve by not going to see

some of the most famous pieces, like van Gogh's "The Starry Night" or Picasso's "Les Demoiselles d'Avignon," but I don't think it worked. My phone knew that I was looking at those Monet water lilies. It just knew.

I don't mind that my phone always knows where I am and what I'm doing, because I view the device as a user-friendly version of the National Security Agency. What does puzzle me is why all businesses—bail bondsmen, collection agencies, paramilitary organizations—don't use apps such as Google or TripAdvisor to inform passersby of their services. You never know when a private eye or a repo man might come in handy. Or, for that matter, a loan shark.

For example, let's say I'm looking for a short-term loan but don't want it to show up on my bank statement. So I drive to...well, let's say some-

A loan shark nearby? OK to eat that tikka masala?



where in North Jersey, and I start prowling the mean streets and former 'Sopranos' filming locations. If my phone already knows I'm in the neighborhood, why doesn't it tell me if low-interest loans are available inside the third social club on the left and whom I should speak to? And why doesn't it alert me to other local loan sharks who might give me a better deal on the vig?

Second, why don't apps take more initiative when apprising me of dining and leisure opportunities in the immediate vicinity? Things like:

"The chicken tikka masala is OK, but steer clear of the saag paneer." "Joseph, this is not a saloon you want to be in after sundown, Joseph. Joseph, are you getting this, Joseph?" "Twenty-five bucks to see a bunch of busted-up old Greek vases? What are you, meshuggah?" "Don't buy a drink for the woman wear-

ing the purple Foghat sweatshirt inside The Dew Droppe Inn. You'll thank us."

In the best of all possible worlds, my phone would be a lot more proactive. It would stop being a tail or a hall monitor and start behaving more like a guardian angel. It would warn me that the bar I'm thinking of going into has regulars named Orca and Jimmy the Repugnant.

Or, when I'm lining up to buy Mets tickets at Citi Field, my phone would say: "The closer just went on the disabled list, and the bullpen blew a six-run lead to the lowly Brewers on Sunday. You do know that there's a team up in the Bronx, don't you?"

My phone tells me when disaster has struck 3 miles ahead on I-95. So why doesn't it alert me when disaster has struck 3 miles ahead at Madison Square Garden? Or on Wall Street. If my phone is so smart, why ain't I rich?

PLAY



NEWS QUIZ: Daniel Akst

From this week's
Wall Street Journal

1. Farmers are coddling cows with waterbeds, backscratchers and feed delivered by robotic waiters. Why?

○ A. Reducing stress produces tastier, more tender meat.
○ B. Calm cows produce more milk.
○ C. Consumers are demanding more ethically raised beef.
○ D. The government barred the use of Prozac in animals.

2. Maria Sharapova won't play in the French Open. Why?

○ A. A 15-month doping suspension left her ranked too low to qualify.

○ B. She's sidelined by a hamstring injury.
○ C. She's pregnant.
○ D. She made a snide remark about French President Emmanuel Macron.

3. Monday was the 20th anniversary of Amazon's initial public offering. If you had invested \$10,000 and held on, how much would your stake be worth today?

○ A. \$490,000
○ B. \$4.9 million
○ C. \$49 million
○ D. \$490 million

4. Robert Mueller III was appointed special counsel to oversee the FBI's probe of alleged Russian meddling in the U.S. election. Where did he get his law degree?

○ A. University of Michigan

To see answers, please turn to page C4.

- B. University of Pennsylvania
○ C. University of Virginia
○ D. Trump University

5. Nepal hopes to become a major producer of electricity. What form of power is it pursuing in particular?

- A. Seismic
○ B. Coal
○ C. Solar
○ D. Water

6. White police officer Betty Jo Shelby was acquitted in the shooting death of an unarmed black man—in which city?

- A. Baltimore
○ B. Charlotte, N.C.
○ C. Los Angeles
○ D. Tulsa, Okla.

7. Ex-Fox News chief Roger Ailes died at 77. Which of these roles did he have in his long career?

- A. Richard Nixon's chief TV strategist
○ B. Executive producer of a TV show for Rush Limbaugh
○ C. President of CNBC
○ D. All of the above

8. Once decimated, black bears have come roaring back. How many are estimated to live in the contiguous 48 states?

- A. More than 3,000
○ B. More than 30,000
○ C. More than 300,000
○ D. More than three million



Team member Bailey, who's also on the soccer team, just got a huge dog named Duke. This creates problems of both the practical and the mathematical kind.

Soccer or Math?

Bailey, who is almost late for soccer practice, ties Duke's collar directly to the corner of a square platform next to the practice field. Unfortunately, Bailey doesn't realize that the platform is actually on wheels, and when the action gets exciting, Duke tries to run between the soccer goal posts, which are the regulation 7.32 meters apart. (The practice field has no nets on the goals.) Even worse, the platform is



eight meters on a side, so Duke gets stuck, unable to get between the posts, and only able to slide back and forth in such a way that two adjacent sides of the square always touch the goal posts. (Duke is too excited at the prospect of joining Bailey's game to think of backing up.)

What is the length (rounded down to a whole number of meters) of the path formed by the points that Duke can reach once he has become stuck in this way?

a separate 6-meter-long chain, thinking "That should hold even if one of the chains breaks."

How much more area will Duke have in which to roam if one of the chains does break than if all three hold?

ILLUSTRATION BY LUCI GUTIÉRREZ

+ Learn more about the National Museum of Mathematics (MoMath) at momath.org

SOLUTIONS TO LAST WEEK'S PUZZLES

Varsity Math

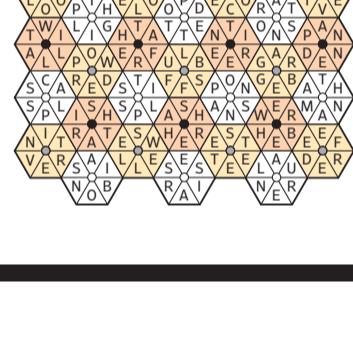
The Queen Bee from last week has 13 queens in her ancestry six generations earlier. Coach Taylor's chance of ending up with the candy she is trying to avoid in Coco-Not is 13/198.

For previous weeks' puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzle

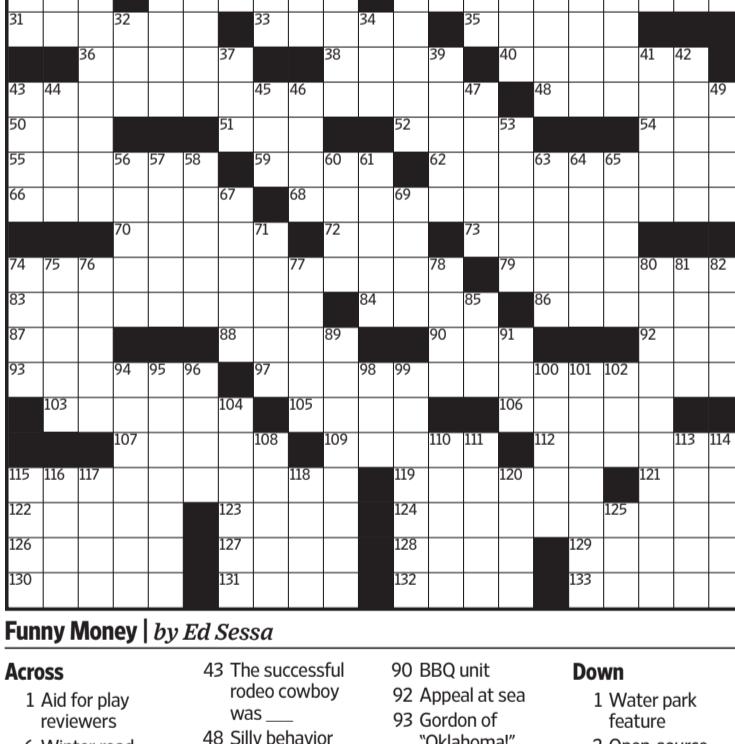
Et Al.

WASP	BOARD	COCO	SHILL
AMOR	ARRAOD	ODOR	PUREE
SAINTS	ANDLOVERS	ILIVE	SEINE
GASLING	CRETE	ATONED	METALS
SITAR	HANGING	MOTE	THROWABABA
THROWABABA	EMERGE	BEHINDERS	ONETO
EEK	TAIRIER	RHINOS	TAO
FARGO	GCC	SEDELDERS	SETADATE
BIRD	ALTARPITS	RILE	NINTENDO
NINTENDO	YEN	TOTEM	ELAINENE
ELAINENE	BAY	ESSENCE	OKS
ABLEST	OFMALICE	NEANDMEN	TOSS
TOSS	TESLAS	DAMN	RENE
PLO	SEED	LYNDE	SIXTEENTALONS
SIXTEENTALONS	TRACTOR	TRACTOR	TRIDENTS
SHERESES	IDIOT	CAINE	JIDDLER
RARING	WANT	LION	RARNAILSPALACE
ADIOBE	IRATE	LION	WAXEDENOS
RARING	WANT	LION	LADEN
ADIOBE	IRATE	LION	SMOG

Rows Garden



THE JOURNAL WEEKEND PUZZLES Edited by Mike Shenk



Funny Money | by Ed Sessa

Across
1 Aid for play reviewers
6 Winter road application
10 Farrier's tool
14 Sites of vaults
19 Traditional fourth-anniversary gift
20 Salve source
21 Aboard
22 Boxer Ali
23 The successful semiconductor manufacturer was
25 Kanye/Jay-Z song that samples "Try a Little Tenderness"
26 Harps' kin
27 "How stupid of me!"
28 Doesn't surprise me a bit!
29 The successful dumpster diver was
31 Semicircular seat in a park
33 Aesop's grasshopper, e.g.
35 Hardly literal
36 Teatime treat
38 Lovelace and Huxtable
40 Plug parts

43 The successful rodeo cowboy was
48 Silly behavior
50 Affluent Onassis
51 Outlaw
52 German chancellor until 1998
54 Long of "Boyz n the Hood"
55 Second-hand producer?
59 7-Eleven, e.g.
62 Come to one's senses
66 Raul and Fidel
68 The successful crystal gazer was
70 "Delta of Venus" author Nin
72 The Chainsmokers, e.g.
73 Moroccan port
74 The successful artist's model was
79 Positive thinker's mantra
83 Lucky "U"
84 Clunker
86 "Just Another Day" singer Jon
87 Words with premium or profit
88 Scotch partner

43 Designer Jacobs
44 Geometry calculation
45 Sum in Latin class?

46 Behave like a beaver

47 Gather wool

49 Levelheaded

53 Morgan — (Arthur's half sister)

56 Domains of governors

57 Golfer with an army

58 There's interest in them

60 Didn't walk

61 It's stranger than fiction

63 Judicial wear

64 Wipe out

65 Dirty story, perhaps

67 Sounds of relief or regret

69 Lug

71 Jungle trail

74 Pretense

75 Tiny amounts

76 Tiny amount

77 Mulligans, e.g.

78 Far-fetched story

80 WMDs, vis-à-vis 99-Down

81 As sick as —

82 "The Bronx? No thonx?" writer

85 Orwell's Napoleon, e.g.

89 Multifunctional

91 Auction action

94 Rear-end

95 Colonial housing?

96 Vaper's item

98 Letters on a candy heart

99 Conflict begun in 2003

100 Inning in which the fifthout is recorded

101 Fire extinguishers

102 Table scrap

104 Royal decrees

108 Arcade game pioneer

110 Laredo (city on the Rio Grande)

111 Former Fox News honcho Roger

113 Prime-time players

114 Change the color of, in a way

115 Half-pipe half

116 Jai —

117 Turn off, as the lights

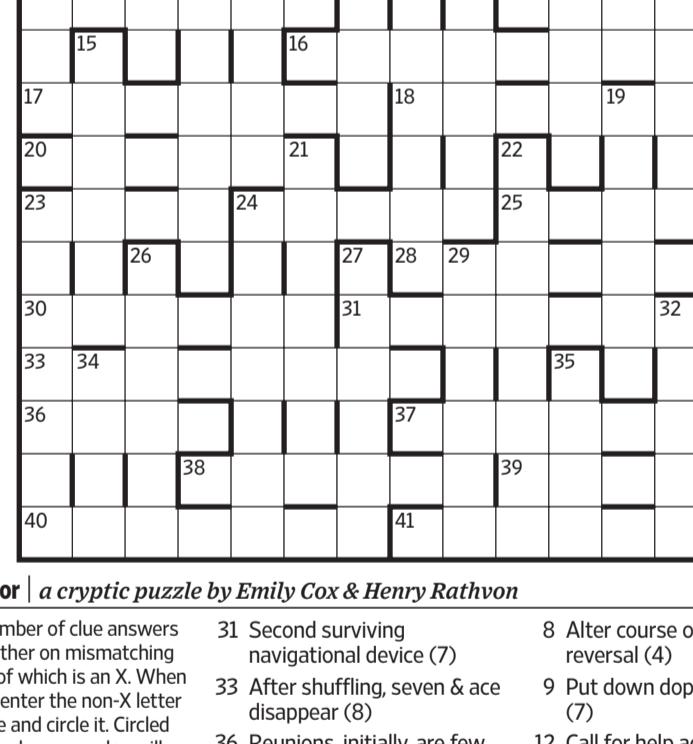
118 "That's my cue!"

120 "Frozen" queen

122 Dash salt on some Thai food (6)

123 Superior former head of UN escorted back (6)

125 Sniggler's prey



The X Factor | a cryptic puzzle by Emily Cox & Henry Rathvon

A certain number of clue answers cross each other on mismatching letters, one of which is an X. When that occurs, enter the non-X letter in the square and circle it. Circled letters, in row-by-row order, will show (in more ways than one) what may be found in 24-Across, when aptly filled.

Across
1 Drawing to carry on (6)
5 Read Latin American country's edition (7)
10 Just opened a cookie container (4)
11 Diverted a doctor taking exercise (6)
13 Spot burrowing critter about two times (6)
14 Set off worthless stuff, mostly (4)
16 Friend sat before tree (8)
17 Democrat is mailed conflicting opinion (7)
20 Breaking arm, try being like a saint? (6)
23 Fashion designer's "501" alternative (4)
24 SEE DIRECTIONS
25 Knucklehead left out (4)
28 Dash salt on some Thai food (6)
30 Superior former head of UN escorted back (6)

Down
1 Youngster keeping me broke (5)
2 Appearing polished by getting in style (4)
3 Playing sitar, test skill (8)
4 Large chopper surrounded by merry bunch of stars (6)
5 Hound had some chow undergo a change in form (6)
6 Again collect set of sheets, before jerk (7)
7 Church official revealing message with old bit of news (6)

► **Get the solutions** to this week's Journal Weekend Puzzles in next Saturday's Wall Street Journal. Solve crosswords and acrostics online, get pointers on solving cryptic puzzles and discuss all of the puzzles online at WSJ.com/Puzzles.

REVIEW

Calder's Movable Feast

Exhibition to offer works in motion as the artist meant them; 'it's really a live show'

BY SUSAN DELSON

STANDING BEFORE a Calder mobile, who hasn't been tempted to nudge it into motion? Alexander Calder himself certainly would approve. He assumed that his sculptures would be touched, blown by the breeze or otherwise prompted to move—that, after all, is why he designed them as mobiles.

The artist's intentions are well known to Alexander S.C. Rower, the artist's grandson and the president of the Calder Foundation, who grew up setting several of those works in motion himself. They are also what motivate Jay Sanders, former curator of performance at the Whitney Museum of American Art and curator of "Calder: Hypermobility," which opens at the New York City museum on June 9.

In Calder's sculptures, "movements and changes are integral to the work," Mr. Sanders said. But between their rising market value and concerns about damaging them, Calder's works in museums all too often remain still.

"Calder: Hypermobility" is meant to change that. With three dozen or so works installed in the Whitney's galleries, museum art handlers will activate individual sculptures three to six times a day, following a schedule listed at the exhibition's entrance and on the Whitney's website. The Calder Foundation, a close collaborator in the exhibition, will bring in other sculptures from its collection for weekly one-time presentations, and once a month, larger works will be installed and activated in the museum's theater.

In July, Christian Marclay—an artist, musician and video-maker best known for "The Clock," his minute-by-minute, 24-hour montage of movie clips that functions as a clock itself—will perform and interact with Calder's work. Other artists and musicians will follow through the run of the exhibition, which ends Oct. 23.

"It's really a live show," said Mr. Sanders.

Alexander Calder (1898–1976) is best known for a major art innovation: mobiles. Born in



ALEXANDER CALDER'S mobile, 'Red Disc and Gong,' from 1940.

Lawnton, Pa., to a family of artists, Calder made figures and portraits out of wire early on; his "Calder's Circus" (1926–31), made from wire and other materials, is a beloved star of the Whitney's collection. A few years later, Calder turned to abstraction—determined to explore, said Mr. Sanders, how motion "could be part of an abstract vocabulary." That turning point is where this show begins.

Thoughts of a Calder work in motion might conjure up a mobile rotating lazily in the breeze. But the artist intended a far wider range of movements—from furious vibration to random, sometimes violent collisions—that emerge only when the works are activated. Some, from the 1930s and 1940s, even have motors of their own.

Mr. Rower, 54, will be doing most, if not all, of the weekly and monthly presentations. As a

boy, he grew up with his grandfather's artworks and has fond memories of setting some of the show's sculptures in motion—including "Red Sticks" (circa 1942), which hung in his parents' bedroom. Others, like the early motorized work ("Red Panel"), from around 1934, were long familiar, but "I'd never seen it run," he said, until its two motors were restored for the show. In a preview at the Calder Foundation offices, Mr. Rower launched the hanging elements of "Untitled," a 1934 work made with cutoffs from metal plumbing pipes, into an unpredictable, occasionally clangorous dance. "If you're careful with it, you'll never get to the point of what the mobile's about," he said.

Sound comes into play in other ways in "Hypermobility," including in the 1940 hanging mobile "Gong," a longtime fixture in Calder's studio. There, said Mr. Rower, air currents would occasionally stir it to break the silence with a clang that made visitors "jump out of [their] boots."

At the other end of the sound scale is "Aspen," a 1948 standing sculpture that, given a push, erupts in a delicate rustling from discs that quiver, like aspen leaves, atop long rods.

Below the quivering, a large horizontal disc, balanced on a single point, might inspire seasick-

ness with its off-kilter movement. Looking at the work, "you start to lose your groundedness," said Mr. Rower. "And that was what the experience was supposed to be."

An appreciation of randomness and chance underpins much of Calder's sculpture. "Small Sphere and Heavy Sphere," the 1932–33 work that Mr. Marclay will interact with in his performances, consists of a metal rod with a small

wooden ball suspended from one end and a spherical iron counterweight suspended from the other, accompanied by a collection of sound-producing objects—bottles, a small gong, a tin can, a wooden box—to be arranged at the user's whim.

Set in motion, the wooden ball collides with (or misses) the objects at random, resulting in a one-of-a-kind sound performance. Mr. Sanders calls it "a chance-determined musical instrument," and both he and Mr. Rower are eager to see what Mr. Marclay makes of it.

Whatever happens with "Small Sphere" or the other mobiles to be activated, Mr. Rower has one piece of advice for viewers: Don't worry. "It's scary. People think, 'Oh my God, he's going to break it.' But a Calder mobile, he says, is 'made to do that. It really doesn't mind.'

To see the mobiles in action, go to WSJ.com/Review.

2017 CALDER FOUNDATION, NEW YORK/ARTISTS RIGHTS SOCIETY (ARS), NEW YORK

MASTERPIECE: 'A MIDSUMMER NIGHT'S DREAM' (1962), BY GEORGE BALANCHINE

A LASTING SIGH MADE FLESH

BY ROBERT GRESKOVIC

'A MIDSUMMER NIGHT'S DREAM,' a two-act ballet to Mendelssohn's music and based on Shakespeare's play, stands out in the canon of George Balanchine (1904–1983) as his first wholly original, multiact work. First given by New York City Ballet in 1962, it remains something of a departure for the renowned Russian-born choreographer, most widely known for his one-act, non-narrative ballets.

Performances of the narrative spectacle were programmed in 1964 not only to close out NYCB's initial years playing at New York's City Center of Music and Drama, with its limited stage, but to inaugurate its new home at Lincoln Center's more deluxe New York State (now David H. Koch) Theater. It's been performed there with some regularity ever since—this year, a run Tuesday through Sunday concludes NYCB's current season.

Balanchine's answer to a television interviewer's question in 1964 about his seeming preference for non-narrative choreography, noted that when people onstage "meet—one person gives a hand and the girl embraces—there's already a meaning in it: Duet is a love story, almost. So, how much story you want?" Just how much actual story Balanchine could offer audiences took some balletwatchers by surprise when he first presented "Midsummer Night's Dream." Act one, about an hour long, gives us Shakespeare's comedy in ballet moves: its tone now breathless and bold, then limpid and iridescent, and all mixed with dramatic gestures delineating its magic-filled plot.

We're introduced to aristocratic courtiers, foolish mortals, imperious fairy rulers and their attendant winged subjects, as well as earthy rustics. We follow a bickering elf king, Oberon, and his implacable queen, Titania, with sometime brash interventions from a mercurial Puck. There's a tangle of mismatched human lovers.



page they both favor, and Queen Hippolyta and her duke, Theseus, in harmony, Balanchine sets his stage for a wedding celebration. Mendelssohn's famed Wedding March opens the act on familiar strains. Crowning the ceremonious event, Balanchine then gives us, without explanation or character names, two new dancers in what is simply billed as a "Divertissement." To observers looking for rhyme or reason, the dancing couple's arrival and departure after leading a dance interlude framed by six couples can seem puzzling or even extraneous.

But to my eye, and I assume that of any number of those in the theater with me whose rapt concentration at this time feels palpable, the "why" becomes moot as the "what" of the choreographic moment amazes, shaped as it is to the sustained, shimmering strings of the andante movement of Mendelssohn's Symphony No. 9. Here, we recall the wonders of Shakespeare's waking Bottom, who, losing his ass's head in blissful confusion following his encounter with the enchanted Titania, ponders "what my dream was."

For all the choreographic and narrative marvels making up the action of Balanchine's "Midsummer Night's Dream," each duly keyed to the Mendelssohn music underpinning it, this pas de deux scales new heights. What we see at this climactic juncture is an ineffably expressive female and male dancer, the art's essential ballerina and her partner. What they display is rapport so attuned to the floating, luminous dimensions of what we're hearing that we watch almost without breathing. The duet's fanlike final fall for the ballerina into her partner's embrace is a lasting sigh made flesh. The fine storytelling of Balanchine's "Midsummer Night's Dream" peaks with a poetic passage quite beyond narrative and situation.

A rare narrative departure for the dancemaker.

And, in passing, a chain of exasperated "Oh, go away!" gestures that might as well as be four successive slammed doors in a rollicking bedroom farce rarely fails to elicit audience laughter.

High points abound: Oberon's darting excursions capped by exits that take him out of sight as if flying backward; Titania's luxurious interludes with handmaidens who echo her Botticellian grace, eventually leaving her to an enchanted encounter with Bottom, an ass-headed, innocent tradesman. Additionally, an Amazon queen bolts through a nighttime hunt that she caps with a series of whipping turns that literally clear the scene of

its rolling mists. As Balanchine arranged, 25 girls from NYCB's affiliate academy, the School of American Ballet, play Oberon's pages, butterflies and fairies. These children beguile with skittering, chaining and fluttering moves that only such delicately limbed dancers of freshest youth can deliver in these particular ways.

It is the ballet's second act, about half as long as the first, that has long perplexed even some admirers of Balanchine's story ballet. With the lovers—Helen and Demetrius, Hermia and Lysander—disentangled from their confusions, the forest's fairy couple reconciled regarding the changeling

Mr. Greskovic writes about dance for the Journal.

Neil deGrasse
Tyson on
carb-loading
en route to
Mars
D9



OFF DUTY



A walking
tour of Haight-
Ashbury
50 years after
the Summer of Love **D4**

EATING | DRINKING | STYLE | FASHION | DESIGN | DECORATING | ADVENTURE | TRAVEL | GEAR | GADGETS

© 2017 Dow Jones & Company. All Rights Reserved.

* * * *

THE WALL STREET JOURNAL.

Saturday/Sunday, May 20 - 21, 2017 | **D1**



F. MARTIN RAMAM/THE WALL STREET JOURNAL, STYLING BY ANNE CARDENAS, ILLUSTRATION BY SIANNA MANDER

BY LETTIE TEAGUE

SAUVIGNON BLANC is a wine-world conundrum: highly distinctive but sometimes unremarkable; wildly popular yet not always prized; grown everywhere, but even its fans know only two types: New Zealand and Sancerre.

Perhaps that's why so many wine professionals invoke these two places when selling Sauvignon Blancs produced just about anywhere else. When I bought a couple of bottles from Italy's Friuli region at a Manhattan wine store recently, the salesman described one as "New Zealand-like" and the other as "like Sancerre." Never mind that Sauvignon Blanc has been produced in Friuli for centuries. Nothing if not peripatetic, Sauvignon Blanc also grows in South Africa, Chile and Washington State, not to mention New York, Napa Valley, Sonoma, Germany, Austria and Australia, and so on (and on). It thrives in a range of climates and soils.

A GLOBAL GUIDE

Sauvignon Blanc for the Savvy

With oceans of this ever-popular white wine out there, how do you know which one to pick? Here, a road map to the regions—and bottles—smart drinkers should seek out

The wine's popularity is increasing not only among growers but with wine drinkers, too. And yet, with so much Sauvignon Blanc produced all over the world, there are clearly going to be both winners and duds (with most examples falling somewhere between forgettable and avoid-at-all-costs). What should wine drinkers look for, and which producers and regions can they trust?

Perhaps it might help to understand a bit more about what sets this varietal apart. Take, for example, the descriptors commonly used on the back labels of bottles to describe Sauvignon Blanc's aromas, which read like a trip down the grocery store produce aisle: green apple, pineapple, mango, melon, orange, honeydew, lemon, lime, gooseberry.

Sauvignon Blanc's lively acidity also makes it an easy and versatile partner with food. A good bottle can cost less than \$20, and a decent one can be found for as little as \$10 (though a lot of Sauvignon Plonk can be found at that price too). That's because Sauvignon Blanc

Please turn to page **D6**

[INSIDE]

FORGET THE TAJ MAHAL

Nature-focused Indian resorts for travelers who want critters not crowds. **D5**



GOT NO TIME

Why are there so few American luxury watchmakers? **D2**

THE CAPRICE IS RIGHT

Whimsical design offers escapism in anxious times **D8**



A TOP-NOTCH DIP

Scoop up this deviled-crab recipe in 30 minutes **D7**



STYLE & FASHION

THE WATCH MAN HOROLOGICAL EXPERT MICHAEL CLERIZO ANSWERS YOUR TIMELY QUESTIONS



The Loneliness of the American Watchmaker

Q I know the Swiss turn out great watches, but are there any American luxury watch brands that are made in the U.S.A.?

A For better or worse, the Swiss have made themselves the gold standard for luxury watches. Even Ralph Lauren, the only American brand to create any buzz with its luxury watches, produces its timepieces in Switzerland—ironic for a company that cloaks itself in all things red, white and blue.

However, the industrious can find mechanical watches made by Americans, on American soil. One caveat: You won't ever see the words "Made in the U.S.A." The Federal Trade Commission prohibits use of the term unless "all or virtually all" of a product is fabricated in the U.S. But no watch movement manufacturers are based in the U.S.

In truth, there was never much of a luxury-watch industry in the states. American brands like Elgin (now defunct) and Waltham (now owned by a Swiss company) made cheap, reliable timepieces. The few makers of superb watches worked almost exclusively for the merchant navy and then the American Navy. And in 1868, when one American, Florentine Ariosto Jones, wanted to establish a company making high-grade watches, he moved to Switzerland to do so. That company is IWC Schaffhausen, with which you may be familiar. Meanwhile, countries like Switzerland, Japan and Germany have long fine watchmaking traditions that have been preserved.

The bottom line: The few ambitious stateside watchmakers that exist must import almost all movements.



MIDDAY AT THE OASIS The American luxury watch isn't entirely a mirage. PS-801-EE Watch, \$11,900, rgmwatches.com

But I still consider these brands, which occupy a tiny but lively patch of the watch world, American.

Some have a distinctively American aesthetic. The Montana Watch Company, founded in 1998 by vintage-watch restorer Jeff Nashan, 53, specializes in an old-time western look. You can easily picture the elaborate engraving on Mr.

Nashan's cases across spurs and gun handles.

The watches created by Geoffrey Roth, a 68-year-old professional jeweler and art gallery owner, based in Scottsdale, Ariz., seem to take

their cues from the American southwest. Their glowing gold faces often feature an engraved Georgia O'Keeffe-esque nautilus motif. Both brands' models start around \$5,000.

Fourth-generation watchmaker Richard Paige, meanwhile, sets himself apart by converting antique American pocket watches to wristwatches with art deco-inspired cases and dials of his own design.

The godfather of independent watchmaking in the U.S. is Roland Murphy, 56, who founded RGM Watch Co. in 1992. Based in Mount Joy, Penn., RGM produces 250 watches a year. About a quarter have in-house movements that Mr. Murphy made himself; the rest have

reworked Swiss or vintage American movements.

Mr. Murphy's modest goal: to keep fine watchmaking alive in the U.S. Prices for his watches with Swiss movements start at about \$3,000, while those with movements he makes himself range from \$7,500 to \$100,000. In terms of reliability and exclusivity, his watches rival anything produced by European independent brands.

Lest you think that American watchmaking is solely the territory of middle-aged or older gentlemen, consider Keaton Myrick, 35. Mr. Myrick, based in Sisters, Ore., became interested in horology in his 20s. After graduating from watch-

making school in 2007, he spent a year working at a Rolex U.S.A. service center. When he returned to Oregon, he opened a repair and restoration shop, and completed his first prototype timepiece in 2011. Mr. Myrick has nearly fulfilled his goal of making 30 watches, priced at \$24,000 each, to establish his reputation. He crafts as much of the movement himself as he can.

I say the really exceptional thing about the American watch scene is that it's up against fearsome odds when even the Swiss are daunted by the rise of smartwatches. It's not easy to create a luxury-watch brand, but these makers are trying to do just that.

SHORT-TERM GOAL

Skip the predictable polo for a breezy and less boring short-sleeved camp shirt

A POLO SHIRT would make a pleasant house guest, quiet and inoffensive as it is. But, sometimes, you need a less milquetoast companion. Consider the camp shirt, a casual, short-sleeved summer alternative. It's hardly a flamboyant garment, but the chest pockets (ideal for holding sunglasses) and a generous but not Travolta-in-the-'70s-wide collar give it retro flair. The camp shirt also earns marks for versatility. "You can do it all the way up with that final loop button and have a uniform feeling, or you can wear [the collar] spread and be more relaxed," said Charlie Morris, creative director of Brooklyn label Fanmail. As for whether to give the sleeves a muscle-spotlighting roll, like the fellow shown here, let your biceps be your guide. —Jacob Gallagher



Shirt, \$550, [Bottega Veneta](http://BottegaVeneta.com), 800-845-6790

Battenwear Shirt, \$195, bivouacshop.com

Fanmail Shirt, \$250, mrporter.com



EXCLUSIVELY
OURS



BARNEYS.COM

NEW YORK BEVERLY HILLS SAN FRANCISCO

CHICAGO BOSTON LAS VEGAS SEATTLE

FOR INSIDER ACCESS: THEWINDOW.BARNEYS.COM

ALTUZARRA

SAME DAY DELIVERY
AVAILABLE IN MANHATTAN AND SELECT ZIP CODES
IN THE GREATER METROPOLITAN AREA

BARNEYS
NEW YORK

STYLE & FASHION

LOVE/HATE RELATIONSHIP

Dressing Inside the Box

Some women feel hemmed in by the prescriptive workwear new services provide. Others can't imagine life without it

WHY WE HATE THEM

MANY PROFESSIONAL women find that getting dressed for work is, well, work. That would explain the rise of personalized-box shopping services like MM.LaFleur, Stitch Fix and Trunk Club, which take the legwork out of the equation. Though all the services ask shoppers to fill out a survey about their style and needs, each takes a slightly different approach.

MM.LaFleur sends a "Bento Box" of coordinating, office-appropriate pieces, designed in-house, based on that information. Stitch Fix and Trunk Club, meanwhile, have a stylist pull appropriate pieces from an array of brands to fit the bill. All allow no-sweat returns of items the customer finds wanting for any reason. In most cases, it's a one-time deal; no subscription required.

Such services may be a boon to many professional women seeking an efficient wardrobe solution, but you could argue that they're making career dressing a soulless, personality-free proposition.

After all, this is 2017, not 1987. "The rules of workwear are much more fluid now," said designer Adam Lippes, whose colorful and feminine—but still office-going—clothes have earned him a devoted following. His customer, said Mr. Lippes, has strong opinions about her personal style and wants to wear his clothes—say, a pinstriped shirt dress with floral embroidery or a pair of tailored, high-waisted dark denim jeans—her way, not as prescribed by a pen-pal stylist.

Plus, we live in a world where we're surrounded by information. With a flick through Instagram or a skim of the editorial section of sites like Net-a-Porter, a woman can find ample inspiration for both her work look and off-duty wardrobe. Because even if buying clothes is admittedly a chore, you risk squandering all the fun of fashion when it's mostly prefab.

In some ways, these companies are playing to many women's fear of fashion. "Fashion can feel like such a exclusionary sport that women reject it before they feel like it can reject them," said Leandra Medine, founder and chief creative officer of the Man Repeller website. Ms. Medine suggests examining what you like about the way other women are dressed. "Those are usually signs of your personal style," she said. Ms. Medine believes in the power of expressive fashion: "Getting dressed lets me feel like a better version of who I am, or escape the reality of what I don't like to be."



WHY WE LOVE THEM

FOR THOSE who think that box-service uniform dressing takes the fun out of fashion, consider this: MM.LaFleur and its peers aren't necessarily targeting magazine editors and aspiring style stars. (Though Stitch Fix does encourage women to explore unknown brands.)

Rather, their value is expediency. Busy women, with obligations tugging from every side, don't have the luxury of time to shop. And in real life, women also have jobs where wearing the latest Prada platforms might be frowned upon or in violation of the dress code. From that vantage point, dressing for the office starts to seem a lot less exhilarating.

"There's a big disconnect between the fashion world and professional women," said MM.LaFleur founder and CEO Sarah LaFleur. She realized this when she met creative director and co-founder Miyako Nakamura, a fashion designer who was then head designer at Zac Posen, and began to talk about her idea. "I said, 'I'm thinking of the lawyer or the banker who walks to work in flats and then switches out to heels in the elevator.'" At the time, Ms. Nakamura had little awareness of these professional women and their particular needs.

Ms. LaFleur was talking about women like Megan L. Brackney, a Manhattan attorney, and Kim Lear, a Minneapolis-based consultant, who are both MM.LaFleur devotees. "I don't like to shop. I don't have time for it," said Ms. Brackney. MM.LaFleur "doesn't have a ton of stuff, so you're not sifting through 150 pages of crap." Ms. Lear began wearing MM.LaFleur about a year ago. Among other things, she appreciates that the fabrics don't wrinkle and that the company often sends things she might not have chosen. "The real value is that they kind of force you to try stuff that you wouldn't normally pick out for yourself," she said.

MM.LaFleur is so popular among women lawyers, said Ms. Brackney, that she often runs into other women at conferences wearing the same dress. She is unfazed by it, amused even. In one instance, the twinning pair took a photo together. And anyway, there's a double standard when it comes to uniform dressing. "I'm at a conference now," said Ms. Brackney. "Seventy-five percent of the men are wearing khakis, blue shirts and a navy blue blazer, and they're not walking around upset." —Christine Whitney

F. MARTIN RAMIN/THE WALL STREET JOURNAL STYLING BY ANNE CARDENAS

FÊTE ACCOMPLI A GOOD-LOOKS GUIDE TO RECENT EVENTS



A Garden Party for Fabletics New Collaboration



◀ FRESH DIRECT Juices and other healthy fare were on hand at the Fabletics fête.

STAR-POWER DRESSING

Toasting two celebrity partnerships with, respectively, Demi Lovato and Chloë Sevigny

IT'S EASY to get cynical about celebrity collaborations. But considering that singer Demi Lovato devoutly practices mixed martial arts—and even met Kate Hudson, the actress who founded exercise-gear label Fabletics, in a gym—Ms. Lovato's new collection for the brand passes muster. "Demi felt like a perfect fit," said Ms. Hudson last week at the Beverly Hills Hotel, where friends like Amanda Peet and Molly Sims had gathered to celebrate Ms. Lovato's designs.

Among the guests, there was not a legging in sight. Instead, they worked the "oh, this old thing?" easy chic at which Angelinos excel, exemplified by Ms. Peet's ivory sweater and trousers. Nevertheless, as stylist George Kotsopoulos remarked, "Athleisure is not going away. It's a justifiable way for women to run around in yoga pants."

Meanwhile, across the country, Manhattanites feted Chloë Sevigny's role in curating the new vintage category at resale e-commerce site Vestiaire Collective. "She's the ultimate vintage icon," Kate Foley, the site's U.S. contributing fashion director, said of the actress, who's been fixated on retro clothes since she was a child in Darien, Conn.

Ms. Sevigny's selections for the site include a velvet Thierry Mugler dress (\$435) and a black Hermès Kelly bag (\$4,874). In a black, quilted leather vest over a white dress, the actress fit in with the limited-palette downtown crowd. A grouping of mannequins styled in some of the site's more expressive vintage pieces did their part to provide color, looking like they'd time travelled in from some more vivid party in the past. —Melissa Magsaysay and Laura Stoloff

ADVENTURE & TRAVEL



Suddenly, That Summer

A walking tour of San Francisco's Haight-Ashbury neighborhood celebrates the 50th anniversary of the city's seminal love-in

BY BOB COOPER

WHEN A KID in a tie-dyed Grateful Dead T-shirt hits you up for change on San Francisco's Haight Street, don't be annoyed. He's only doing his part to keep the spirit of the 1967 Summer of Love alive, a half-century on. Despite the arrival of boutiques selling \$840 sneakers and \$165 hoodies, and the slow fade of almost every shop that lined the street in the 1960s, the Haight-Ashbury neighborhood remains evocatively off-kilter. Old Victorian storefronts and homes, some painted extroverted shades like canary-yellow and indigo, distinguish the district, aka "the Haight" or "the Upper Haight." And scruffy teens still gravitate to the area, asking for change, whether it's the monetary or societal kind.

Unfurling from the eastern border of San Francisco's Golden Gate Park, the Haight served as the epicenter of America's 1960s counterculture movement. "The Haight-Ashbury was the product of teen rebellion against 1950s' regimentation and the Vietnam War," said a guide for the local Flower Power Walking Tour who goes by the name Stannous Flouride. "The anarchic aspect was seen as a threat against the establishment but ultimately had a profound influence on American culture." Cheap rents, more than anything else, drew the first wave of bohemians in the early 1960s. Legions followed, cresting in 1967 when some 100,000 students, musicians and others flocked to San Francisco for a summer of drug-enhanced communing and revelry that horrified parents. This year, to mark the anniversary, events from concerts to art exhibits are being staged throughout the Bay Area (see summeroflove2017.com for details). You can also take an organized walking tour or go it alone. Here, our self-guided stroll through the hippie era's heyday.



IN FULL FLIGHT From top: Jefferson Airplane in 1967 performing in Golden Gate Park; the Summer of Love Experience, a current exhibition at San Francisco's de Young Museum.

ROCK QUARRY

Janis Joplin, Jimi Hendrix, the Dead and Jefferson Airplane all lived in the Haight, and performed often in and around the neighborhood. Hit songs of 1967 included the Airplane's "White Rabbit," "San Franciscan Nights" (inspired by a night Eric Burdon spent with Janis Joplin) and the blissed-out ballad "San Francisco (Be Sure to Wear Flowers in Your Hair)"

Want to reacquaint yourself with the roots of psychedelic and acid rock? Pop inside cavernous **Amoeba Music** (6) at 1855 Haight, a former bowling alley that carries used CDs, along with endless rows of records and rock-history books and posters. An exhibit at the San Francisco City Hall, running until June 23, displays dozens of rocker photos taken in 1967 by late photographer Jim Marshall.

Supplying drug paraphernalia were so-called head shops, once pervasive on the street, peddling rolling papers and hookahs, among other accessories. The six in business today include **Pipe Dreams** (4) at 1376 Haight, which opened in 1968, and **Ashbury Tobacco Center** (5) at 1524 Haight, where Jimi Hendrix once lived on the upper level.



PEACE OUT A couple in the Haight in 1967.

GREEN ACRES

In 1967, hippies escaped the district's crushing crowds by decamping to the large city parks that border the Haight on three sides—Golden Gate Park, the Panhandle and Buena Vista Park. They flooded into these green spaces to heed counterculture icon Timothy Leary's call to "Turn on, tune in, drop out." A favorite place for acid-heads to congregate was **Hippie Hill** (7), a grassy slope in Golden Gate Park. George Harrison even dropped by once and sang a few songs. Enter the park at Haight and Stanyan, take the path that angles right past the stoplight until Hippie Hill is visible on your right. From its apex you can see the old carousel at one of America's oldest public playgrounds (1887) and the eucalyptuses that blanket Mount Sutro.

PSYCHEDELIC RELICS
Visual artists also gravitated to



the Haight, designing concert posters that defined a trippy new aesthetic; typography endured distortions, lines swirled, colors skewed fluorescent. To further radicalize these concerts, Haight artists pioneered the multimedia light show—which combined ultraviolet lights, strobes and mind-bending slideshows. At the **de Young Museum** (8), a 10-minute walk from Haight Street, in Golden Gate Park, stop in for "the Summer of Love Experience: Art, Fashion, and Rock & Roll," an exhibit running until Aug. 20. On view: concert posters, hippie fashion, historic photos, films and interactive music-and-light shows—300 works in all.

ON THE FRINGE

Along with long hair on both sexes (blurring the gender divide to the establishment's distress), 1967 fashions included yards of fringe, headbands, love beads, and novel and exotic uses of leather, denim, crochet and embroidery. All were sold at Haight Street shops and still are today in eight vintage emporiums. **Love On Haight** (9) at 1400 Haight, the most colorful, carries only locally produced tie-dye. For more glamorous throwbacks, like Nehru jackets and bell-bottom jumpsuits, check out **Piedmont Boutique** (10) at 1452 Haight.

EASTERN PARADE

Hippies were early and ardent Western adopters of Asian traditions from acupuncture to yoga, as well as the teachings of Buddhism, Hinduism and Hare Krishnas. Of five Haight Street shops that sell Asian objects like healing crystals, prayer flags, Buddhas and Tibetan Singing Bowls, **The Love Of Ganesha** (11) at 1573 Haight is the largest and most inviting. You enter through a veil of hanging scarfs and a haze of incense, and in the back, you can plop onto pillows in the no-cell-phones-allowed tent for a quick self-led meditation session—perhaps to ruminate on the Love Generation that once thrived on a street called Haight.

SUMMERTIME TIME Janis Joplin in her house in the Haight.

VICTORIANS THAT RULE

Free love reigned messily during the Summer of Love, mostly in neglected Victorian houses that had become overcrowded, affordable communes. Today many of these "painted ladies" have been renovated and sell for more than \$2 million apiece, with copulating hippies replaced by well-paid techies.

Visitors can admire hundreds of elegant, century-old Victorians on a nine-block stroll: Start at the famed corner of **Haight and Ashbury** (1), walk up Ashbury to Frederick (where you'll pass **Janis Joplin's house** (2) at 635 Ashbury and the **Grateful Dead house** (3) at 710 Ashbury. It was there that police arrested two Dead musicians and several women living with the band in a drug bust in October, 1967. Next, turn right on Frederick to Clay-

ton, right on Clayton to Page, right on Page to Ashbury, then right on Ashbury to Haight.

DRUGGY STORES

The Haight's abundance of marijuana, LSD and other psychedelics was catnip to thousands of teen runaways. These drugs offered routes to new states of consciousness, but also sent dozens of flower children directly to the hospital each week.

Supplying drug paraphernalia were so-called head shops, once pervasive on the street,



PEACE OUT A couple in the Haight in 1967.

ADVENTURE & TRAVEL

Nature and Nurture

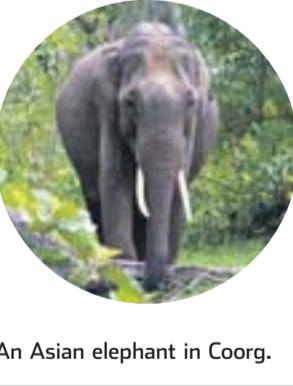
A solo traveler forgoes India's mobbed, bucket-list attractions in favor of secluded resorts and wildlife treks in the sleepy south

BY JEANINE BARONE

MOST first-timers to India make a beeline for the Taj Mahal and Delhi's Red Fort, both beautiful and historic—and invariably mobbed by tourists. I prefer to consume exoticism in smaller, less predictable doses, which is how, one fine October day, I wound up in a thatch-roof cottage fronting the Arabian Sea along a 14-mile stretch of unspoiled beach in the country's far south. The cottage was one of 18 scattered around the gardens at the Neeleshwar Hermitage resort in Kerala, among the country's most scenic states.

A biologist by training, I had decided to spend my two-week solo trip to India getting up close with the flora and fauna, starting at northern Kerala's seaside and ending in the highland forests of Coorg in the neighboring state of Karnataka. As allergic to rigid tours as I am to crowds, I based myself at two high-end resorts, both of which offer guided nature excursions, leaving plenty of downtime to wander—or lounge about—as I wished.

On my first outing, a walk through two Kerala wetlands with a local bird-watching guide, Rajeevan, we spotted 41 different bird species, not enough, apparently for Rajeevan. "I am not satisfied today. We have not seen enough birds," he said halfway through our three-hour expedition. My trip happened to coincide with the start of bird migration season (October through March) when dozens of species from the Northern Hemisphere journey thousands of miles to India.



An Asian elephant in Coorg.

Northern Kerala sits on a major flyway, which makes it a birding bonanza. At the wetland in Ezhom, on a slim path winding through brilliant-green rice paddies, we heard a chorus of squat stonechats, blue-tailed bee-eaters and ashy wren-warblers, all chirping seemingly at once. While we were eyeing a purple heron perched on a coconut palm, an asparagus-green, red-ringed parakeet swept over the waters, gathering rice grains.

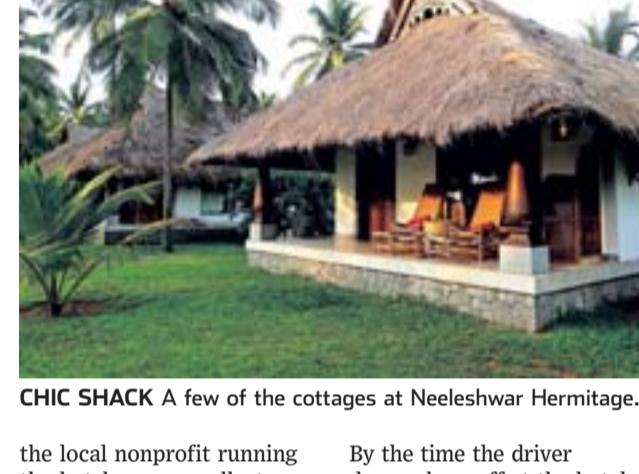
In Kokkara Vayal, another nearby wetland, we walked along muddy paths and watched water buffalo wade into paddies speckled with water lilies. In the distance, a massive cluster of what appeared to be more white blossoms carpeted the watery expanse. "Those are not

On my first outing, I spotted 41 different bird species.

flowers, they're cattle egrets," said Rajeevan, clearly excited by the sighting. He estimated more than 1,000 birds in the flock and steered me in their direction, determined to get up close. And we would have, had I not been hobbled by my mud-soaked socks and shoes.

Back at the resort, I went for a dip in the beachfront pool, then had a consultation with the staff Ayurvedic physician (free to all guests) to determine my dosha, or biological energy. She diagnosed me as "Vata," which is characterized by, among other things, an inability to sit still, and prescribed a massage with essential oils. I opted for a four-hand massage at the property's spa and a daily Hatha yoga class (complimentary) in the open-air pavilion.

Another day, after an al fresco breakfast of freshly rolled rice noodles with a coconut milk veggie stew, I took one of the Hermitage's bicycles, pedaling barely 2 miles to the NAITHEL Turtle Hatchery, which the resort supports. If guests spot eggs laid on the beach, they're told to report the location so



CHIC SHACK A few of the cottages at Neeleshwar Hermitage.

the local nonprofit running the hatchery can collect them. I veered off a ribbon of a road paralleling the beach, and met Praveen Kumar, who works with the nonprofit that has released 23,000 endangered Olive Ridley sea turtles over the last 13 years. We walked over to a pen adjacent to the beach where two weeks earlier, 131 eggs from one turtle were buried by a NAITHEL staffer. After 40 to 60 days, the hatchlings were to be released to crawl across the sands for their new life at sea.

The next day, with one of the hotel's drivers at the wheel, I braved the serpentine roads that led high into the mountains to Thonikadavu, a family-owned farm that's open to the public for guided hikes. One of the owner's sons, Rathnakaran, led me around the 32-acre property, with terraced hillsides cut by the Payaswini River, and planted with various trees, including coconut, rubber, pepper, cashew and banana. Everything else grows wild. We walked down steps cut into the creeper-cloaked hillside to a small cascading waterfall, and then across a sliver of a footbridge above a stream's tumbling waters. Rathnakaran broke leaves of lemon, African coriander and wild lemon grass plants for me to sniff as we walked along.

After checking out of the Hermitage, I headed to my next destination, Orange County resort, a four-hour drive east, once again on a series of wiggly, narrow roads ascending and dipping through forests thick with bamboo and jackfruit trees.

By the time the driver dropped me off at the hotel, I was sorely tempted to spend the remainder of my trip parked at the adults-only infinity pool. A stylish resort set some 2,900 feet above sea

level among acres of organic coffee and spice plantations, Orange County is bigger than the Hermitage, with 63 rooms, two main pools and a handful of private pools in some of the villas. Much of the décor revolves around found or repurposed objects, like the felled rosewood tree that now serves as the base of the breakfast buffet table. Even the garbage bins scattered around the grounds are formed from hollowed out crepe myrtle tree trunks.

Sufficiently recovered from the drive the day before, I scheduled a guided trek in the adjacent 50,000-acre Dubare Reserve Forest, hoping to catch sight of some of the elephants and tigers that live in the forest. As we set



RARE BIRD From left: Neeleshwar Hermitage; a buff-breasted sandpiper in Kerala.

out on our way to the reserve through Orange County's coffee plantation, the trees heavy with berries, my thoughts turned to nature's benevolence—right up until my guide, Vishwanath, told me to securely fasten gaiters over my socks. "It's so the leeches on the forest floor don't get on your legs," he cautioned.

We hadn't yet even entered the forest when we spotted the deep oval footprints of an Asian elephant (slightly smaller than its African counterpart), who had wandered onto Orange County's property to forage for vegetation. Later, in the reserve, Vishwanath pointed out caked dirt clinging to a branch above our heads, indicating where an elephant rubbed mud, used to reduce body temperature, off its skin.

On the banks of the Cauvery River, a worn track indicated elephants and bison had come to drink and bathe. Whitewater tumbled over rocks as we rested on a large outcrop beside a placid watering hole where we spied more elephant footprints and those of a lone tiger on the muddy shore. The elephants and tigers themselves never materialized—they both prefer to move about at night. But I didn't mind in the end. The pool was waiting.



Experience a California Closets system custom designed specifically for you and the way you live.

Visit us online or in our showroom today to arrange for

a complimentary in-home design consultation.

CALIFORNIA CLOSETS®

UPPER EAST SIDE 212.517.7877

TRIBECA & BROOKLYN 646.486.3905

NASSAU & QUEENS 516.334.0077

WESTCHESTER & HUDSON VALLEY 914.592.1001

ROCKLAND 845.570.9922

californiaclosets.com



tures local art and partially al fresco bathrooms. The main restaurant, the open-air Annapurna, serves a seasonal menu with freshly caught seafood and traditional village dishes such as beetroot tikki (fried patties) and shalot curry (from \$180 a night in low season, neeleshwarhermitage.com).

Built in the style of old-world

plantation houses or inspired by ethnic Kodava architecture, many of the 63 villas at Orange County, Coorg include private pools. Start your morning relaxing in the resort's airy Reading Lounge that's set on stilts above rice paddies and organic vegetable gardens. Of Orange County's three main restaurants, the most formal is Peppercorn, a candlelit, lakefront space serving six-course meals. At the all-vegetarian Plantain Leaf, order a mixed thali of North and South Indian fare that may include delectable rice and coconut pancakes (from \$390 a night in low season, orangecounty.in/coorg-resorts).

EATING & DRINKING

THE BLANCS TO BANK ON

Continued from page D1

typically costs relatively little to produce: It's often fermented in stainless steel instead of more expensive oak barrels and shipped out soon after bottling. While this can result in some less than spectacular wines made to turn a quick buck, even the inferior examples haven't led to a backlash akin to the one Chardonnay has suffered.

Yet Sauvignon Blanc has rarely attracted the same kind of fulsome praise from serious oenophiles that Chardonnay has, save for a few lauded Sancerres and Pouilly-Fumés and white Bordeaux (blends of Sauvignon Blanc with Sémillon). A wine collector friend told me that while he liked Sauvignon Blanc because it was "easy to drink," he didn't have much respect for the wines because they "lack the grandeur of a white Burgundy." He actually said that while drinking a very good Sancerre, the 2015 Gérard Boulay Monts Damnés Sancerre—which may prove nothing more than some collectors are snobs.

But some wines definitely outrank others, and the grape presents different characteristics—sometimes unpleasantly so—depending on how and where it's grown. For example, in too-warm climates, it can take on an unappealing aggressive herbal note. Furthermore, in each growing region a

unique winemaking culture prevails, and certain ones have adopted unmistakable Sauvignon Blanc styles.

Even non-oenophiles can identify a New Zealand Sauvignon Blanc. The juicy acidity and lively fruit, characteristics that drinkers love, have made New Zealand Sauvignons one of the more durable categories in American wine stores. According to Dan Schmude, regional manager and buyer at Bottle King, which has 14 stores in New Jersey, the stores' sales of New Zealand Sauvignon rise 10% each year. Bottle King's 30 Kiwi Sauvignons account for 75% of its Kiwi wine sales overall.

New Zealand winemaker Mike Allan of Huia in Marlborough credits the novelty of the New Zealand style. "They were flavors that hadn't been seen before," he said, recalling the debut of Cloudy Bay, the iconic Marlborough Sauvignon Blanc that put New Zealand Sauvignon on the map in the late 1980s and early 1990s. (Mr. Allan was part of the early Cloudy Bay winemaking team.) Then there's the infamous "cat's pee" smell often associated with Sauvignon Blancs from New Zealand—a very particular sharpness—not necessarily considered a bad thing. (One Kiwi producer even decided to make it a selling point and named a Sauvignon Blanc "Cat's Pee on a Gooseberry Bush.")

The Sauvignon Blancs produced

in Sancerre and Pouilly-Fumé, in France's Loire Valley, tend to be richer and earthier than their counterparts in New Zealand, with less acidity. This is partly due to climate and partly to soil (chalk and Kimmeridgian limestone), and both are important factors in determining the character of Sauvignon Blanc.

Winemaking also plays a role. When Sauvignon Blanc ferments and ages in oak rather than stainless steel, the profile becomes big-

Sauvignon Blanc drinkers who look beyond Sancerre and New Zealand will find there's much more out there to love.

ger, sometimes slightly sweeter too. In the 1970s, winemaker Merry Edwards raised the profile of Matanzas Creek winery in Sonoma with her barrel-fermented Sauvignon Blanc. Few California winemakers were doing it back then, but the practice is commonplace now. (Ms. Edwards makes a barrel-aged Sauvignon Blanc under her own label today.)

The 2015 Merry Edwards Russian River Valley Sauvignon Blanc was

among 25-plus Sauvignon Blancs I tasted in the company of Sauvignon Blanc-loving friends. Faced with the oceans of available Sauvignon Blanc, I was determined to ferret out bottles that were not only top-quality but also representative of their regions. The wines ranged from \$10 to \$45 and were geographically and stylistically far-flung, too. Some were light, crisp and refreshing; others, more substantial, with the potential to age well. See "A Well-Traveled Wine," below, for the results, a greatest-hits list as well as a field guide to regional styles.

The simplest hailed from South Africa and Chile. And while some were a little too simple, the standouts can best be described, in the words of Anthony Hamilton Russell, proprietor of Southern Right winery in South Africa's Western Cape, as "somewhere between the freshness of New Zealand and the minerality of the Loire."

The New Zealand Sauvignon Blancs came from Marlborough, save one from Hawke's Bay, and were the most consistent in style. As a group they exhibited the refreshing, round, full-bodied Kiwi Sauvignon character.

Plantings in California have increased, and Sauvignon Blanc has become particularly popular in Napa, with more and more produc-

ers turning out stylish Sauvignon Blancs in addition to fancy Cabs. The wines we tasted from Napa and Sonoma were more various than those from New Zealand—some soft and more floral than herbal, some marked by an aggressive acidity, others rounder and more complex.

The French wines varied about as widely as the California ones did. Some Sancerres presented the "clean Sauvignon Blanc" profile sommeliers don't particularly admire but have no trouble selling. (Josh Nadel, beverage director of Andrew Carmellini's restaurants in New York City, calls Sancerre "bulletproof.") But several were notable, especially that outstanding 2015 Gérard Boulay Monts Damnés Sancerre, full-bodied and rich but with a bright mineral finish. "Perfect," my group of Sauvignon Blanc lovers declared.

I also found remarkable wines from much less popular Sauvignon Blanc precincts including Friuli in northern Italy, the Adelaide Hills in Australia, the Pfalz in Germany, the North Fork of Long Island and the Yakima Valley in Washington State—each one a singular expression of this most singular grape.

Sauvignon Blanc drinkers willing to venture beyond Sancerre and New Zealand will find there's a lot more out in the world to choose from and even to love.

A WELL-TRAVELED WINE // 10 SAUVIGNON BLANC REGIONS—AND BOTTLES—TO KNOW, AROUND THE WORLD



MAP BY SANNA MANDER; F. MARTIN RAMIREZ/THE WALL STREET JOURNAL (BOTTLES)

CRAFTED
BY
MASTER
KNIFE
MAKERS
SINCE
1814.

CLASSIC
4½" Artisan Utility Knife

Sale: \$49.99
Thru: 7/31/17



WÜSTHOF®

1. Russian River Valley, Sonoma County, Calif., U.S.

A region known for Pinot Noir and Chardonnay. Plenty of ripe, full-bodied Sauvignon Blancs here, too.

Bottle to Buy: 2015 Merry Edwards Russian River Valley Sauvignon Blanc (\$35).

Merry Edwards, famous for her Pinot Noirs, also makes a lush barrel-fermented Sauvignon Blanc. She began barrel fermenting this varietal back in the 1970s—to make it "more interesting." She succeeded.

2. Yakima Valley, Wash., U.S.

A sprawling red- and white-wine region in west central Washington State. Sauvignon Blancs here range from fruity and tropical to more mineral.

Bottle to Buy: 2016 Savage Grace Red Willow Vineyard Yakima Valley Sauvignon Blanc (\$22).

This balanced, crisp, clean, mineral white comes from the famed Red Willow Vineyard—a field blend of several different Sauvignon clones, fermented in oak and stainless steel barrels.

3. Casablanca Valley, Chile

A cool white-wine region northwest of Santiago. Locus of lively uncomplicated Sauvi-

gnon Blanc.

Bottle to Buy: 2016 Los Vascos Sauvignon Blanc (\$10).

Chile is awash in inexpensive Sauvignon Blancs—some better than others. This one from Baron Eric de Rothschild's Chilean Los Vascos project falls firmly in the better category. A light, refreshing, well-priced aperitif.

4. North Fork, Long Island, N.Y., U.S.

A skinny spit of land between Peconic Bay and Long Island Sound. Sauvignon Blancs here range from crisp and lean to fruity and medium-bodied.

Bottle to Buy: 2016 Paumanok Sauvignon Blanc (\$22).

The Massoud family began producing a dry Sauvignon Blanc in 2004 and has since doubled production to 800 cases annually—testament to the grape's success in this maritime climate. A vibrant wine with attractive citrus aromas and a crisp finish.

5. Sancerre, Loire Valley, France

A cool region in the eastern Loire Valley with clay, limestone, chalk and gravel soil. Wines range from light/refreshing to aromatic/powerful.

Bottle to Buy: 2015 Gérard Boulay Monts Damnés Sancerre (\$42).

This broad-textured wine with a

long, mineral finish comes from a hillside in one of the most famous vineyards in Sancerre. A textbook example of why Sancerre is sought after.

6. Friuli, Italy

This northeastern corner of Italy, an important white-wine region, produces a wide range of grapes—and Sauvignon Blancs in a medium-bodied, riper style.

Bottle to Buy: 2015 Ruziz Superiore Collio Sauvignon (\$32).

According to Ruziz Superiore proprietor Roberto Felluga, "The wines of Sancerre have a texture we aspire to without making Sancerre." His polished wine pays more than worthy homage.

7. Pfalz, Germany

The second-largest German wine region, home to top dry wines—including Sauvignon Blancs, with a tropical note.

Bottle to Buy: 2015 von Winning Sauvignon Blanc II (\$28).

Of the three von Winning Sauvignon Blancs, this is the "simplest": fermented mostly in stainless steel (others are fermented and aged in oak) and released in its youth. Impeccable, vibrant and refreshing.

8. Walker Bay, South Africa

A coastal region in the south-

western Cape. A fresh, mineral style of Sauvignon Blanc prevails here.

Bottle to Buy: 2016 Southern Right Walker Bay Sauvignon Blanc (\$12).

Sauvignon Blanc is "locally our most favorite white variety," said Southern Right proprietor Anthony Hamilton Russell. This one is nicely balanced, a bit restrained, with a pure mineral finish.

9. Adelaide Hills, Australia

A cool region in South Australia, east of the city of Adelaide. Home to a zingy, fairly light-bodied style of Sauvignon Blanc.

Bottle to Buy: 2016 Hewitson Lulu Adelaide Hills Sauvignon Blanc (\$19).

This lime-zesty wine from a single vineyard in a cool site salutes winemaker Dean Hewitson's wife, Lulu.

10. Marlborough, New Zealand

New Zealand's flagship South Island Sauvignon region. The style is wry, vibrant, aromatically exuberant.

Bottle to Buy: 2016 Huia Marlborough Sauvignon Blanc (\$17).

Mike Allan makes this classic, zippy Marlborough Sauvignon Blanc (gooseberries, grapefruit).

EATING & DRINKING

Isle Be Seeing You

When summer beckons yet a chill still lingers, Caribbean stews hit the spot

BY MATTHEW KRONBERG

MAYBE IT came to you with that first whiff of spring. Whatever the trigger, odds are you're craving not only sunshine but the bright, tropical flavors that are its culinary analogs. And yet, this transitional season can still be blustery and even downright cold.

Such days cry out for the soups, stews and braises of the Caribbean. This substantial fare can see us through the last gasps of cool weather while transporting us to a sunnier place.

'I look at that cooking as my comfort food.'

For Nina Compton of Compère Lapin in New Orleans, that place is her native St. Lucia. The chef has won wide acclaim for her restaurant's sophisticated versions of island classics like goat curry humming with ginger, turmeric and Scotch bonnet peppers. The recipe for pumpkin prawn pepper pot at right takes inspiration from rich pumpkin soups Ms. Compton's mother made for her as a child on the Antillean island. "I look at that cooking as my comfort food," the chef said.

When it comes to comfort, few dishes have garnered the kind of affection across the Caribbean that Jamaican-style brown stew oxtail has. Fallon Seymour, a Trinidadian model turned restaurateur, serves up a fragrant version at her Brooklyn restaurant, Pearl's—named for her grandmother, who taught her to cook. Beneath the stew's all-spice-laced sauce, you'll find spoonfully tender meat waiting to be prized from the bones' nooks and hollows.

Eating a plate of oxtails isn't just fortifying, it's a messy, slightly debauched undertaking if you do it right.

Up in Montreal, where spring is particularly fickle, diners can warm up at Agrikol, a Haitian restaurant owned by restaurateur Jen Agg and her Haitian-born husband, Roland Jean, along with Win Butler and Régine Chassagne of the band Arcade Fire. Their légumes, a traditional stew of beef in a bog of vegetables, served with polenta-like maïs mouli, does the job nicely.

Eggplant cooked to the point of collapse lends the stew body and earthiness.

Fresh spinach and a splash of bitter orange juice added just before serving bring verdancy and acidity, in a way that can brighten both body and soul. "Have a drink, hear some Konpa music and eat légumes," said Mr. Jean. "I promise, you won't feel the cold the way you did before."

► Find a recipe for brown stew oxtail (below) at wsj.com/food.



HOT DISH The Haitian stew légumes served with maïs mouli at Agrikol in Montreal.

Légumes

ACTIVE TIME: 45 minutes
TOTAL TIME: 8 hours (includes marinating) SERVES: 6-8

1 medium onion, diced
3 cloves garlic
½ cup diced red bell pepper
½ cup chopped scallions
½ cup chopped Italian parsley
Leaves from 1 sprig thyme
¾ cup chopped celery
1 whole Scotch bonnet pepper, plus ¼ Scotch bonnet pepper, seeded
1 leek, chopped
1½ teaspoons kosher salt
4½ teaspoons white vinegar
¼ cup extra-virgin olive oil
¼ cup plus 1 tablespoon bitter orange juice, or equal parts orange and lime juice
3 tablespoons Maggi seasoning, or equal parts Worcestershire and soy sauce
1½ teaspoons Dijon mustard
2½ pounds first-cut beef brisket
2 tablespoons grapeseed oil
1 large carrot, diced
2 cups chopped cabbage
1 eggplant, cut into 1-inch dice
2 chayote, peeled, seeded and coarsely diced, or 1 large zucchini, coarsely diced
1 quart low sodium beef stock
5 whole black peppercorns
3 whole cloves
½ pound baby spinach

1. Make marinade: In a blender or food processor, combine onions, garlic, bell peppers, scallions, parsley, thyme, ¼ cup celery, ¼ seeded Scotch bonnet pepper, half of leeks, salt, vinegar, olive oil, ¼ cup bitter orange juice and mustard. Purée until smooth, 30-40 seconds.

2. Slice brisket across the grain into 1-inch thick strips. Place in

an airtight container along with marinade. Seal, place in refrigerator and let marinate overnight.

3. Remove brisket from marinade and blot dry, reserving marinade. Heat grapeseed oil in a large lidded Dutch oven over medium heat. Sear brisket, turning, until browned, about 10 minutes. Transfer brisket to a plate.

4. Add carrots, cabbage, eggplant, chayote and remaining celery to pot. Cook, stirring, until vegetables soften and release water, 5 minutes. Add marinade and stock, increase heat to high and bring to a boil. Return brisket to pot, push down to submerge and reduce heat to low.

5. Wrap cloves, peppercorns and whole Scotch bonnet pepper in a square of cheesecloth and bind with kitchen twine. Add to pot. Simmer partly covered until brisket is fork-tender, 2-2½ hours.

6. Discard cheesecloth sachet. Use a spoon to break brisket and vegetables into bite-size pieces. Stir in spinach and let wilt. Season with bitter orange juice and Maggi to taste. Serve with rice.

—Adapted from Marc Villanueva, Agrikol, Montreal

4 cloves garlic, halved
2 tablespoon coriander seeds
2 (3-inch) pieces lemongrass, smashed
4 whole star-anise pods
1 ounce fresh ginger, peeled and minced
2 quarts water

6 ounces grouper or other firm white fish, cut into bite-size pieces

Zest and juice of 1 lemon
Zest and juice of 1 lime
Zest and juice of 1 orange

6 tablespoons olive oil

½ habanero pepper, chopped

2½ pounds pumpkin or butternut squash, peeled and cut into ½-inch dice

2 (13½-ounce) cans coconut milk

2 heads fennel, julienned

5 shallots, julienned

¾ teaspoon kosher salt

½ teaspoon freshly ground black pepper

1 teaspoon Sherry vinegar

1 sprig thyme

Chopped fresh herbs, such as basil, cilantro, mint and fennel fronds

1. Make stock: Heat 1 tablespoon grapeseed oil in a lidded 5½-quart Dutch oven over medium-

heat remaining olive oil in pan over medium heat. Season shrimp and fish with ½ teaspoon salt and sauté until just cooked through, 1-2 minutes per side.

2. To serve, divide seafood,

pumpkin and escabeche vegeta-

bles among bowls, then ladle

soup over. Garnish with herbs.

—Adapted from Nina Compton of Compère Lapin, New Orleans

Pumpkin Prawn Pepper Pot

Most fishmongers will set aside shrimp shells for you with a little notice. If you can't get them, use the shells from the recipe and replace half the water in the stock with clam broth.

TOTAL TIME: 2 hours

SERVES: 8-10

3 tablespoons grapeseed oil
½ pound shrimp shells
6 ounces shell-on shrimp, cleaned, deveined, and halved, shells reserved
3 onions, julienned

2½ pounds crab meat

2½ cups bread crumbs

1 teaspoon dry mustard

5 good dashes hot sauce

½ cup heavy cream

1 cup butter at room temperature

Kosher salt

6 cups salad greens

Juice of ½ lemon

3 tablespoons olive oil

Baguette, sliced into ½-inch rounds and toasted

TOTAL TIME: 30 minutes SERVES: 4-6

1. Preheat oven to 350 degrees. In a medium bowl, toss together celery, green peppers, scallions and parsley. Add crab meat, half the bread crumbs, dry mustard, hot sauce, heavy cream and all but 2 tablespoons butter. Season with salt to taste.

2. Transfer mixture to a lightly buttered bak-

ing dish and top with remaining bread

crumbs. Melt remaining butter and brush

over top. Bake until crumbs are golden, 10-15

minutes.

3. Lightly dress salad greens with lemon

juice, olive oil and salt to taste. Serve deviled

crab warm with toast and salad on the side.

DIVE IN Served with toast rounds for silverware-free scooping, this oven-

baked crab dip is the sort of dish finished first at a party.

high heat. Toast ½ pound shrimp shells plus reserved shells until they darken, 2-3 minutes.

2. Add a third of onions to pot and sauté until softened, 4-6 minutes. Add garlic, coriander, 1 piece lemongrass, star anise and half of ginger to pan and cook until fragrant, 2-3 minutes. Add 2 quarts water, reduce heat to medium-low and simmer, partly covered, 45 minutes.

3. Meanwhile, toss shrimp and fish with citrus zest and 2 tablespoons olive oil. Refrigerate until ready to use. In a bowl, combine citrus juices and set aside.

4. Once stock has finished cooking, strain, and discard solids. Return pot to medium heat and add remaining grapeseed oil. Once oil is hot, add habanero and remaining ginger, lemongrass and onions, and cook until softened, 4-6 minutes.

Mix in two-thirds of pumpkin and sauté until soft at edges, about 10 minutes. Add stock and coconut milk. Bring liquid to a boil then reduce heat to low and simmer, partly covered, until pumpkin is soft, 30 minutes.

Discard lemongrass. Carefully transfer liquid and cooked pumpkin to a food processor or

blender. Purée until smooth. Adjust seasoning as necessary.

5. While soup simmers, make escabeche vegetables: Heat 2 tablespoons olive oil in a sauté pan over medium heat. Sauté fennel and shallots until softened, 5-7 minutes.

Season with ½ teaspoon salt. Deglaze pan with ½ cup reserved citrus juice and vinegar, scraping up browned bits from bottom. Transfer vegetables to a bowl. Wipe pan clean.

6. Return pan to medium-high heat and add 2 tablespoons olive oil. Add pumpkin to pan along with thyme, and season with ¼ teaspoon each salt and pepper.

Sauté until pumpkin is browned and tender, 8-10 minutes. Transfer to a paper-towel-lined plate. Wipe pan clean.

7. Heat remaining olive oil in pan over medium heat. Season shrimp and fish with ½ teaspoon salt and sauté until just cooked through, 1-2 minutes per side.

8. To serve, divide seafood, pumpkin and escabeche vegetables among bowls, then ladle

soup over. Garnish with herbs.

—Adapted from Nina Compton of Compère Lapin, New Orleans

ALEX HOBBS FOR THE WALL STREET JOURNAL (AGRIKOL); JOCELYN BAUM FOR THE WALL STREET JOURNAL (COMPÈRE LAPIN); DAVID GARDNER FOR THE WALL STREET JOURNAL (PEARL'S)

SLOW FOOD FAST SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Maryland Deviled Crab Dip



The Chef

Spike Gjerde

His Restaurants

Woodberry Kitchen,
Parts & Labor,

Bird in Hand,

Grand Cru and

Artifact Coffee, all

in Baltimore; A

Rake's Progress,

soon to open in

Washington, D.C.

What He's Known For

Obsessively

researching and

championing Mid-

Atlantic farmers

and foodways.

Unpretentious

cooking rooted in

superb ingredients.

for middling meat. "In the end, this should taste sweet and redolent of crab," Mr. Gjerde said.

A scattering of diced celery and green pepper provides a textural counterpoint; a dash of ground mustard and a splash of hot sauce turn up the heat. And remember, this is meant to be party food, so don't fret over the generous quantities of heavy cream and butter. Rounds of toasted baguette for dipping and a simple green salad make it a meal.

Festive but not at all fancy, this dip is an ace-in-the-hole entertaining recipe, easy to toss together and to love. "It doesn't look pretty, and there's nothing you can do about that save for adding a bit of parsley," said Mr. Gjerde. "But it's the thing everyone always lines up for." —Kitty Greenwald

TOTAL TIME: 30 minutes SERVES: 4-6

¾ cup finely diced celery

¾ cup finely diced green pepper

3 scallions, thinly sliced

½ cup finely chopped parsley, plus more for garnish

2½ pounds crab meat

½ cup fine bread crumbs

1 teaspoon dry mustard

5 good dashes hot sauce

½ cup heavy cream

1 cup butter at room

* * *

DESIGN & DECORATING



Play's the Thing

In a stressful world, whimsical design is increasingly, offering an impish escape

BY TIM GAVAN

WHETHER IT JOINS you at the table in the form of Spanish designer Jaime Hayon's animal-evoking dinnerware or offers you a friendly handshake like the five-fingered doorknobs from London product designer Charles Edwards, whimsicality is leavening interior design.

"There's something in the zeitgeist right now that has people looking for an escape from the seriousness of work and politics," said Baker Furniture chief creative officer Tristan Butterfield, who recently papered the company's High Point, N.C., showroom with a hand-painted design of flowers, birds, branches and bugs, to which he pinned a thousand paper butterflies discernible only up close. "Whimsy happens when you have the self-confidence to reconnect with your younger, playful self," said Mr. Butterfield.

From Amsterdam, colorful asymmetrical side chairs by Maarten Baas for Lensvelt will never be mistaken for stodgy seating. "They come in eight different colors and eight uniquely-shaped backs," said Lensvelt spokesperson Jeroen Panders, "so they look almost like a child's drawing"—an effect underlined by the fasteners in the chairs' backs that resemble Pillsbury Doughboy eyes.

"People are taking a step away from minimalism, where objects are defined by their function rather than by their character," added Claudia Oliva of Hayon Studio, in Madrid, which produces the aforementioned creaturely porcelain plates, cups, vases and vessels.

New York designer Eddie Lee recently outfitted a family room with a plump upholstered armchair that swings from sturdy ropes. People entering know it's a room in which they can relax, Mr. Lee said, "not a room where they have to sit with their hands in their laps and not touch anything."

Wispily rendered line drawings of Roman gods and goddesses add charm to a series of jewel-toned throw pillows from New Zealand designer Helen Strevens. Modern design can tend to take itself all too seriously, said Ms. Strevens, who notes that a bit of silliness in an otherwise formal or traditional room can work as an icebreaker: "I'm constantly surprised at how quickly guests will befriend a whimsical object."

Toulouse Door Handles, \$666 each, Charles Edwards, 44-20-7736-8490

Funkifolki Elephant Vase by Jaime Hayon, \$588, preorder at Vista Alegre, 917-831-4377

Mini Skirt Drinks Table, \$1,600, [bunnywilliams home.com](http://bunnywilliams.com)



An eccentric Amsterdam apartment by Dutch firm Studio Job.



Maarten Baas 101 Chairs by Lensvelt, from \$480 each, lensvelt.nl

FLOWER SCHOOL

GET YOUR MONET'S WORTH

Floral designer Lindsey Taylor takes her cues from the impressionist's feathery brushwork

PARIS PEAKS IN MAY, some say. The gloomy weather lets up, and you might even catch a Parisian smiling. I couldn't make it to France this spring, so I made do by diving into a book on the work of Claude Monet (1840-1926), the quintessential French impressionist who made even lumpy haystacks seem sublime. As the inspiration for this month's flower arrangement, I chose a dreamy canvas he worked on over years, "Morning on the Seine, 1897." To get the light and perspective he wanted, he situated himself in a boat on the famous river in the early morning hours.

I might easily have built up a lush, large bouquet to echo the richness and saturated palette of this canvas—and don't get me wrong, I love a big arrangement—but my mind went to a more intimate grouping, something for a

bedroom or even a bathroom.

Two little boat-like vessels from the early work of ceramic artist Maria Robledo had the sweetness and rich glaze I wanted. To get across the hazy, early-morning calm that Monet captured, I focused on mimicking the color and gestures of his brush strokes. Repetitive florets of muscari and barely opened hyacinths, both from my garden, echoed Monet's myriad touches of blue. Branches of eucalyptus dotted with early berries and swirls. Woolly bush picked up the movement—and the sage greens and white—of the water.

Cutting stems at different lengths gave a rhythmic pacing to the arrangement, letting some shorter pieces break the line of the vessels' rims. I tell students to think about the outline your arrangement would make if you were to draw it.

Is it engaging and dynamic, keeping the eye's interest? As in a painting, the positive and negative spaces are key. Note how the tall curling plume of greenery at the top animates the space around it.



THE INSPIRATION

Repeating florets of muscari and hyacinths (right) suggest the daubs of paint in Claude Monet's 'Morning on the Seine, 1897' (above). Vessels: designer's own.



THE ARRANGEMENT

GEAR & GADGETS

20 ODD QUESTIONS

Neil deGrasse Tyson

The astrophysicist on the best place on Earth to stargaze and carb-loading en route to Mars

FOR ASTROPHYSICIST Neil deGrasse Tyson, the tide started turning for geeks in the mid-1980s, when "Revenge of the Nerds" came out. "I think all the people that would otherwise be beating up on the geeks learned that we were the ones who knew how to fix your computer, so you had to treat us with some modicum of respect," he said. "We're not fixing your computer if we're dangling from a hook with a wedge."

Dr. Tyson has since become a tour de force in that cultural shift, a dauntless and likable crusader. Whether as the director of the American Museum of Natural History's Hayden Planetarium, the affable host of the "StarTalk Radio" podcast and "Cosmos" TV series, or the author of eminently accessible books like his latest, "Astrophysics for People in a Hurry," few can make abstruse scientific concepts as understandable—or as inspiring. "I'm an educator," he said. "If you don't know it, I'm here for you."

Here, he shares his singular takes on the rhetorical benefits of a fountain pen and the best science-fair experiment for children.

The best place in the world to star-gaze is: the summit of Mauna Kea, in Hawaii, 14,000 feet up in the middle of the Pacific Ocean. The most powerful optical telescopes in the world are there.

One travel destination everyone should see is: a total solar eclipse, wherever in the world that may take you. So the "destination" is the event, not the location.

My travel bucket-list includes: the pyramids of Giza, Easter Island and the Inca and Aztec monuments of South America. I like basking in what generations who came centuries and millennia before me have accomplished.

The product design I most admire would be: the zipper, plus any machine or technical product that you can operate without first having read the instruction manual.

One of my pet peeves is: street lamps that also send light upward to the sky.



The best advice I've ever received is: "It's not good enough to be right. You also need to be effective." Cyril deGrasse Tyson, 1928-2016.

If money were no object, I would buy: a space launch system to protect Earth from asteroid impacts.

My favorite films of all time are: "The Matrix," "Contact," "The Island," "The Conversation," "Excalibur" and

"All That Jazz." These were philosophically deep, insightful, enlightening and entertaining.

A great science-fair experiment is: the volcano concept but manifested in another way: Get a large balloon, funnel in baking soda then a cup of vinegar and quickly tie the thing shut. The balloon will self-inflate, and, if you put enough of that stuff in there, it will explode. Then you have a nice mess, which every kid loves.

I'm currently reading: Erwin Schrödinger's "Science and Human-



SUPERNERD Clockwise from left: Neil deGrasse Tyson in his office at the American Museum of Natural History, The Rolling Stones' '12 X 5,' Mauna Kea Observatories, 'The Big Bang Theory,' 'Star Walk' app, strawberry milkshake, pyramids of Giza. Inset: 'There's No Place Like Space.'



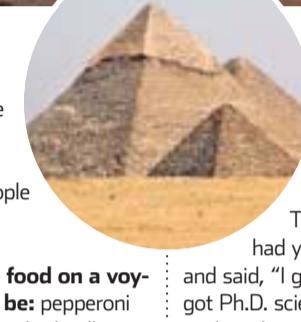
ism." It's a very small book, but it's giving me insight into what people were thinking 67 years ago, and I get to compare that with what people are thinking today.

If I could eat only one food on a voyage to Mars, it would be: pepperoni pizza and a strawberry malted milkshake. I could consume those foods day after day and never get tired of them. They're actually quite healthy—there's fat, protein, carbohydrates. I might supplement it with a vitamin, but all the calorie needs are there.

An app I marvel at is: "Star Walk." You point your smartphone downward and it shows you the constellations that haven't risen yet. The audacity of that! In my day, we had to remember what was there; now it's just handed to you.

Every household should have: a telescope and a microscope.

I still remember the first time I heard: the Rolling Stones. They would always have a blues act open for them.



That shows respect for where you're getting your music.

A game-changing TV show is: "The Big Bang Theory."

Twenty years ago, had you walked up to a network and said, "I got an idea for a show. It's got Ph.D. scientists in it, and we'll just explore their love life and their social life," no one would make that a show. Now "Big Bang Theory" is the number one comedy on television, and you've got shows—"Scorpion," "Numbers," "CSI"—with scientists who are good looking, who have social lives. That was never previously done.

I collect: fountain pens. If I'm giving a speech, I'll write it in ink first. If you look at memorable speeches of the past, the rhythms happen to be in five- to seven-word pulses. Then you learn that a single dip of a quill got you five or seven words. It may be that the rhythm was shaped by how much ink could sit in the shaft of a quill pen. As I write, I'm conscious of this. When you give a speech you don't want your sentences to be too long.

A science book I recommend for children is: "There's No Place Like Space" [from the Dr. Seuss series]. In 2006, the vote was officially taken [to classify Pluto as a dwarf planet]. In earlier editions, Pluto is listed as a planet, but then they released a new edition that says Pluto is more like these other things. If a Dr. Seuss book gets it right, there's no excuse for anybody else.

We instill in children the misconception that: science is memorizing the names of things. That's an aspect of it, but it's not the core. The core is understanding objects. Get that into your 6-year-old, and you've got nothing more to teach them.

If I had a month off, I would: ask the people who gave me a month off why they pulled me away from what I love the most.

—Edited from an interview by Chris Kornelis

VISPRING
Luxury Beds - London 1901

EXCEPTIONAL DAYS FOR EXCEPTIONAL NIGHTS
experience the full collection exclusively at abc

*once a year, vispring offers exceptional prices on their premier collection models,
the signatory superb & sublime superb

abc carpet & home

visit our manhattan showroom | bway at e 19th st, 3rd fl | 646 602 3234 | abcdream@abchome.com | abchome.com

*refer in store for full terms and conditions. valid thru june 19, 2017.

RUMBLE SEAT DAN NEIL

GEAR & GADGETS



GTC4Lusso: A Ferrari for the Whole Family

IN 1515, THE GERMAN artist Albrecht Dürer made a famously bad depiction of a rhinoceros, based on reports of an animal that had been brought to Lisbon. Dürer's woodcut demonstrates what psychologists call "schema," the natural tendency to impose patterns of the familiar on the unfamiliar. Having never seen a rhino, but moved by the description of its armor-like skin, Dürer girdled his animal in steel, complete with rivets.

What if you were to ask Americans what a Ferrari is supposed to look like? Red? Sleek? Pointy? Raging egomaniac at the wheel? Like Dürer's rhinoceros, that's close enough.

What they don't imagine, if I may gauge from the vox pop, is this car: the new GTC4Lusso (\$298,000), a graceful, comparatively understated four-seat grand tourer with all-wheel-drive, all-wheel steering, all-knowing stability control and a stupendous, glory-chortling 6.3-liter, 680-hp V12 engine under a hood that leaves little room for doubt, by way of Freudian analysis.

The Lusso is the model successor to the Ferrari FF, which made its debut in 2011 to a polite smattering of enthusiast applause. The alien design is called a "shooting brake"—that is, a three-door variant of a 2+2 coupe, with a long roof and a squared-off hatch.

You may think of the Lusso as Ferrari's counterprogramming to a luxury SUV or crossover, which the company simply and existentially cannot offer. You may also discern a bit of old European tastemaking in the design. This car is rich-funy, poshly weird, contrarian and high concept. Park a Lusso next to a Porsche Panamera and watch the latter disappear in a vacuum of conventionally met expectations.



THE PARENT TRIP
The four-seat 2017
Ferrari GTC4Lusso is
available with branded
baby seats.

DAN NEIL/THE WALL STREET JOURNAL

And there was precedent. It all started with Enzo Ferrari's wife, Laura, a woman who had every bit the common touch as *Il Commendatore*. Laura's involvement in the company provoked the Palace Revolt of 1961, a board meeting in which Enzo fired his chief engineer, Carlo Chiti, and development designer, Giotto Bizzarrini.

These men promptly joined forces with one of Ferrari's racing rivals and, with panel-pounder Piero Dromo, modified an existing Ferrari with a roofline shaped like a flower box, nearly horizontal, ending in a chopped-off rear end. Thus was born the Ferrari 250 GT SWB

"Breadvan," with its Kammback designed to reduce aero drag and instability. More *vino*?

The recent history involves another managerial spouse. The FF project was approved about the same time that former president Luca Cordero di Montezemolo and his wife were expecting. When I asked Mr. Montezemolo in 2011 about the coincidence of Ferrari building a family tourer right at the moment he happened to be needing one, he only smiled.

The Lusso is available with special Ferrari baby seats. In terms of family planning, giving one of these to your wife would be better than Clomid.

The irony is that Ferrari's most effortless, auto-mode car is also the one most defined by prodigious underpinnings. And in the first giddy minutes behind the button-en-crusted wheel, what comes through is not the perfumed Poltrona Frau saddlery, nor sunbeams from the remarkable glass roof, nor the dank beats from the high-def audio, but the irresistible presence of a walloping chassis, what lies beneath.

Start with the wheels and tires—resplendent, effulgent and huge: 245/35 ZR20s in front, and 295/35s in the rear. Behind them are the vast carbon-ceramic disc brakes, the hubs, CV joints, half-shafts and steering links (four-wheel steering). A respectable amount of unsprung mass, in any case.

The trembling sense-data from these huge rubber rollers never leaves you, flanking you like motorcycle escorts. And this sensation is getting past the Lusso's abundant soundproofing, mechanical isolation and acoustic glass.

The V12 is an aluminum fire god: 680 hp and 516 pound-feet of torque out of a naturally aspirated 6.3 liters, with a sky-high compression ratio of 13.5:1 and a shimmer-

ing redline at 8,250 rpm. Here the equal-length, six-into-one stainless-steel exhaust runners are alive with harmonics, thrilling over-notes that are part of the Ferrari atman—the plash of seared air, the rum-tum-tum of power.

But the Lusso's brand soundtrack has been turned down. The cold-start is 17% quieter than that of the FF's. Yes, there are exhaust bypass valves, and they do dump to mortar-diameter straight pipes. But you have to goose the throttle pretty good or otherwise wind up past 4,250 rpm before it sounds like much. Usually, the engine note is just a low drumming, like Washington Square Park heard from a block away.

I can imagine guys riding around in 1st gear, briefly coaxing out the full song between red lights, tears rolling down their cheeks.

I can imagine a lot of guys riding around in 1st gear, briefly coaxing out the full song between red lights—WELLPPPTTT! WELLPPPTTT!—tears rolling down their cheeks. It's so...beautiful.

The conceptually hard part of "AWD Ferrari" is the combination of all-weather stability with the *instability* that defines its sports cars—the machine's willingness to change direction, the sharp reflexes and agility. Enter the Lusso's unusual solution: A second gearbox buttoned to the nose of the crankshaft, ahead of the engine. About 50% lighter than a conventional AWD system, Ferrari says, this two-speed power takeoff unit (PTU) can cover vehicle speeds

through 4th gear (about 135 mph), above which the powertrain reverts to rear-wheel drive.

Again, what's interesting is how chassis-forward the luxury Lusso is, even in dry conditions. The PTU provides torque vectoring-assisted steering—the system can overdrive the outside front wheel to increase steering effect, and by quite a lot. The Lusso can just rage through a 2nd-gear corner, on power, no understeer, like a rhino, if you will, requiring only the lightest touch at the flat-bottomed steering wheel. The rear-steering typically operates in phase with the front wheels, turning in the same direction; but, in moments of high translation, the rear-steering will flick the other way for a few milliseconds, pitching the car into the desired rotation. Meanwhile, at the stern, the seven-speed dual-clutch rear transaxle also provides robust lateral torque vectoring, with what Ferrari calls it's E-diff.

That's a lot of hardware and gobs of software to make the big car turn, but turn it does.

If refinement is a sin, the Lusso doubles down on the FF's supposed heresies. Prominent in the stitched-leather landscape are spherical climate vents, like little Keck observatories. The formerly spare driver workspace of Ferraris is transformed into widescreen entertainment, with a 10.25-inch high-definition touch screen and a blazing fast processor.

Ferrari's always bragged about how driver-centric the cabins were, but the Lusso's "Dual Cockpit" design puts a second configurable touch screen in front of the passenger, and all of the cabin controls (climate, audio and touch screen) are equally accessible.

The Lusso has a horn and tail, but what's in between is a very different animal.



2017 FERRARI GTC4LUSSO

Base price \$298,000

Price, as tested \$330,000

Powertrain Mid-front mounted, naturally aspirated, direct-injected 65-degree V12 with variable valve timing and stop/start; seven-speed, dual-clutch rear transaxle with torque vectoring and automatic/manual shift modes; front two-speed mechatronic power takeoff with lateral torque vectoring; part-time all-wheel drive.

Power/torque 680 hp at 8,000 rpm/516 pound-feet at 5,750 rpm

Length/weight 193.8 inches/4,233 pounds

Wheelbase 117.7 inches

0-60 mph <3.4 seconds

Top speed 208 mph

EPA fuel economy 10/16 mpg, city/highway (est)

Cargo capacity 15.9/28 cubic feet, rear seat back up/down

Chatting More Comfortably on a Smartphone

Q I'm one of those people who still uses a smartphone as a telephone, and I sometimes press it up to my ear using my shoulder as I talk. This works, but I always feel the phone slipping. Is there a better solution? By the way, I know a Bluetooth headset would work for this, but I really don't want to wear one.

A Ergonomically, you're better off not straining your shoulder when chatting. (The earbuds that came with your smartphone will let you talk hands-free, since they probably have a built-in microphone.) But if you prefer to cradle your phone next to your ear from time to time, making the device a bit thicker will help.

One strategy: Attach one of those shoulder rests designed for use with the handsets of landline telephones. It turns out that the Mini Softalk Shoulder Rest (*about \$10, softalk-products.com*), shown in the illustrations at right, is ideally sized for most smartphones.

I'm assuming you don't want to stick this bulky attachment to your smartphone perma-

nently, so here's how to make it removable.

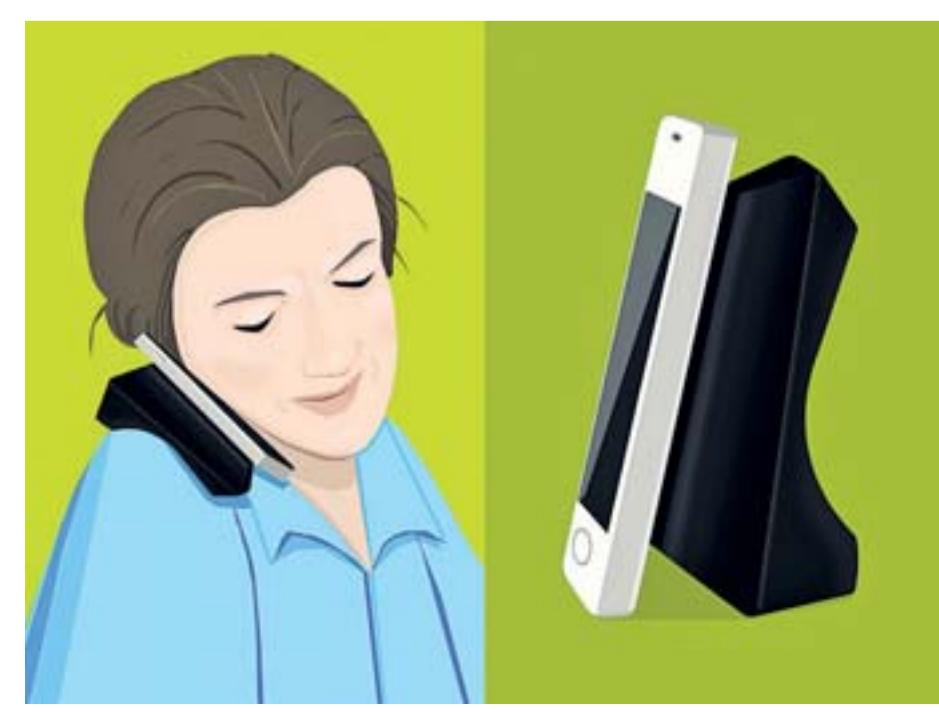
First, adhere a small metal plate onto the back of your phone or phone case. These are included with magnetic phone mounts for cars, like the Spigen Kuel A201 (\$13, spigen.com). You can also buy the plates in packs of four for about \$8 (search Amazon for "phone mount plate").

Next, apply strips of magnetic tape to the back of the Softalk phone rest. I used two strips of Extreme Magnetic Tape (\$15 for a 10-foot roll), which is about a half-inch wide.

You'll now be able to easily stick the Softalk rest to your phone and remove it, too. While this solution might still dismay or even outrage an ergonomics expert, it should prevent your phone from slipping accidentally.

Bonus: Because it's easy to reposition the phone rest, you can also use it to prop up your device on a table at the perfect viewing angle, with the screen oriented horizontally or vertically.

Have a lifestyle problem that a gadget might solve? E-mail us: thefixer@wsj.com



KIERSTEN ESENPREIS