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REVIEW

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What's News

World-Wide

Trump lawyer Cohen gained access to up to \$774,000 through two financial transactions during the 2016 campaign as he sought to fix problems for his boss. **A1**

◆ **The president** is increasingly relying on longtime outside advisers rather than White House staff as he deals with several major issues. **A1**

◆ **The U.S. and China asked** one another for sweeping concessions in two days of trade talks that failed to bridge sharp divisions. **A1**

◆ **China plans** a new fund to boost its chip industry, a move that could heighten tensions with the U.S. **A7**

◆ **A judge questioned** Mueller's authority to bring tax and bank-fraud charges unrelated to the 2016 election against Manafort. **A3**

◆ **Trump said** he had agreed to a time and place for his summit with North Korean leader Kim. **A6**

◆ **The president defended** gun rights and reiterated his call for arming teachers in a speech to the NRA. **A4**

◆ **Hawaii's largest** earthquake in more than 40 years shook the Big Island near the erupting Kilauea volcano. **A3**

Business & Finance

◆ **U.S. unemployment** fell to 3.9% in April, the lowest level since December 2000, the result of a historically long jobs expansion. **A1, A2**

◆ **Saudi Arabia** is maneuvering to push oil prices up to at least \$80 a barrel this year, after decades as a stabilizing force in oil markets. **A1**

◆ **A Walmart-led group** is paying about \$15 billion for a roughly 75% stake in Indian e-commerce firm Flipkart. **B1**

◆ **Xerox was thrown** into turmoil after the collapse of a pact with two activists that would have fired its CEO. **B1**

◆ **The Dow rebounded**, climbing 332.36 points Friday to close at 24262.51, but ended down for the week. **B11**

◆ **Argentina's central bank** raised rates for a third time in eight days in a bid to stem the peso's depreciation. **B11**

◆ **Shari Redstone** dropped her demand that Viacom CEO Bakish have a top role in a combination with CBS. **B3**

◆ **CBS News** and Charlie Rose were sued over alleged sexual harassment. **B3**

◆ **AmTrust disclosed** that it has been under investigation by the SEC for nearly five years over its accounting. **B5**

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Jobless Rate at 17-Year Low

Historic expansion shows little sign of slowing, though wage growth remains slow

By JOSH MITCHELL

WASHINGTON—Unemployment in the U.S. fell in April to one of the lowest levels of the post-World War II era, the result of a historically long jobs expansion that shows little evidence of slowing.

The jobless rate fell to 3.9% from 4.1% a month earlier, hitting the lowest level since December 2000, the Labor Department said Friday.

Stock prices climbed throughout the day after initially stumbling. Investors were cheered in part by signs in the report—including modest wage gains—that inflation is so far contained and the Federal Reserve can stay on its planned path of gradual increases in short-term interest rates.

Employment rose in industries including manufacturing, health care, and accounting. Employers added a total 164,000 jobs and have created an average 200,000 jobs a month this year, up from last year's average gain of 182,000.

The economy has added jobs every month since October 2010, a 91-month stretch that ranks as the longest period of job growth on record. The overall economy's expansion, at 107 months in May, just became the second-longest on record, trailing only the expansion of the 1990s in length.

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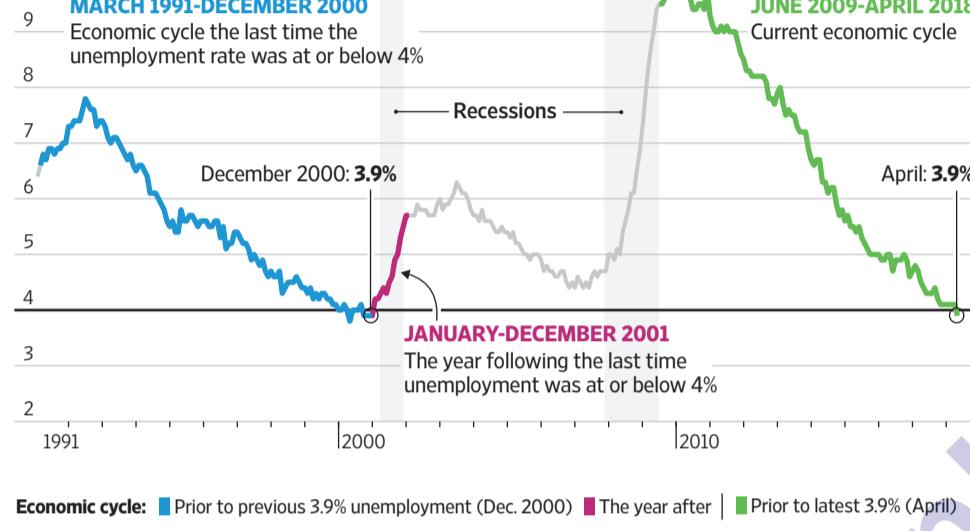
◆ Employment report could foreshadow Fed challenges. **A2**

◆ Heard on the Street: Jobs figure drives point home. **B12**

THEN and NOW

The last time unemployment was under 4% was in 2000

Jobless rate Consistent job creation has helped drive the rate lower in recent years



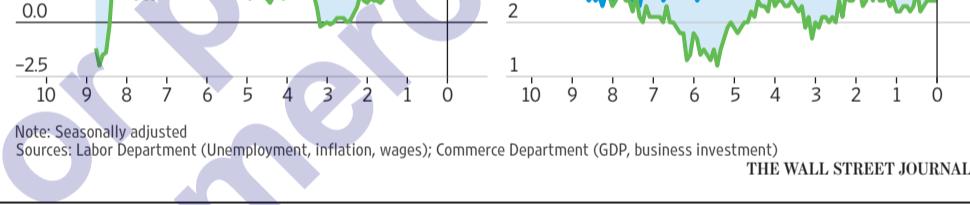
Economic cycle: ■ Prior to previous 3.9% unemployment (Dec. 2000) ■ The year after ■ Prior to latest 3.9% (April)

Economic output Weaker business investment is one factor for less robust growth this cycle



Prices and wages Slower wage growth could be a sign the labor market isn't as tight as 3.9% suggests

Consumer-price index, change from a year earlier



Note: Seasonally adjusted Sources: Labor Department (Unemployment, inflation, wages); Commerce Department (GDP, business investment)

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U.S. Probes Cohen Over Cash He Built Up During Campaign

Michael Cohen, President Donald Trump's personal lawyer, gained access to as much as \$774,000 through two financial transactions during the 2016 presidential campaign as he sought to fix problems for his boss, public records show.

Those transactions could factor into a broad investigation of Mr. Cohen's business affairs being conducted by Manhattan federal prosecutors and the Federal Bureau of Investigation,

By Michael Rothfeld,
Rebecca Davis O'Brien,
Mark Maremont and
Joe Palazzolo

tion, who are examining whether Mr. Cohen violated any laws in his efforts to raise cash and conceal negative information about Mr. Trump, according to people familiar with the matter. Those include transactions tied to his credit line and

his ownership of real estate and taxi medallions, the people said.

In February 2016, as Mr. Trump's fortunes as a presidential candidate rose, Mr. Cohen nearly doubled the amount he could use on a bank credit line tied to his Manhattan apartment, increasing his ability to borrow by \$245,000, according to real-estate records.

Three months earlier, he gained potential access to an

Please see COHEN page A4

Trump Bypasses Staff, Returns to Freewheeling

By MICHAEL C. BENDER
AND PETER NICHOLAS

WASHINGTON—President Donald Trump is increasingly relying on longtime outside advisers rather than White House staff as he deals with several major issues simultaneously, from a North Korean summit to the Russia investigation. But the perils of that approach were on display this week following a television interview he orchestrated with his new counsel, Rudy Giuliani.

Mr. Giuliani on Friday clarified remarks he had made two days earlier on Fox News about when Mr. Trump became aware of a 2016 payoff his lawyer Michael Cohen made to buy the silence of a former adult-film actress who alleged she had sex with Mr. Trump in 2006.

It was Mr. Trump himself, shortly before boarding Marine One for a trip to Dallas, who

Please see STAFF page A4

◆ Judge questions charges against Manafort..... A3

Your Phone's Nearly Out of Power. Remain Calm. Call a Doctor.

* * *

You have low-battery anxiety or possibly full-blown 'nomophobia'

By TRIPP MICKLE



phone anxiety.

Larry Rosen knows he has a problem. Headed home from work, the psychology professor said his heart skipped a beat when he glanced at his iPhone and suddenly realized his battery was at 7%. He had no charger. "You get this feeling: Oh my God, I'm lost," he said.

Prof. Rosen, a past chairman of the psychology department at California State University, Dominguez Hills, knows whereof he speaks. He is a leading researcher in a new field of scientific inquiry that is attracting dozens of researchers across the globe and is increasingly being treated by clinical psychologists: smart-

phone anxiety.

Does your heart rate jump when your iPhone battery dips below 20%? You could be suffering from what some experts term "low-battery anxiety."

Do your palms sweat when you have no access to cell service? You could have an acute case of "nomophobia." Short for no-mobile-phobia, the term describes the fear people can feel when they are out of mobile contact entirely.

Around 15 papers have been published on nomophobia alone

since 2014, and dozens more have been published on smartphone-related anxieties since

2016, according to records kept by the U.S. National Library of Medicine.

Please see POWER page A10



both sides sat down for two days of talks this week after exchanging lists that contained sizable demands.

The U.S. asked China to cut its trade surplus by \$200 billion, for example, while Chinese officials sought to get Washington to ease national-security reviews of Chinese investments. Instead of reaching common ground, the talks

ended inconclusively Friday.

Planned meetings of U.S. officials with President Xi Jinping and Vice President Wang Qishan didn't materialize. The U.S. delegation left Beijing without comment or agreement with Chinese officials on

Please see TRADE page A7

◆ China plans fund to boost semiconductors..... A7

Activism Revives Protestant Churches

The Trump presidency has triggered a groundswell of opposition at mainline Protestant congregations, boosting attendance but alienating more-conservative members who view the church as a spiritual haven. **A10**

BEIJING—The U.S. and China asked one another to make sweeping concessions in trade talks, failing to bridge sharp divisions and raising the chances that each government will slap tariffs on tens of billions of dollars of the other country's exports.

Top economic officials on

the Chinese side said they were prepared to take further steps to open their market to foreign companies, including in sectors such as telecommunications and pharmaceuticals.

Chinese officials said they were willing to consider some of the U.S. demands, particularly those related to intellectual-property rights and technology transfer.

But they also insisted that the U.S. make significant concessions of its own, particularly in areas like agriculture and state-owned enterprises.

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U.S. NEWS

THE NUMBERS | By Jo Craven McGinty

Shifting Standards Cloud Autism's Prognosis



Are there more cases of autism than ever?

The answer may depend on which criteria are used to diagnose the developmental disorder.

The latest report by the U.S. Centers for Disease Control and Prevention uses two sets. One shows a growing number of children with autism. The other, when strictly applied, identifies 18% fewer cases.

For now, the report, which was published last week, gives priority to the looser standard, but when the CDC issues its next report two years from now, the more stringent measure will take precedence.

The current report tracked the estimated prevalence of autism in more than 300,000 children who were 8 years old in 2014. Statistically, the children, who reside in 11 communities in as many states, aren't nation-

ally representative, but the findings inform treatment and policy decisions.

The conclusions are based primarily on criteria drafted in 1994 for the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders. Using those standards, 1 in 59 children had autism, compared with 1 in 68 just two years earlier.

For the sake of comparison, the report assessed 263,775 children using both the old and new standards, which were drafted in 2013.

Based on the old standards, 4,658 were autistic. With the new criteria, 4% fewer, or 4,498, were—but that number includes 681 on the basis of a previous diagnosis. Without them, 3,817 children would have been diagnosed, or 18% fewer than the number identified with the old rules.

It's possible some of those kids would meet the new cri-

teria, but the record of their symptoms didn't support that conclusion.

"We can't know if a child definitely didn't meet the criteria," said Daisy Christensen, the surveillance team lead for the developmental disability branch of the CDC. "We're reliant on what is documented in the record."

At this stage, the Autism Society, a nonprofit advocacy group founded in 1965, isn't concerned about the change in the criteria.

"If in the past they were called autistic and now they are not labeled anything, how will they get help?" said Scott Badesch, the society's chief executive. "If they're labeled something else and can get help for their symptoms, that's great."

This isn't the first time autism has been affected by changing definitions.

In the U.S., it wasn't a unique category in the diagnostic manual until 1980. The definition changed in 1987 and again in 1994, when

Differing Definitions

Percentage of autistic children that meet the previous DSM-IV criteria, the current DSM-5 criteria or both.

Met both definitions	86.1%
Met DSM-IV definition only	8.60
Met DSM-5 definition only	5.3

Note: DSM-IV=Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition; DSM-5=Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition

Source: Centers for Disease Control and Prevention

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it was broadened to include a range of behaviors that varied in characteristics and severity—and not all of the behaviors were required for a diagnosis.

Now, Autism Spectrum Disorder is a single category encompassing previously distinct diagnoses including autistic disorder, Asperger's syndrome and pervasive de-

velopmental disorder—not otherwise specified, or PDD-NOS. In addition, only individuals with both social communication and interaction disorders as well as restricted or repetitive behaviors will be diagnosed as having autism.

"One of the goals of the revision was to tighten what was criticized as unclear and too lenient criteria for PDD-NOS," said Catherine Rice, director of the Autism Center at the Emory University School of Medicine.

Given that, a reduction in diagnoses isn't surprising. The CDC report isn't sufficient to determine to what degree this might happen moving forward, but a number of studies have tried to examine how closely the different criteria align.

Most conclude that a substantial number of individuals previously diagnosed with autism would not meet the new requirements—although the CDC is careful to point out that no one will be

stripped of the diagnosis.

"You're grandfathered in," said Stuart Shapira, chief medical officer and associate director for science for the CDC's National Center on Birth Defects and Developmental Disabilities.

Among the recent studies comparing the different standards is an analysis published last year in *Journal of Autism and Developmental Disorders*. That study, of 439 children and adolescents who received a diagnostic evaluation at one of six centers affiliated with the Autism Treatment Network, found that 20% who met the old criteria for Asperger's syndrome and 75% who met the criteria for PDD-NOS didn't meet the new criteria.

When the CDC completes its next autism study, the new diagnostic criteria will take precedence, but the previous standards will be applied to a subset of cases to see how the two measure up.

Employment Report Could Foreshadow Fed Challenges

BY NICK TIMIRAO

looked for a job recently or who hold part-time jobs but want full-time work, fell to 7.8%, its lowest level since 2001.

A top Fed official said Friday that the drop in unemployment didn't prompt concern about a rapid rise in price pressures, because wages are rising only moderately. "This is pretty much a Goldilocks economy," said San Francisco Fed President John Williams on CNBC.

Average hourly earnings of private-sector workers rose 2.6% from a year ago, in line with recent monthly readings. A separate index of wages and salaries of private-sector workers released last week showed they rose 2.9% for the year ended in March, which was the strongest gain in nearly a decade.

Mr. Williams, who is set to become the New York Fed's president on June 18, said wage and price figures don't show "any rapid increase in inflation coming."

Dallas Fed President Robert



Joblessness might decline to such an extent that the Federal Reserve has to accelerate rate increases.

Kaplan said the lack of notable acceleration in wage growth appeared to be a "one-month aberration," because other data suggest firmer pressures.

"Everything I saw here tells me there's a little less slack,"

he said on CNBC. "This labor force is getting tighter."

Last year, officials were less worried about unemployment slipping below the rate they consider sustainable over the long run, currently estimated

at around 4.5%, because inflation softened surprisingly, running below the central bank's 2% target.

Now they may be more attuned to rising wages and declining unemployment because

inflation is much closer to their target.

Consumer prices, excluding food and energy, rose 1.9% for the year ended in March, according to the central bank's preferred gauge, up from 1.6% in February.

Most Fed officials haven't shied away from their fundamental views that tighter labor markets will drive stronger wage growth and more inflation.

Some are worried that this relationship could be nonlinear, meaning inflation pressures grow even stronger after labor markets tighten beyond a certain point.

Others say skepticism is warranted. The natural rate of unemployment, the level below which inflation rises, could be lower than officials have expected.

All of this is playing out just after Washington approved new tax cuts, which economists expect to boost economic growth over the coming two years.

CORRECTIONS & AMPLIFICATIONS

The U.S. is considering tariffs on \$50 billion in Chinese imports. A Page One article Wednesday about tensions between the U.S. and its trading partners incorrectly said the U.S. was considering \$50 billion in tariffs.

Brazilian broadcaster RecordTV made a biblical drama. In some editions April 24, a Page One article about television novels incorrectly said that Brazilian broadcaster Globo made a biblical drama.

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JOBS

Continued from Page One

President Donald Trump—who took office in January 2017, when the unemployment rate stood at 4.8%—called Friday's report "very good." "We're doing great," he told reporters at the White House.

The fall in joblessness marked yet another milestone in the nation's long recovery from the 2007-2009 recession, which sent unemployment soaring to 10% in October 2009. Unemployment has been below 4% only a few times over the past 70 years—during the Korean War in the early 1950s, during the Vietnam War in the late 1960s and early 1970s, and during the tech boom of 2000.

In those instances low unemployment was associated with growing inflation or financial excesses that eventually led to recession. So far, those kinds of excesses don't show signs of stirring. Inflation in March was near the Federal Reserve's long-run target of 2%. And stock prices, though elevated, haven't had the kind of run higher that they experienced during the late 1990s.

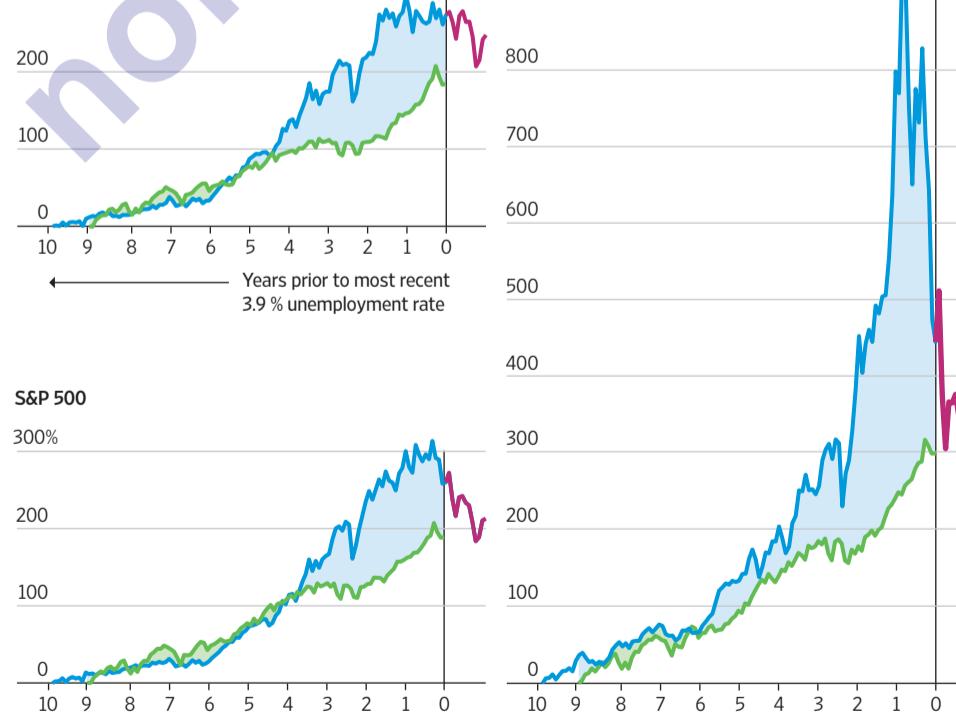
Friday's report suggested there are more workers available for full-time jobs than the main unemployment rate suggests. A separate measure—which takes into account part-time workers who would prefer full-time jobs, and workers too discouraged to seek work—fell to 7.8% in April. That is the lowest since 2001, but still above the 6.9% of December 2000.

Economic theory suggests that when workers become this scarce, employers raise wages quickly to recruit and retain employees. But wage growth has persistently undershot economists' expectations. Friday's report showed average hourly pay grew 4 cents over the past month and 2.6% over the past year. That is better

Market Performance Before 3.9% Unemployment

While the stock market has reached records during the current expansion, the pace of growth was stronger in the 1990s. The trend was underscored by the building of the dot-com bubble, most clearly seen in the rise and fall of the tech-heavy Nasdaq index.

Economic cycle: ■ Prior to previous 3.9% unemployment (Dec. 2000) ■ The year after ■ Prior to latest 3.9% (April)



than the 2% gains seen early in the recovery, though still modest historically.

"In some ways it's like a mini- or lighter version of the late '90s: A Fed raising rates but not aggressively, low unemployment, low inflation," said economist Joseph Lavorgna of Natixis, a corporate and investment bank.

But there are important differences. Back then, the rise of the internet led to an investment boom by companies and soaring share prices. The investment boom helped boost worker productivity for a time, but proved unsustainable.

"Right now we're missing the productivity component of it," Mr. Lavorgna said.

Productivity picked up modestly in the past year and some economists believe the tax overhaul, championed by President Trump and passed by Congress late last year, will prod businesses to increase spending on technology, boosting productivity further.

Rising productivity tends to lead to higher wages. For now, modest wage growth could be due to a number of factors, including global competition, which gives firms leeway to hold wages down because they

can draw on low-wage workers from abroad.

Another factor: Americans show signs of rejoining the labor force after years spent on the economy's sideline not looking for jobs after the recession. That trend expands the supply of labor and restrains wages from shooting higher. The labor force contracted in April but grew by 1.3 million from a year earlier. The percentage of prime-age workers, those between 25 and 54, who are working or looking for work ticked down in April but has risen from near 80% in 2015 to 82%. There is also likely a demo-

graphic factor: The retirement of baby boomers. Many younger workers with lower wages are replacing them, suppressing the national average pay.

Some wage measures aren't quite as weak as Friday's report suggests. A separate index of wages and salaries of private-sector workers released last week by the Labor Department showed they rose 2.9% for the year ended in March, which was the strongest gain in nearly a decade.

Many economists predict falling unemployment will boost wages further, as has already happened in industries like construction. The sector has added 257,000 jobs over the past year and industry wages are up 3.5%.

McCarthy Building Cos., a St. Louis-based general contractor that builds hospitals, airports and other public-works projects nationwide, says business is booming but it's struggling to find workers. On any given day it is working on \$8 billion to \$9 billion worth of projects across the U.S., up from \$6 billion two years ago, CEO Mike Bolen says.

"There are more jobs than there are qualified people to do them," he said. "Regardless of geography, regardless of whether it's a \$25-an-hour general laborer or an engineer with 10 years of experience. It seems like the marketplace has eaten up all the individual talent and we're all trying to poach each other."

The current situation provides a conundrum for the Federal Reserve, which raised short-term interest rates earlier this year and has penciled in at least two more increases for 2018. The Fed expects unemployment to fall to 3.8% by year-end, but if the rate falls further than expected, the Fed could be pressured to raise rates more aggressively to prevent the kind of economic overheating the U.S. has experienced in the past when unemployment was low

Volcanic Eruption in Hawaii Spews Lava, Prompts Evacuations



The Kilauea volcano erupted this past week on Hawaii's Big Island, prompting evacuations as lava reached some streets. Local police, fire and county agencies, along with the National Guard, were assisting evacuations.

Hawaii's largest earthquake in more than 40 years shook the Big Island near the newly erupting Kilauea volcano on Friday while thousands of residents evacuated the area.

The magnitude-6.9 earthquake struck at about 12:30 p.m. local time and was in almost the same location as a deadly magnitude-7.1 quake in 1975, the U.S. Geological Survey said. There were no immediate reports of injuries.

The strong quake followed a magnitude-5.4 earthquake about an hour earlier in the day. The state has been hit with hun-

dreds of earthquakes in recent days, along with lava flows threatening homes on the Big Island.

Thousands of residents in the Eastern Puna District of the island were under mandatory evacuation orders Friday.

Local police, fire and county agencies, along with Hawaii's National Guard, were assisting with evacuation efforts, and Federal Emergency Management Agency officials were on the scene, a spokeswoman for Gov. David Ige said Friday.

Hawaii's Civil Defense said in an alert that dangerous condi-

tions in the evacuation areas had emerged, given high levels of sulfur dioxide gas.

Michael Stancliff, who runs the Hale Mohalu vacation guesthouse, situated just southeast of the mandatory evacuation areas, said the increased seismic activity had put him on edge, but he and some guests abandoned his 21-acre property Thursday night after smelling sulfur gas.

"This has been pretty much my third day with no sleep," said Mr. Stancliff, who has been staying with friends. The Kilauea volcano first erupted Thursday.

—Alejandro Lazo



Judge Questions Manafort Charges

By ARUNA VISWANATHA

ALEXANDRIA, Va.—A federal judge on Friday questioned special counsel Robert Mueller's authority to bring tax and bank-fraud charges unrelated to the 2016 election against former Trump campaign chairman Paul Manafort.

Judge T.S. Ellis suggested the charges before the U.S. District Court for the Eastern District of Virginia were just part of the Mueller team's designs to pressure Mr. Manafort into giving up information on President Donald Trump or others in the campaign.

"The vernacular is 'to sing,'" Judge Ellis said. He appeared sympathetic to Mr. Manafort's efforts to have the charges dismissed, without indicating he would do so.

Mr. Manafort has been indicted in separate cases in Washington, D.C., and Virginia over work he did for Russian-backed politicians in Ukraine before the 2016 campaign. Prosecutors allege he failed to report that lobbying work and to pay taxes on millions of dollars in related income, and later falsely inflated his income to obtain \$20 million in loans. Mr. Manafort has pleaded not guilty to the charges.

Mr. Manafort's legal team has filed to dismiss both cases, arguing the charges had nothing to do with Mr. Mueller's mandate to examine Russian meddling in the 2016 election.

In a hearing last month, the federal judge overseeing the Washington case was skeptical of Mr. Manafort's argument. But Judge Ellis, a 1987 Reagan appointee, saved many of his harshest words on Friday for Mr. Mueller's office.

When Michael Dreeben from the special counsel's office said the allegations in the Virginia case were covered by the scope of the initial appointment of Mr. Mueller, Judge Ellis retorted, "The scope covers bank fraud from 2005?"

Mr. Mueller's lawyers have said they have authorization to investigate Mr. Manafort, citing an August memo from Deputy Attorney General Rod Rosenstein laying out avenues of inquiry. Mr. Mueller's office said the probe "would naturally cover ties that a former Trump campaign manager had to Russia."

A New Focus in Child-Porn Cases

By DEL QUENTIN WILBER

A federal analyst studied the child pornography videos for clues. Finding none, he turned to mundane photographs the suspected abuser also had uploaded online of the young victim playing in a park and by some bushes.

Using a Smithsonian Institution analysis of the shrubs, the sleuth from the U.S. Immigration and Customs Enforcement, or ICE, narrowed his search to one U.S. region. Next, he zeroed in on the park's playground equipment, making dozens of calls to playground makers and organizations that certify them, finally finding a company that pinpointed the park. A neighborhood search quickly turned up the girl and her abuser, who was arrested.

That recent investigation, described by law-enforcement officials familiar with the

case, is part of an ICE victim identification program in northern Virginia that is helping transform child pornography investigations.

In poring over child pornography images, ICE investigators find leads in a unique tree, the logo on a sweatshirt, the name on a pill bottle, the rattling of trains, chirping of birds—or the metadata buried in the photos and videos, including information that reveals time and place. Often, the best clues are found in mundane photographs, like those of the girl in the park, that are uploaded by abusers to prove they have access to the children.

Officials used to focus on prosecuting the consumers of child pornography. That is no longer enough, law-enforcement officials and advocates say. The focus is increasingly turning to identifying and rescuing the victims, an approach

that is also netting a rising number of offenders.

The National Center for Missing and Exploited Children says law-enforcement agencies have identified at least 9,400 juvenile victims of online sexual exploitation since 2013. In the preceding

Investigators increasingly turn to identifying and rescuing victims.

decade, there were about 5,000 such identifications.

"Law enforcement has really made a huge effort in this area," said Lindsey Olson of the nonprofit National Center.

Last year, the National Center reviewed more than 34 million images and videos depicting the sexual exploitation of children 17 and under. Its cyber tip line recorded more than eight million abuse-related reports.

Agents at ICE, the Federal Bureau of Investigation and the Postal Inspection Service, as well as state and local police, are all tasked with investigating child pornography. ICE has long had jurisdiction in such investigations, dating back to the decades-long work of U.S. customs agents who targeted the mailing and smuggling of such images and videos into the U.S. from overseas.

In the past, those investigations generally involved ar-

resting people who possessed a stash of child pornography, often after receiving a tip. Little effort was generally directed toward identifying the abusers or victims.

That began to change thanks in part to a push by ICE agent James Cole. In 2006, Mr. Cole had spent months searching for a girl and her suspected abuser in a widely distributed child pornography video.

Canadian police officials leading the effort suspected the abuse had occurred in a motel room in Oregon due to a unique fast-food cup they had analyzed in one of the videos. The victim was clearly identifiable but the abuser was never on screen.

Mr. Cole examined the room's furniture and a sweatshirt caught on screen, visited scores of motels and flipped through hundreds of school yearbooks in search of

the girl's face.

Unbeknown to Mr. Cole and Canadian police, the girl had one year earlier reported to local police that her father had been sexually abusing her. Before the father could be arrested, he fled the country. The girl, then 15, appeared on the television show "America's Most Wanted" to help locate the fugitive. Canadian police recognized her and called Mr. Cole.

Mr. Cole said he met the teenager and other family members. He explained how much work he and his colleagues had done to find her. The girl and her family deeply appreciated the effort, he said, and that is when a "lightbulb went off."

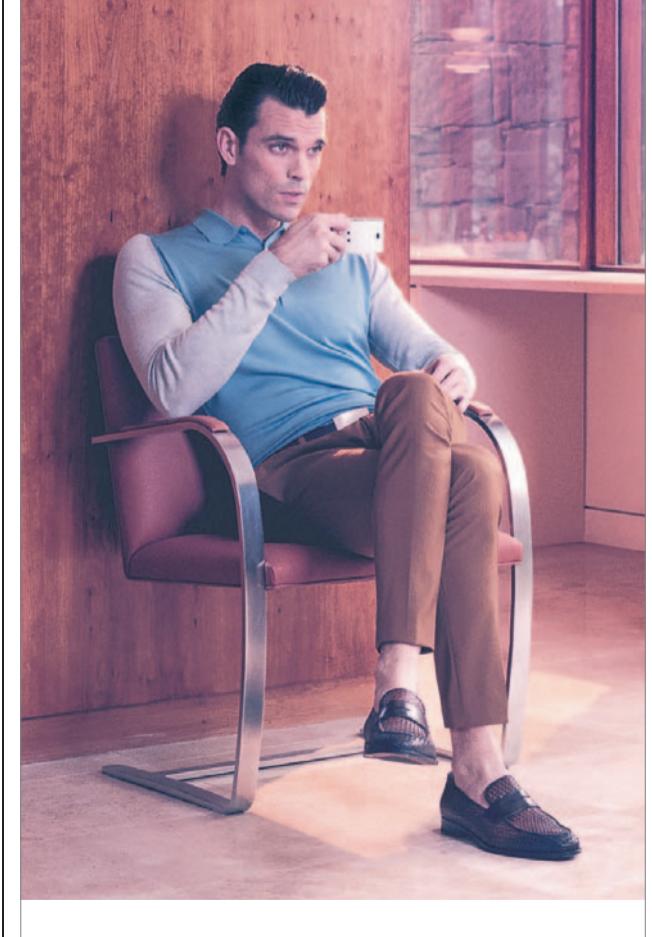
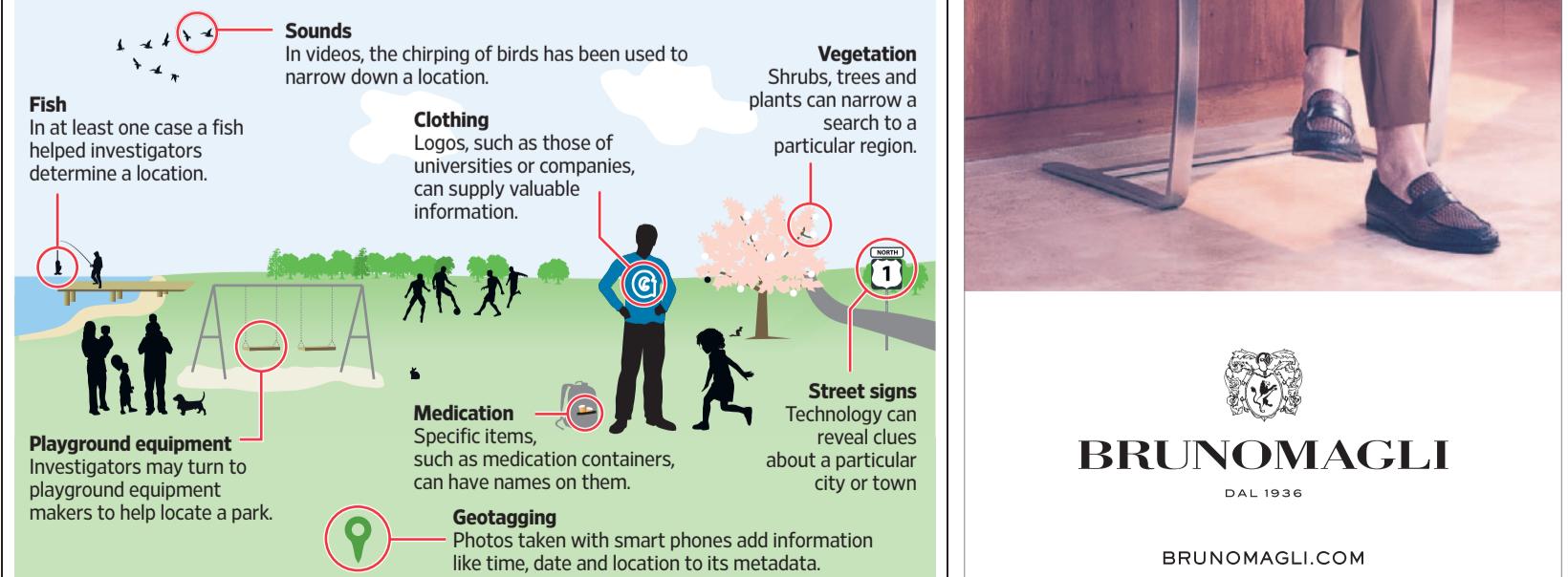
"We had been approaching this all wrong," said Mr. Cole, a former policeman and U.S. Army intelligence officer. "I realized we need to be looking at these cases in a victim-centered way."



James Cole, a federal agent, has helped pave the way for how law enforcement approaches investigations into child pornography.

Gathering Intel

Analysts seek clues into the whereabouts of child victims of sexual predators by examining photos and videos, which abusers use to prove their access to victims.



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U.S. NEWS

NRA Cheers Trump on Gun Rights

The president again calls for arming teachers at group's annual meeting

By ZUSHA ELINSON

DALLAS—President Donald Trump gave a full-throated defense of gun rights Friday and reiterated his call for arming teachers in a speech at the National Rifle Association's annual conference here.

It was the first time in the 147-year history of the organization's annual meeting that both a sitting president and vice president spoke, NRA officials said. Vice President Mike Pence spoke shortly before Mr. Trump took the stage.

Addressing the recent Parkland, Fla., high-school shooting that left 17 dead, Mr. Trump said teachers need be the first line of defense against school shooters.

"We strongly believe in allowing highly trained teachers to carry concealed weapons," Mr. Trump said.

The president also said more must be done to keep guns out

of the hands of those who pose a danger to others, such as accused Parkland shooter Nikolas Cruz. "There has never been a case where more red flags have been shown," he said.

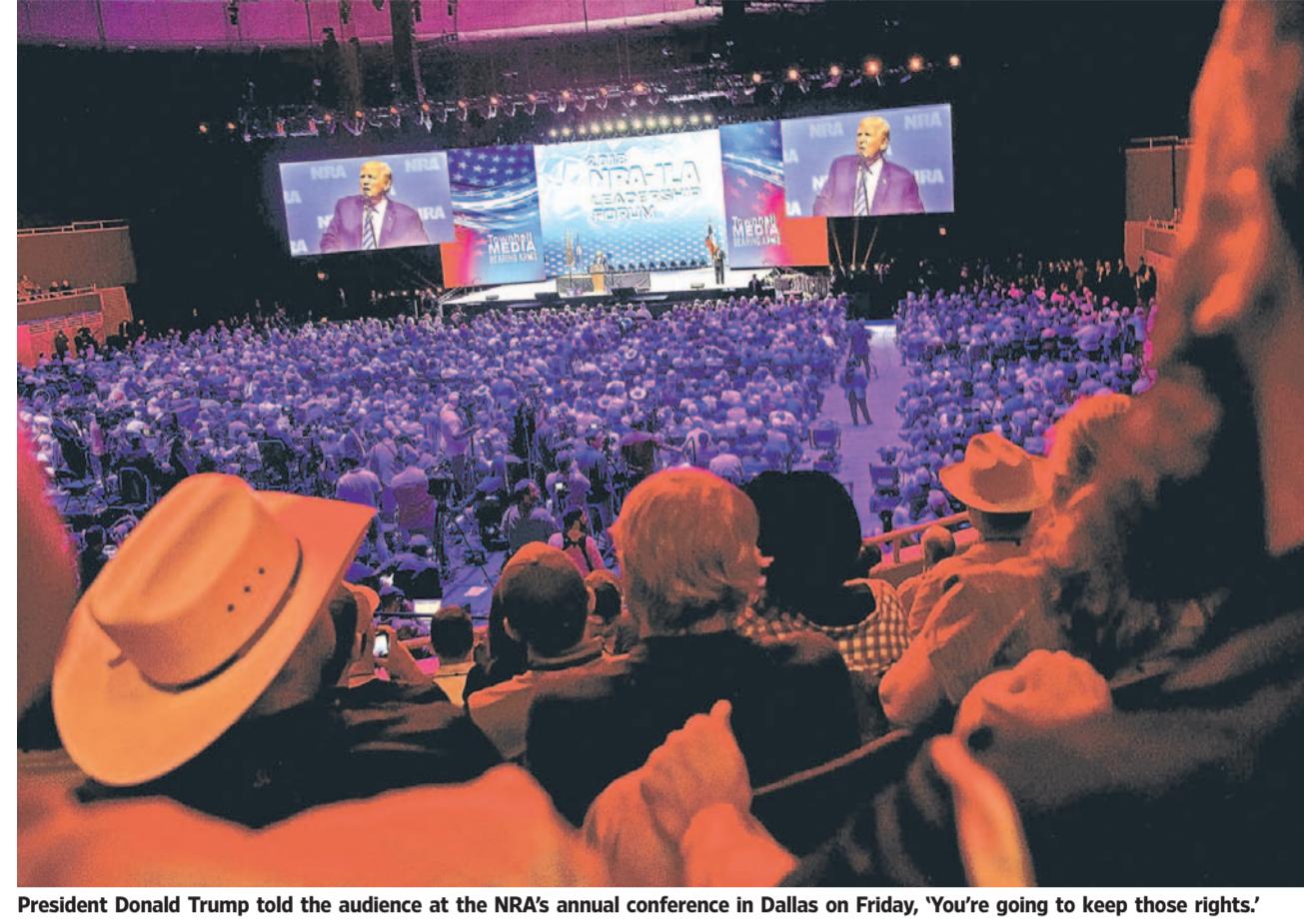
Before a cheering crowd of supporters, Mr. Trump spoke as if he were on the campaign trail. He touted the economy and his judicial appointments, and he chastised football players who protest racial inequality by kneeling during the national anthem. He also talked about the need to toughen immigration laws and complained about the Russia investigation, reading aloud from an article on a federal judge's criticism of the probe at one point.

Throughout the speech, Mr. Trump returned to the topic at hand: gun rights.

"You're going to keep those rights," Mr. Trump said. "You're going to be so happy."

Wayne LaPierre, executive vice president of the NRA, took a defiant tone in the face of nationwide protests for gun control.

"They march themselves into a frenzy, they yell and shout every nasty name they



President Donald Trump told the audience at the NRA's annual conference in Dallas on Friday, 'You're going to keep those rights.'

can call us, and they demand our surrender while predicting our demise," he said.

Mr. Trump also spoke at last year's NRA convention.

Presidents had avoided the convention as the group's opposition to gun control hardened. Former President George H.W. Bush resigned from the NRA in 1995, after Mr. LaPierre described federal agents who enforce gun laws as "jackbooted

thugs" in a fundraising letter.

Mr. Trump's speech last year was a win for the NRA, showing its influence with the new administration.

But earlier this year, Mr. Trump clashed with the NRA when he called for an overhaul of U.S. gun policy in the wake of the Parkland shooting.

In a televised meeting in late February, Mr. Trump backed a Senate proposal to significantly

expand background checks on gun sales and said some firearm sales should be restricted to people who are 21 or older. He also suggested some guns be taken away from people without due process.

All of those stances ran counter to the positions of the NRA. Mr. Trump soon backed away from his gun-policy proposals after a meeting with NRA officials

After the Parkland shooting, Mr. Trump directed the Justice Department to craft regulations to ban bump stocks, devices that make semiautomatic rifles shoot like rapid-fire machine guns. Calls for a bump-stock ban came after Stephen Paddock used the device to unleash more than 1,100 rounds in 10 minutes, killing 58 and injuring 422 who were attending a concert in Las Vegas on Oct. 1.

White House staff on the fringes of major decisions.

Mr. Kelly on Friday made rare on-the-record remarks to reporters, at Mr. Trump's urging, intended to affirm their relationship. "I would just say it's an absolute privilege to work for a president that has gotten the economy going," said Mr. Kelly, standing next to Mr. Trump outside Air Force One.

Citing the prospect of the summit between Mr. Trump and North Korean leader Kim Jong Un and the latest jobs report, Mr. Kelly added: "I mean, everything is going phenomenally well."

By many accounts, Mr. Trump is reveling in his new approach. He was in "great spirits and a great mood," according to one adviser who spoke to Mr. Trump this week, especially as the North Korean summit approaches. This person said Mr. Trump believes that if he can find a deal with North Korea, then little else matters.

"This is his reality-show strategy," this person said. "He's trying for public opinion instead of worrying about the details."

—Rebecca Ballhaus
and Louise Radnofsky
contributed to this article.

WASHINGTON WIRE

IMMIGRATION

Administration Ends Honduran Program

The Trump administration said it would end a humanitarian program for Honduran immigrants living in the U.S. since the 1990s.

As many as 57,000 Honduran immigrants have been allowed to live and work in the U.S. since 1999, when immigrants from the Central American country were granted Temporary Protected Status after Hurricane Mitch devastated parts of Honduras. They now will have to leave or be granted another immigration status by January 2020.

"Since 1999, conditions in Honduras that resulted from the hurricane have notably improved," the Homeland Security Department said.

Supporters of the TPS program, which gives safe harbor to people from countries affected by natural disasters and other strife, decried the decision Friday, saying Honduras is still unsafe.

President Donald Trump has vowed to crack down on immigration, pledging to deport immigrants found to be living in the U.S. illegally and proposing cuts to visa programs.

—Alicia A. Caldwell

WHITE HOUSE

Vice President's Doctor Resigns

A physician to Vice President Mike Pence resigned Friday in the latest sign of tumult in the White House Medical Unit following the brief nomination of the president's physician, Ronny Jackson, to run the Department of Veterans Affairs.

Dr. Jen Peña, who was assigned to care for Mr. Pence as part of the unit, was one of the people who raised concerns about Dr. Jackson, a person familiar with the matter said. She also treated the vice president's wife, Karen Pence, and his staff.

The vice president's office confirmed the departure of Dr. Peña. Her resignation went through the White House Medical Unit, not the vice president's office, Mr. Pence's press secretary said.

White House officials have said that Dr. Jackson remains assigned by the Navy to the White House Medical Unit. His position as head physician treating Mr. Trump was given to another doctor, Sean Conley, after his nomination to run Veterans Affairs and there has been no sign Dr. Jackson will reclaim it.

—Louise Radnofsky

STAFF

Continued from Page One
told reporters Friday morning that Mr. Giuliani would "get his facts straight" and issue a statement, which Mr. Giuliani did a few hours later. The White House press office and his legal team had been caught unaware by Wednesday's Fox interview, and appeared similarly in the dark when Mr. Trump told reporters about the prospect of a clarification.

Mr. Trump's surprises have grabbed attention, but they demoralized several members of his team—chief spokeswoman Sarah Sanders was furious after Mr. Giuliani's Fox appearance, according to officials—and they undercut the protocols put in place by chief of staff John Kelly.

There appears to be little prospect of a return to Mr. Kelly's strict procedures: Mr. Trump has recently turned for advice to several people with whom he was once close, then was distant, and now is back in touch, though not on the White House staff, or operating on White House protocol.

For instance, Mr. Trump has been in contact of late with his former campaign manager and senior adviser Stephen K. Bannon, a White House official said. Mr. Bannon was ostracized a few months ago over comments attributed to him in Michael Wolff's critical Trump book, "Fire and Fury."

And Mr. Trump invited former campaign staffer Corey Lewandowski, whom Mr. Trump ousted from the campaign and never hired in the White House, to travel with him on Air Force One to a recent rally in Michigan.

Mr. Lewandowski bypasses the White House switchboard to directly dial Mr. Trump's cell phone, say people familiar with the matter. He couldn't be reached for comment.

In his Fox appearance on Wednesday, Mr. Giuliani said for the first time that Mr. Trump had reimbursed his personal lawyer, Mr. Cohen, for the payoff to Stephanie Clifford, a former adult-film actress known as Stormy Daniels. Mr. Giuliani subsequently told *The Wall Street Journal* that Mr. Trump had first learned that he reimbursed Mr. Cohen in recent weeks, through a talk

with Mr. Giuliani.
"My references to timing were not describing my understanding of the President's knowledge, but instead, my understanding of these matters," Mr. Giuliani's statement on Friday said.

Mr. Trump has chafed against the formal strictures typically imposed on presidents since he took office, preferring a freewheeling style honed by his

By many accounts,
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approach.

experience as a chief executive and decadelong host of the NBC reality show, "The Apprentice."

But since the arrival of Mr. Kelly, Mr. Trump had largely abided by the former Marine general's imposed protocols and structure, with some exceptions when he sought advice and acted as his own chief spokesman. Today, several aides say, the exceptions are becoming the norm, with

by federal investigators for an April 9 raid of Mr. Cohen's home, hotel room and law office authorized seizure of documents related to Ms. Clifford and the \$130,000 payment; a former Playboy model paid \$150,000 by the National Enquirer publisher in an August 2016 deal preventing her from discussing an alleged affair with Mr. Trump; and Mr. Cohen's taxi medallions, the people familiar with the matter said.

Mr. Trump and his representatives have denied he had sexual encounters with Ms. Clifford or the Playboy model, Karen McDougal.

The nine-month gap between the time Mr. Cohen obtained his new credit line and the payment to Ms. Clifford could work against him, said Adam Schuman, a former federal prosecutor in Brooklyn.

"If he didn't anticipate using these funds to assist with these types of third-party payments, then why did he still have the funds to pay Stormy Daniels if they were intended for some earlier, innocuous purpose?" Mr. Schuman said.

Three months before he increased the home-equity line, Mr. Cohen gained potential access to another \$529,000 in cash, through the new mortgage on the condominium owned by his wife's parents, Fima and Ania Shusterman.

The Shusters didn't immediately return messages left at mobile phone numbers listed in a commercial database.

The borrowers took out \$529,000 in cash. It isn't clear whether or how the money was spent.

—Nicole Hong
contributed to this article.

COHEN

Continued from page A1
other \$529,000, through a new mortgage that he and his wife cosigned on a condominium owned by her parents at Trump World Tower, a Trump building in New York, separate real-estate records show.

Mr. Cohen and his lead attorney didn't respond to a request for comment.

Mr. Cohen, who has described himself as Mr. Trump's fixer, has said he used his home-equity line of credit to make a \$130,000 payment to former adult-film actress Stephanie Clifford—known professionally as Stormy Daniels—in exchange for her agreeing less than two weeks before the presidential election to stay silent about an alleged sexual encounter with Mr. Trump.

Mr. Trump's lawyer Rudy Giuliani said this week that Mr. Cohen resolved other problems similarly for Mr. Trump, although he didn't specify what they were or the source of funds that were used.

As part of a broad effort to determine how Mr. Cohen got access to cash and what he did with it, federal prosecutors and the FBI are examining whether he committed bank fraud by making false statements inflating the value of his assets to obtain loans or by misstating the intended purpose of the loans, these people said.

Investigators also are looking at whether he violated federal election law by making unreported campaign contributions exceeding the limit of \$5,400 to Mr. Trump in that election cycle, as well as

possible other crimes stemming from his payments to cover up problems, the people said.

Prosecutors will want to document "every penny" flowing through Mr. Cohen's accounts during the presidential campaign, said Alex Little, a former federal prosecutor in Washington who is now a defense lawyer and has no firsthand knowledge of the Cohen investigation.

Mr. Cohen opened a home-equity line of credit for \$500,000 at First Republic Bank on Feb. 24, 2016, tied to a condominium at Trump Park Avenue in Manhattan that he and his wife own through trusts, the real-estate records show. The loan documents were signed by Mr. Cohen's wife, Laura, as trustee for the trusts, the records show.

A few weeks later, the Coopers closed out an old home-equity line for \$255,000 with TD Bank N.A. tied to the same unit, the records show. Both First Republic and TD Bank declined to comment.

Mr. Cohen's near-doubling of his credit line in February 2016, as Mr. Trump's chances seemed to be improving, "could become an incredibly important date in a case of this type," Mr. Little said. Prosecutors will want to develop facts around the credit line to determine why Mr. Cohen needed the money, he said.

The higher equity line gave Mr. Cohen the ability to borrow at least \$245,000 more than before against his home during the campaign, the records show.

It isn't clear whether Mr. Cohen tapped the credit line to settle problems for Mr. Trump other than Ms. Clifford or for personal reasons.

As Mr. Cohen increased his credit, Mr. Trump, a political novice, maintained a strong lead in polls over veteran politicians in a crowded field. He lost the Iowa caucuses on Feb. 1 but won the New Hampshire primary on Feb. 9. Mr. Trump won the Nevada caucuses on Feb. 23, the day before Mr. Cohen secured the new loan.

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—Nicole Hong
contributed to this article.

Andrew Harper
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Featured Hotel: Bisate Lodge, Rwanda

Photo by Andrew Harper Editor



Michael Cohen has described himself as the president's 'fixer.'

SETH WENIG/ASSOCIATED PRESS

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U.S. NEWS

Toll Caps Undermine Congestion Pricing

By SCOTT CALVERT

States are increasingly turning to a free-market solution for highway congestion, putting in demand-based tolls that rise in price as traffic builds.

The goal is to keep more cost-conscious drivers in the free but slower lanes, and the priced express lanes humming for those willing to pay for speed.

There is one hitch. Some places such as Los Angeles and Miami have put caps on tolls to spare drivers potential sticker shock. Such price limits make jams more likely in express lanes, eroding their efficacy and prompting driver complaints. Without a cap, tolls on a 9-mile stretch in Virginia have hit almost \$50.

"There is congestion occurring almost on a recurring basis for those [capped] facilities," said Nick Wood, an assistant research engineer at the Texas A&M Transportation Institute.

In Washington state, outside experts recommend raising or eliminating the \$10 cap on the 15-mile Interstate 405 express lanes east of Seattle. In Utah, the state transportation commission last year gave officials authority to quadruple the top express-lane toll on I-15, though only a doubling is planned. And in Southern California, the top toll on the I-10 and I-110 express lanes has risen six times since 2016, most recently in March, and now stands at \$2 per mile.

"Someone paying a premium should get a safe, congestion-free ride on nice, new, smooth pavement," said Greg Cohen, president and chief executive of the American Highway Users Alliance, which represents drivers. "You're expecting a level of service that's better than a tax-based road."

Mr. Cohen said the answer may be to add a lane—an expensive approach—instead of allowing higher tolls if most drivers won't be able to afford them. "You're just going to



Politics and Math Over 'Lexus Lanes'

In setting tolls, political considerations are a factor, according to Reema Griffith, executive director of the Washington State Transportation Commission.

Interstate-405 tolls would rise "exorbitantly" without a cap, said Ms. Griffith, fueling perceptions that they are "Lexus lanes" intended for wealthy motorists. "From a public acceptance standpoint that just wouldn't be acceptable. We already have a lot of pushback from it hitting \$10," she said.

The express lane with demand-based tolls on I-394 in Minneapolis opened in 2005, and was among the first.

Nick Wood, an assistant research engineer at the Texas A&M Transportation Institute, said there are now more than 30 such roadways in the U.S., most with a cap, and 13 others where tolls vary by time of day. Most express lanes are former high-occupancy lanes and usually can be used by carpoolers free or at a discount, he said.

About six months ago, new express lanes fully opened on the MoPac freeway in Austin, Texas—with no toll limit. During planning, officials at the Central Texas Regional Mobility Authority heard capped projects elsewhere struggled with congestion, spokesman Steve Pustelnik said.

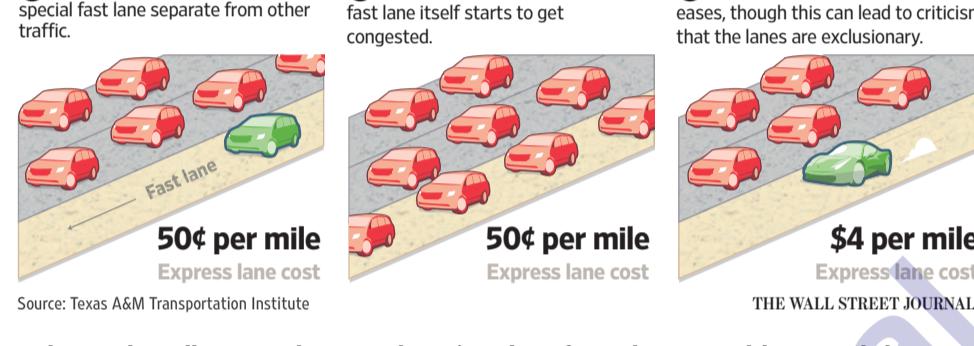
"We were advised that it would be best to avoid a cap if possible," he said. So far, the highest toll on the 11-mile stretch has been \$10.13, or just under \$1 a mile.

Also uncapped is a 9-mile express lane that opened in December on I-66 in Northern Virginia. Tolls have spiked to \$47.50, and in March, 674 trips cost at least \$40, though state officials note those trips were 0.17% of that month's total.

Washington state, which caps the toll on a stretch of I-405 at \$10, is being urged to raise or eliminate the cap to cut congestion.

Life in the Fast Lane

Demand-driven tolling is becoming more common as a way to manage rush-hour highway congestion. Here is a hypothetical example of how it works:



Source: Texas A&M Transportation Institute

make people really angry," he said.

In Washington state, officials said the I-405 express lanes, which opened in 2015, aren't meeting a state legislative target for traffic to go 45 miles an hour or faster at least 90% of the time in peak periods. They blame a 7-mile, one-lane segment that often bottlenecks.

"There is a lot of people paying \$10 in the morning to use that," said Ed Barry, director of the state's toll division. He said the region's booming economy and growing population are taxing area roads.

University of Minnesota researchers hired by the Washington legislature found speeds are higher than when the I-405 lanes were toll-free

carpool lanes, and that more traffic is moving through the corridor. But they also found that during rush hour, the toll cap kicked in 15% of the time, far too often, said Matt Schmit, a senior researcher at the university, adding,

"There's no congestion management at that point."

One commenter on a state transportation department blog

post wondered why he pays a \$10 toll to go "no faster" than cars in the free lanes.

The state has tweaked its algorithm so tolls can rise more quickly, as the Minnesota experts had recommended. The state also has used toll revenue to relieve a different bottleneck.

But the suggestion to alter the \$10 cap hasn't been embraced. Reema Griffith, executive director of the Washington State Transportation Commission, said transportation commission members first want to see how other changes play out. One measure Mr. Barry cited is stepped-up police enforcement against solo drivers who falsely set their in-car transponders to indicate they are carpooling.

"We don't feel like we've hit that point where we have to do something," Ms. Griffith said, adding that I-405 functions much better than it did before the express lanes, when it was "completely failing."

non-commerce

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WORLD NEWS

Chemical Arms Watchdog Seeks Mandate

OPCW chief says expanded powers are needed to prosecute the use of such agents

By JULIAN E. BARNES

THE HAGUE—International organizations must have the authority not only to investigate the use of chemical agents, but also ascribe responsibility, the head of the global chemical-weapons watchdog said Friday, warning that perpetrators must be prosecuted and punished.

The Organization for the Prohibition of Chemical Weapons is investigating the use of a nerve agent in Salisbury, England, and a chemical-weapons attack in Douma, Syria, but naming who is responsible is generally outside the group's remit. Both cases have proven difficult inquiries, exposing the limits of the international ban on chemical weapons and the difficulty in enforcing it.

OPCW Director General Ahmet Uzumcu called for new tools and powers for investigators, saying that only if the international community can prosecute and punish the use of such agents can the norms against chemical weapons be maintained.

"The first step the international community should take is to ensure there is a mechanism for accountability," he said.

The U.S. had said it was concerned Russian officials may have tampered with the site of an alleged chemical attack in Syria and the West has blamed Moscow for the poisoning on U.K. soil.

Following the Salisbury attack, the OPCW named the substance used in the attack as a Soviet-era nerve agent known in the West as Novichok but withheld comment on who was responsible.

Russian media have exploited the OPCW's limitations, pointing to the group's refusal to back Britain's accusation as evidence Russia wasn't responsible. Authorities in the U.K. have discussed



OPCW Director General Ahmet Uzumcu said the international community must 'ensure there is a mechanism for accountability.'

possibilities for establishing another international group that could name those responsible.

Investigators probing the attack are tackling a little-understood nerve agent that hadn't been officially listed as a prohibited chemical. It could have been applied in a liquid form but it can penetrate gloves, making any liquid application extremely dangerous.

strength and lethality aren't completely understood. Mr. Uzumcu said it was of high purity and persisted for weeks after its application, showing it was weather-resistant.

"Our experts say it is not possible to measure the toxicity of this particular nerve agent," Mr. Uzumcu said.

The OPCW is moving to list the Salisbury nerve agent as a banned substance.

Still, Mr. Uzumcu added there was no doubt that use of Novichok violated the chemical-weapons convention. OPCW lawyers recently ruled that the convention prohibits any toxic substance that is designed only to kill, even if it is not explicitly listed.

"Production of any amount of toxic chemicals for single use...would be in conflict with the convention," he said. "Even if it was not on the list."

The OPCW could have the mandate to assign blame for a chemical attack, but that would require agreement within the body's executive committee, which could be difficult. In the case of Syria,

Russia, as a U.N. Security Council member, blocked the renewal of a U.N.-OPCW investigative team that was assigned to determine who was responsible for earlier chemical attacks there.

In the latest alleged attack, security issues prevented an OPCW team from quickly reaching the site, though they finally got there on April 21.

Samples from Syria reached The Hague this week and will go out for testing at two labs, Mr. Uzumcu said. OPCW officials said analyzing the samples would take three to four weeks.

Among the crucial questions is whether victims of the attack in Douma were killed by chlorine or sarin.

Because the samples from the site may have degraded, the OPCW is seeking to exhume bodies of some victims for further investigation, Mr. Uzumcu said. Investigators are also collecting other samples to use in the investigation, officials said.

—Jenny Gross in London contributed to this article.

OIL

Continued from Page One
stration, and oil heavyweights such as Russia and Iran have already expressed worries about pushing up prices much higher.

"There is no intention whatsoever from Saudi Arabia to do anything to stop the rally" in oil prices, said a senior Saudi government official, who cited the minimum \$80 estimate. "It is exactly what the kingdom wants."

For every dollar that oil prices rise, Saudi Arabia gets about \$3.1 billion a year in extra revenue, according to Rapidan Energy Group, a Washington consultancy. That cash infusion comes as the Saudi economy goes through a rough patch that shows just how dependent it remains on oil.

An austerity plan imposed when oil prices were lower levied new taxes on and stripped government support from regular Saudis, depressing consumer spending. The Saudi economy contracted in 2017 and is forecast to grow an anemic 1.7% in 2018, largely because it has cut oil output with OPEC, according to the International Monetary Fund. Rising oil prices are driving a gradual economic recovery. Saudi crude exports have risen in recent months but are down significantly from 2016.

More oil revenue would also give Prince Mohammed some time and money to proceed at a slower pace with other economic reforms. The government has delayed the centerpiece of his plans, the initial public offering of state-energy giant, Saudi Arabian Oil Co., or Aramco, which had been expected to raise tens of billions of dollars this year for the kingdom to invest in non-oil sectors.

"It gives everyone time to breathe," a second senior Saudi official said of higher oil prices.

Saudi officials are prepared to drive oil prices higher in June when they push for a continuation of OPEC's output limits with Russia. They have also proposed scrapping the nuclear deal with Iran and reimposing sanctions on its oil, which could drive prices up further.

Officially, the Saudi government says it is agnostic about the price of crude. But energy minister Khalid al-Falih signaled the kingdom's posture last month at an OPEC gathering, where he said higher prices wouldn't affect oil demand yet.

"I don't see any impact on demand with current prices. We



Crown Prince Mohammed bin Salman tours a gallery of Saudi technology during a visit to the Massachusetts Institute of Technology in March.

Energy Puzzle

Oil prices began rising after Saudi Arabia started to reduce crude exports, helping to boost the kingdom's gross domestic product and fund its budget amid a costly economic overhaul.

Weekly Brent crude oil price*



Saudi Arabia real GDP growth



*Front-month contract
Sources: SIX Financial (Brent); Joint Organizations Data Initiative (exports); International Monetary Fund (GDP, breakeven price)

get. Prince Mohammed unveiled a record \$260 billion budget last year, as the kingdom fights a costly war on its southern border with Yemeni rebels and supports growth in non-oil in-

dustries with subsidies.

The Saudi alliance with the U.S. remains strong as both move to contain Iran in the Middle East. The U.S. imported about 667,000 barrels of Saudi

oil a day in February, among the lowest levels since the 1980s.

To be clear, Saudi Arabian officials say, they would step in with more production if prices suddenly soared. That would likely include increasing production should Mr. Trump end the nuclear deal and reimpose sanctions on Tehran's oil industry. Prices of \$100 a barrel remain a psychological barrier the Saudis don't want to hit, people close to the kingdom say.

Saudi Arabia could face some resistance from fellow oil producers to pushing prices up too high, too fast.

Iranian oil minister Bijan Zanganeh told The Wall Street Journal in March that oil prices around \$60 a barrel were ideal, setting up Tehran on the opposite side of a crude-market debate with its regional political rival, Riyadh.

Russia, which isn't an OPEC member, has also been more cautious about pushing for higher prices.

Some oil-industry analysts close to the Saudis say the kingdom is trying to stave off a future oil-price rise by nudging prices higher today to encourage more investment in the energy industry.

"They want more investment," said Bob McNally, the president of Rapidan Energy, who speaks with Saudi government officials.

On Friday, Mr. Trump offered no clarity on the prisoners, saying only that his administration is holding "very substantive talks" with North Korea and that he expected "very good things" to happen with the detainees.

"As I said yesterday, stay tuned," Mr. Trump said.

WORLD WATCH

KENYA

More Die as Heavy Rains Bring Flooding

Six people drowned in Kenya in overnight flooding and 11 others were missing, local authorities said Friday, the latest of dozens of deaths caused by heavy seasonal rains in recent weeks.

The U.N. humanitarian agency in a statement on Thursday said at least 80 people have been killed and 244,000 people displaced from their homes by the heavy rains since March, the majority of them in Tana River,

Kilifi and Mombasa counties.

Floods from the seasonal rains hit as the East African nation was recovering from a devastating drought last year that affected half of its counties.

The International Federation of Red Cross and Red Crescent Societies estimated that 100 have been killed over the weeks of flooding, with 29 counties affected.

Despite the heavy rains, Nairobi residents are experiencing a water shortage. Many have taken to social media to question why water is still being rationed even as dams fill.

—Associated Press

INDIA

Repairs Begin After Major Dust Storm

Workers rushed to restore electricity Friday to scores of towns and villages in five Indian states where a powerful dust storm and thundershowers caused more than 120 deaths and injured 200 others.

Winds blew up to 80 miles per hour as the storm swept through northern Uttar Pradesh and western Rajasthan states on Wednesday night.

The storm damaged electric poles and transformers, plunging

parts of 20 districts of Uttar Pradesh state into darkness, state Relief Commissioner Sanjay Kumar said Friday.

Amid repair and relief work, India's meteorological department warned another powerful dust storm would sweep parts of the two states this weekend.

The Home Ministry said 73 people were killed in Uttar Pradesh state and 35 in Rajasthan state.

The storm also caused eight deaths in southern Telangana state and another eight deaths in northern Uttarakhand and Punjab states, it said.

—Associated Press



LOOKING BACK: Ukrainian cadets paraded Friday during a ceremony to mark the May 9 Victory Day at the WWII museum in Kiev.

SERGEI SUPINSKY/AGENCE FRANCE PRESSE/GETTY IMAGES

BY JULIAN E. BARNES

WORLD NEWS

China Plans Fund to Boost Semiconductors

By YOKO KUBOTA

BEIJING—In a move that could further heighten tensions with the U.S., China is poised to announce a new fund of about 300 billion yuan—\$474 billion—to spur development of its semiconductor industry as it seeks to close the technology gap with the U.S. and other rivals, according to people familiar with the matter.

The new war chest by the government-backed China Integrated Circuit Industry Investment Fund Co. follows a similar fund launched in 2014 that raised 139 billion yuan (\$21.8 billion).

Among other efforts, the fund would be used to improve China's ability to design and manufacture advanced microprocessors and graphic-

processing units, one of the people said. Specific details including the amount could change, another person said.

China Integrated Circuit Industry Investment Fund didn't immediately respond to a request for comment. In an interview with The Wall Street Journal last year, the fund's executive vice president said it aims to generate returns for its investors.

China is seeking to develop its own semiconductor industry to cut its dependence on foreign technology. The effort has grown more urgent as attempts to buy American chip companies have faced opposition from the U.S. over national-security concerns.

The 2014 chip-development fund has been at the heart of U.S. complaints about China's technology policy in recent years.



Workers on a micro-chip production line at a Tsinghua Unigroup factory in Wuhan, China, last May.

In its March 22 report on China's trade practices, the U.S. Trade Representative's office said the dominance of government agencies and state-owned enterprises in the 2014 fund indicates "the high degree of Chinese government involvement in establishing the funds to meet national

strategic objectives."

As such, the establishment of the new fund is likely to further fuel U.S. cries of unfair play, said William Reinsch, a former trade official now at the Center for Strategic and International Studies. "Anytime anybody puts that much money into a particular prod-

uct or sector, there is going to be a significant market effect," Mr. Reinsch said.

The move is likely to create excess chip supply in global markets that would force product prices down, putting pressure on U.S. and other foreign chip makers, he said.

Semiconductors came up

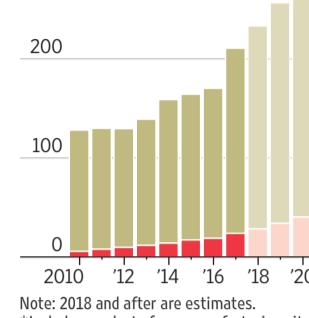
China's Chip Sources

China, concerned about its reliance on foreign chips, is set to announce a new fund to grow its semiconductor industry.

◆ China* █ Others

China's semiconductor market by origin

\$300 billion



Note: 2018 and after are estimates.

*Includes products from manufacturing sites in China operated by foreign companies

Source: International Business Strategies

THE WALL STREET JOURNAL.

during two-day trade talks between the U.S. and China that ended on Friday. China asked the U.S. to ease restrictions on chip exports, according to a Chinese document discussed at the talks.

◆ Chinese regulator approves Qualcomm venture..... B4

TRADE

Continued from Page One
a joint statement.

"Significant disagreements over certain issues" remain, said a statement published by China's official Xinhua News Agency. Xinhua said the two sides reached consensus in "some areas" and would set up a "working mechanism" to keep communications going. But Xinhua didn't elaborate.

As the delegation was flying back to Washington, the White House released a statement saying the two sides "held frank conversations" about "rebalancing" U.S.-China economic relations. The U.S. trade team would brief President Donald Trump and "seek his decision on next steps," the statement said. It made no mention of any effort to maintain communication on trade

issues with Beijing.

The negotiations, which took place at the Chinese government's Diaoyutai Guesthouse complex in western Beijing, came after weeks of tit-for-tat tariffs and escalating rhetoric about more tariffs and other trade penalties. The lack of meaningful progress prolongs the economic fight between the world's two largest economies.

"With both sides digging in, we're headed for a first round of tariffs by each side," said Michael Hirsch, a former U.S. Treasury representative in Beijing who is now a Eurasia Group analyst.

The trade battle is intensifying as China's overseas shipments are starting to slip, as are other key economic indicators. A slowdown in exports could cause China's policy makers to adopt policies aimed at spurring growth, though that could set back the

government's effort to reduce corporate debts and other financial risks.

For the U.S., the trade spat is already cutting into American farms' sales of soybeans, pork and other commodities to China, one of the world's biggest markets. Since early April, when China announced tariffs on some U.S. agricultural goods and threatened to target others, Chinese importers have canceled purchases of corn, cut orders for pork and dramatically reduced soybean purchases. (See article on page B2.)

Mr. Trump sent his senior economic team—including Treasury Secretary Steven Mnuchin and U.S. Trade Representative Robert Lighthizer—to look for progress. As the U.S. officials headed to Beijing, they issued an eight-point plan on trade and investment, which largely amounts to a request for China to change the way it manages the economy.

The plan laid out requests for China, including cutting the bilateral trade imbalance by \$200 billion by the end of 2020, slashing tariffs on American products, and agreeing not to retaliate against U.S. actions, according to a document containing the plan reviewed by

The trade spat is already cutting into U.S. farms' sales of commodities to China.

The Wall Street Journal.

The U.S. also demanded that China immediately stop providing subsidies and other assistance for advanced technologies outlined in the government's Made in China 2025 plan. The initiative aims for China to dominate frontiers of

manufacturing and industry, from robotics and aviation to new-energy vehicles.

Washington also pressed Beijing not to target U.S. farmers for retaliation. Farmers are an important part of the Republican Party's base.

Chinese officials believed the U.S. proposal was unfair, according to people with knowledge of the negotiations. "If the Chinese side had harbored any hopes of a quick resolution to the trade conflict, those hopes are now gone," one of the people said.

In response, Chinese negotiators, led by Vice Premier Liu He, presented the U.S. side a trade framework also consisting of eight points. The Chinese plan, reviewed by the Journal, demanded that the Trump administration end its investigation into allegations that China forces U.S. companies to transfer technology to Chinese partners and to cease

its threats to impose tariffs on as much as \$150 billion worth of Chinese goods.

The plan also requests better treatment for Chinese technology companies—a sharpening irritant in relations. It asks that the U.S. "adjust" its sales ban on ZTE Corp., a large Chinese maker of telecom gears, and allow U.S. companies and government agencies to buy technology equipment from Chinese firms, which would include Huawei Technologies Co.

In its plan, the Chinese side offered some mild concessions similar to pledges made by President Xi last month. For instance, China would agree to meaningfully cut levies on imported autos nationwide. Beijing would also agree to talk to the U.S. about easing the quota on imported films shown in China.

—Bob Davis contributed to this article.

Swedish Academy Postpones Nobel in Literature for a Year

BY DAVID GAUTHIER-VILLARS
AND JEFFREY A. TRACHTENBERG

The Swedish Academy won't name a Nobel laureate in literature this year, depriving the book industry of one of its main annual promotional events, and acknowledging the tarnish on the highest honor in letters.

The academy, which has awarded the prestigious prize since its creation in 1901, said Friday it needs time to repair the damage from a protracted scandal over allegations of sexual assault and financial impropriety.

The organization described itself as being "in a state of crisis" and said it would focus on rebuilding its 18-member jury, diminished by a cascade of departures that have left it without enough members to elect a winner. It plans to award two prizes next year.

"We find it necessary to commit time to recovering public confidence in the academy before the next laureate can be announced," the Swedish Academy's statement read.

"It's the only reasonable decision," Ebba Witt-Bradström, a professor of literature and former wife of Swedish Academy member Horace Engdahl, said in a telephone interview.

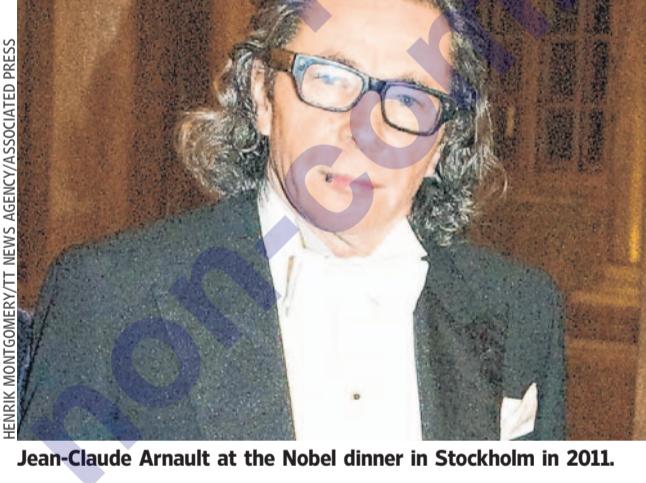
"Who would want to receive a prize from this jury?"

The months-long crisis has rocked the Nobel institution, a pillar of the national ethos in Sweden, and plunged a country that has long portrayed itself as a champion of gender equality into soul-searching.

The decision marks 2018 as the first year since World War II without a Nobel laureate in literature.

The other Nobel honors—in physics, chemistry, medicine and for the promotion of peace—as well as the prize in economics, have their own juries, and are expected to be awarded in October.

The postponement is a disappointment for the publishing industry, which has capitalized on the prize to generate interest in winners



Jean-Claude Arnault at the Nobel dinner in Stockholm in 2011.

and stir sales of their works, often in translation.

"In the past they have shed light on extremely worthy authors who were often obscure to English-language readers," said Marian Schwartz, an award-winning translator of writers including Nina Berberova and Leo Tolstoy.

"When an author wins, their entire body of work is going to be read. I can't think of a foreign writer in recent times for whom this wasn't a game-changer."

The organization needs time to repair the damage from a protracted scandal.

The Swedish Academy's decision may focus attention on the significance of the prize itself, which Michael Dirda, an author and a Pulitzer Prize-winning book critic for the Washington Post, said lies primarily in its ability to catapult writers with limited readership onto a global stage.

Some winners, including Bob Dylan in 2016, were well-known before becoming Nobelist. Others were less so, such as the 2015 laureate, Be-

larusian author and journalist Svetlana Alexievich.

"The prize brings to light writers from different cultures and backgrounds who deserve a more global readership," Mr. Dirda said.

He said the allegations that have been raised will in the long run encourage the formation of a more diverse and youthful committee. In turn, this will encourage a more 21st-century sense of what matters in literature, he said.

At the heart of the scandal are sexual-assault allegations against Jean-Claude Arnault, a 71-year-old French photographer married to an academy member and recipient of its financial support.

The accusations, which Mr. Arnault denies, were made public last year. They have raised questions about whether members of the academy knew of the concerns and failed to report them to authorities.

Dissent within the jury over how to handle the crisis spilled into the open, prompting several members to leave their positions in protest.

A lawyer for Mr. Arnault said his client denied the accusations. "All these unfair statements have one single purpose: to hurt my client's reputation and damage his name," Björn Hurtig said.



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WORLD NEWS

German Bishops Gain Influence

Their progressive views of Catholicism enjoy Vatican support from Pope Francis

BY FRANCIS X. ROCCA

ROME—Germany's Catholic bishops, after decades of being out of favor at the Vatican, have regained influence at the church's highest levels as they find themselves largely in line with the liberal stance of the first Latin American pope.

Progressive approaches to Catholic teaching that most German bishops have long advocated—on ecumenism, moral teaching and decentralized church governance—now enjoy the support of Pope Francis. Those approaches were largely spurned by his predecessor, Pope Benedict XVI, a German whose conservative stance generally didn't sit well with his compatriots.

In the most recent example, Vatican officials on Thursday indicated that Pope Francis wouldn't move to block a proposal by German bishops to allow some Protestant spouses of Catholics to receive Communion in Catholic churches, asking them to agree among themselves on the matter. The initiative has met with resistance within Germany and drawn conservative protests abroad.

German Catholicism's liberal cast, which partially reflects a long coexistence with Protestantism in the birthplace of the Reformation, has deeply influenced the wider church for more than a century, producing some of Catholicism's most influential theologians. That influence reached a recent high point under the current pope.

"As far as national bodies of bishops go, the Germans are the key internal allies of Pope Francis in shaping and carrying out his vision for the church," said John Allen, president of Crux



The German Catholic Church is asserting itself under Pope Francis, above, who has relied on German cardinals as two of his top advisers.

Catholic Media and author of numerous books on the Vatican. "To a striking degree, the Germans are the protagonists of the drama of this papacy."

The German church is one of the richest in Catholicism, owing to the country's state-collected church tax, which put €6.1 billion (\$7.3 billion) into the church's coffers in 2016 alone.

In 2015, the German Catholic Church gave more than €450 million in charitable aid to Africa, Asia, Latin America and Eastern Europe. Along with their counterparts in the U.S., German bishops have long been the most reliable financial supporters of the Vatican and of churches in the developing world.

For 35 years, however, the German bishops' conference's liberal majority stood at odds with the Vatican. Ironically,

they found little favor under Cardinal Joseph Ratzinger, the German theologian who carried out a conservative line during the long papacy of John Paul II and who continued that line as Pope Benedict.

Now the German church is asserting itself under the first developing-world pope. Since becoming pontiff in 2013, Pope Francis has turned to German cardinals as two of his top advisers, including Cardinal Walter Kasper, who has for decades advocated giving Communion to divorced Catholics who remarry without annulling their first marriages, prohibited under traditional teaching. In 2016, Pope Francis issued a document indirectly supporting the liberal position.

"Under the last two pontificates, Kasper and his allies were forced to proceed behind

the scenes, but with this pope they have come out into the open," said Sandro Magister, a Vatican expert who writes for Italy's L'Espresso magazine.

Cardinal Reinhard Marx, head of the German bishops' conference and another of the pope's top advisers, also called for a more conciliatory approach to gay Catholics. "We can't say that because you are a homosexual, you can't experience the gospel," he said.

The debates over divorce and homosexuality have exposed tensions between bishops in Germany and their more conservative peers in Africa. Supporters of the latter stress that Africa is the continent where the church is growing fastest;

according to Vatican statistics, Africa's Catholic population rose by 19.4%, to 222 million from 186 million, between 2010 and 2015. In Germany, by contrast, an average of 167,000 Catholics formally left the church every year between 2010 and 2015, leaving 23.6 million registered Catholics in the country today.

The German push to allow Protestant spouses to receive Communion—something German bishops have long advocated and tacitly permitted—is facing internal resistance at home, and warnings that it could inspire similar moves elsewhere.

"Is the German hierarchy, not content with having driven hundreds of thousands of Catholics out of the Church in their own land, now seeking to export their model of failed leadership?" conservative commentator Phil Lawler wrote this week on the website Catholic Culture.

Stalemate Continues After U.K. Elections

BY JENNY GROSS

LONDON—U.K. Prime Minister Theresa May's Conservative Party largely held its ground in local elections, suggesting a continuing stalemate between her minority government and an opposition unable to capitalize on its travails.

After a difficult period for a government that is divided over Brexit and recently suffered a high-profile resignation over an immigration scandal, the Conservatives lost control of five councils and gained control of four in elections held in towns and cities across England.

But the main opposition Labour Party also lost control of two local authorities, as it gained two others, a performance not strong enough to suggest it would garner a parliamentary majority if a general election were called. The leaders of both parties hailed the elections as a success.

The results cap a particularly difficult week for the Conservatives. A senior cabinet minister resigned Sunday over the government's treatment of long-term residents in the U.K. from the Caribbean.

And a year into negotiations over the U.K.'s departure from the European Union, Mrs. May is struggling to reach a consensus even within her government over Britain's future relationship with the bloc.

"When a government is in so much trouble, the opposition should be much further ahead than they are," said Tim Bale, politics professor at Queen Mary, University of London. He said the public still doesn't trust Labour to run the country and the economy and there are doubts about the competence of left-wing leader Jeremy Corbyn.

Rats Do Dirty Work to Save Lives in Former War Zones

Often-derided rodents have hypersensitive noses that can sniff out land mines better, faster and safer

BY ALEXANDRA WEXLER

MOROGORO, Tanzania—In the shadow of a misty mountain range, an elite special-forces unit is training for a dangerous mission: ridding the world's formerly war-torn regions of land mines.

Members don't wear body armor or brandish metal detectors. They are African giant pouched rats, rodents whose keen sense of smell allows them to sniff out explosives faster, and more reliably, than traditional mine-sweeping technology.

The rats' noses are so hypersensitive that they can detect tuberculosis in sputum samples more accurately than local lab tests and ferret out criminals trying to smuggle endangered species.

On a recent morning, Samia, a long-whiskered rat attached to a miniature harness, was scurrying up and down a roped-off section of a large grassy field in Morogoro, a university town in eastern Tanzania. When she caught a whiff of explosive from a buried, deactivated land mine, she scratched until her handler, Michael Senga, pushed his clicker, signaling in Pavlovian fashion a job well done. She ran over to him and nibbled on her reward, a proffered banana.

According to Apopo, a nonprofit founded in Belgium that breeds and trains the rats, it could take a person with a metal detector up



African giant pouched rats trained in Tanzania can clear an area the size of a tennis court in 30 minutes.



Since Apopo started the rat-training program in 1997, the rodents have branched out from land mines.

Some fight a different type of battle: sniffing out tuberculosis. By 2016, the rats had identified 10,000 TB-positive patients whose infections went undetected by local clinics.

That doesn't mean their trainers don't get worried. Pendo Msegwu, a rat-training supervisor at Apopo, which operates under the pest-control department of the local university, says she often texts her colleagues in Cambodia to see how her recent graduates are coping.

"It makes me happy to see my animals happy," Ms. Msegwu said, stroking a young rat named Vishal, who was perched on her shoulder. "As a teacher, I have to treat them as an equal to have a nice rat."

The group, which began using the rats in 2012, says they have made land-mine removal in Angola both easier and faster. But there are some unusual drawbacks.

The rats are "weather sensitive," Mr. da Costa said, near flat-out refusing to work in the rain.

to four days to clear an area the size of a tennis court. In some countries, such as Colombia, where many mines were homemade, the relative lack of metal components makes the going slow. Scrap metal can also impede the process.

Samia clears the same ground in 30 minutes. The best part: She literally works for peanuts—another favorite snack for the rats.

Any day now, Apopo says Samia will be deployed to Angola, where a 27-year civil war that ended in 2002 left

swaths of the country covered in mines. Some of her fellow recruits could be heading to Cambodia, Mozambique or Colombia.

"Rats often get a bit of a bad rap," said Kelly Marnewick, a senior trade officer at South Africa's Endangered Wildlife Trust, which is working with Apopo on one of the rat-training programs. "Here are rats that are saving human lives."

In 2016, 8,605 people were killed or injured by land mines or other explosive remnants of war—most

of them civilians—according to the International Campaign to Ban Landmines.

The idea of training rats to detect mines was hatched in 1995, when Bart Weetjens, co-founder of Apopo, was working on technologies for developing countries and examining the global land mine problem. The owner of pet rats, he came across a project that was using gerbils as scent detectors and decided to try it with rats.

Unlike demining dogs, the rats don't bond with any specific handler, which

makes them easier to transfer from person to person over their seven-to-eight-year lifespan, more than double that of a typical lab rat. And at 2 to 3 pounds in weight, the rats are too light to set off a land mine. In 20 years, no rat has been killed in the line of duty, according to Apopo.

That doesn't mean their trainers don't get worried. Pendo Msegwu, a rat-training supervisor at Apopo, which operates under the pest-control department of the local university, says she often texts her colleagues in Cambodia to see how her recent graduates are coping.

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described Marx as a critic of social inequalities. He said the city of Trier was right to memorialize Marx, because he is part of Europe's history.

The Marx connection has made Trier an attraction for Chinese tourists in recent years.

Trier Mayor Wolfram Leibe said the statue wouldn't have been possible 30 years ago. "Today, with more distance from the socialism practiced in East Germany, it's the right time to deal with Marx in this form," Mr. Leibe said last month.

Gift of Karl Marx Statue Stirs Controversy

BY VALENTINA POP AND ANDREA THOMAS

TRIER, Germany—Karl Marx is long dead, but his specter still haunts Europe.

The author of the Communist Manifesto, whose statues were torn down across the former East Bloc after the fall of the Berlin Wall, is again at the center of clashing world views.

The reason: An 18-foot-tall Marx statue in his hometown of Trier, a gift from the Chinese government, is set to be

unveiled Saturday, the bicentennial of his birth.

On the eve of the ceremony, some foes of communism—among them former Czech President Vaclav Klaus—walked the cobblestoned streets and shook their heads in disbelief at banners reading "We are Marx."

The statue stood wrapped on the eve of the unveiling. Its presence, Mr. Klaus said, "makes a mockery of history, of the victims of regimes that emerged based on Marx's teaching."

Mr. Klaus was particularly



A statue of Karl Marx is set to be unveiled in Trier, Germany.

OBITUARIES

VEL PHILLIPS
1923 – 2018

Victory Took Years For Fair-Housing Fighter

Vel Phillips, the first African-American to serve on Milwaukee's city council, in 1962 proposed an ordinance banning racial discrimination in the sale or rental of housing. Her aim was to end practices that prevented blacks from moving to better neighborhoods. Her proposal was defeated 18-1.

Over the next six years, she kept reintroducing the ordinance. The council kept voting it down. In August 1967, her allies began 200 consecutive nights of protest marches to demand action.

"Thanks for nothing," she said late that year after the council passed a watered-down version of the ordinance. Finally, in April 1968, weeks after the assassina-

tion of the Rev. Martin Luther King Jr., the council passed a fair-housing ordinance reflecting her demands. The vote was 15-4.

Ms. Phillips, who died April 17 at age 95, campaigned nationally for civil rights. She served on the Democratic National Committee and as Wisconsin's secretary of state. Her backers included the baseball star Hank Aaron.

"What is it you people want?" a white man once asked her, according to the Milwaukee Journal Sentinel. "I said, 'My dear man, the same things you want: A place to live, green grass, a white picket fence, a place to go to work and good schools for our children.'"

—James R. Hagerty

RAYMOND NEAG
1931 – 2018

Alum UConn Forgot Gave Over \$45 Million

Universities tend to lavish attention on their prosperous alumni. The University of Connecticut somehow lost track of Raymond Neag, a co-founder of medical-device maker Arrow International Inc. A chance conversation over Thanksgiving dinner in 1995 brought them back together.

Mr. Neag was sitting next to a niece, Sally Reis, a professor in UConn's education department. They talked about her work in education of gifted students. He said he might want to make a gift to UConn. Before long, UConn officials were taking Mr. Neag to basketball games.

He ended up donating more than \$45 million to the university,

largely for teacher education. UConn named its school of education after him.

"If we're going to make an impact, it's got to start at a very, very early age," he said in 1999. "Some people say that if you get a child in his formative years, he's yours forever."

Mr. Neag was the son of Romanian immigrants who raised eight children in Torrington, Conn., during the Depression. After serving in the Air Force and earning a political science degree at UConn, he became an executive in the medical-device industry.

Mr. Neag died April 19 of heart failure at his home in Goshen, Conn. He was 86.

—James R. Hagerty

JUDITH LEIBER
1921 – 2018

Holocaust Survivor Made Handbags for First Ladies

BY JAMES R. HAGERTY

On an evening out, all a woman really needed in her handbag was a handkerchief, lipstick and a \$100 bill, Judith Leiber liked to say. The whimsical, sparkly clutches she designed often were just big enough to contain those items. Any other essentials, she said, could be toted by the woman's escort.

Born in Budapest into a prosperous Jewish family, she narrowly survived death in the Holocaust. Near the end of World War II, she met Gerson Leiber, an American soldier. They married and resettled in New York.

After working for other designers, she formed her own company in 1963 and developed an adoring clientele, including first ladies, movie stars and singers. Among her thousands of handbag designs were ones shaped like frogs, tigers, peacocks and tomatoes. First lady Barbara Bush had one made to resemble her springer spaniel, Millie.

Late in life, Ms. Leiber bought back some of her bags for display in a museum created by her and Mr. Leiber, a painter and sculptor, in East Hampton, N.Y. Her bags also have been displayed in New York's Metropolitan Museum of Art and the National Museum of American History in Washington.

Ms. Leiber died April 28 at age 97 after suffering a stroke in her East Hampton home. Her husband died a few hours earlier.

Many women displayed their Leiber bags like museum pieces. Ms. Leiber once scoffed at that idea and said she kept hers in a closet. But she and Mr. Leiber eventually wanted a shrine for her bags and his paintings. Their personal museum, in a Palladian-style villa surrounded by gardens in East Hampton, is open three days a week between Memorial Day and



Labor Day.

The Leibers searched eBay to buy some of her bags for the museum. She figured she had created around 3,500 styles. "We would love to have them all," she told The Wall Street Journal in 2010.

Judith Marianne Peto was born Jan. 11, 1921. Her father was a banker involved in grain trading.

While on business trips, he often bought handbags for his wife. The family sent Judith to London to study chemistry so she could eventually take over a cousin's cosmetics factory in Romania, according to Jeffrey Sussman, the author "No Mere Bagatelles," a biography of Ms. Leiber. She returned to Budapest for vacation in 1939, and the outbreak of war prevented her from resuming her studies.

Instead, she became an apprentice to a maker of handbags.

After the Nazis occupied Budapest, her father was sent to a labor camp. A friend secured his release by obtaining Swiss papers conferring diplomatic immunity. "That saved the family from extermination," Mr. Sussman said.

On the streets of Budapest, Judith met Mr. Leiber, a junk dealer's son who grew up in Titusville, Pa. They discovered a common love of art and opera. As an American soldier, he was able to obtain better food for the Peto family, who at one point had shared a one-bedroom apartment with 26 people and resorted to eating horses found dead on the war-ravaged streets. The couple married in 1946.

She found work at fashion houses in New York, including that of the designer Nettie Rosenstein. Ms. Leiber created a pale pink purse, embroidered with pearls and rhinestones, for first lady Mamie Eisenhower to carry at the 1953 inaugural ball.

Ms. Leiber set up her own company in 1963. At first, "I didn't think I would ever make it," she told the New York Times in 1996. "I said to my husband, 'I'm not good with numbers.' And we didn't have a lot of money." Her customers did, though. Many bought her bags for well over \$1,000 apiece at fancy department stores.

In 1993, the Leibers sold the company. She stayed on as a design consultant for several years.

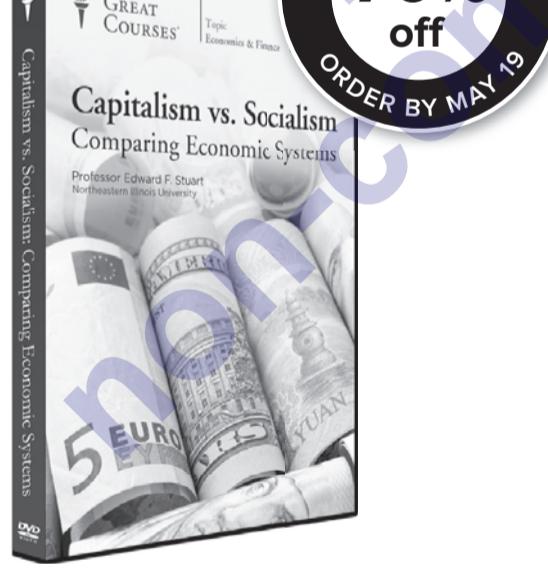
The new owners of the Judith Leiber handbag business eventually offered bigger evening bags to accommodate cellphones. Though the original designer was no longer involved, the bags still had cachet. In 2003, the Washington Post reported that first lady Laura Bush had ordered a \$4,175 Judith Leiber evening bag, in a shape inspired by a Fabergé egg, for her Russian counterpart, Lyudmila Putin.

The Leibers had no children. Ms. Leiber said her bags were her offspring, "and there is no college tuition, and nobody talks back."

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IN DEPTH

Politics Revives Protestants — At a Cost

By IAN LOVETT

Christ Church in Alexandria, Va., a historic Episcopal church, hasn't been a particularly political congregation. It has welcomed Democratic and Republican presidents. George Washington and Robert E. Lee were members. Stone plaques commemorating them adorn a wall.

Then last year, Richard Spencer, the leader of a white nationalist organization, rented office space in Alexandria. Several parishioners organized protests outside his office, which became bi-monthly events. The church released a written statement denouncing white supremacy, and later decided to remove the plaques honoring Washington, who owned slaves, and Lee, who led the Confederate Army.

"We just have to keep standing up," said David Hoover, 61, a member of the church who helped organize the protests outside Mr. Spencer's office and is encouraged by the church's sharper political tone.

That same foray into politics outraged other members. After the announcement that the plaques would be removed, at least 30 people quit the congregation, according to current and former parishioners, including some who had been there for decades.

"There is no sanctuary at Christ Church, just a battlefield," Riki Ellison, 57, a former NFL player, wrote to fellow members of his family's decision to leave.

Political activism is reshaping what it means to go to mainline Protestant churches in the Trump era, with tensions bubbling between parishioners who believe church should be a force for political change, and those who believe it should be a haven for spiritual renewal.

Galvanized by opposition to Trump administration policies, these congregations, which typically are theologically liberal and historically white, are turning themselves into hubs of activism. For some congregations, that shift has prompted a surge in attendance—especially among young people—something mainline Protestant churches haven't seen in decades.

Liberal churches are organizing rallies, taking on racial issues and offering sanctuary to undocumented immigrants.

Some clergy have returned to the front lines of protests, where they are playing more prominent roles than any time since the Vietnam War.

These moves have alienated conservatives, or worshipers who think politics has little place in church. Pastors pushing their congregations toward activism acknowledge their efforts could hasten the demise of a mainstay of American life: the apolitical mainline church where Republicans and Democrats sit comfortably side-by-side in the pews. But they contend it is the best way to follow Jesus' example—and maybe the only way to save churches whose membership and influence have been in decline for half a century, having been overtaken by their evangelical counterparts.

"If we're not going to stop the wall and the deportations, then I don't think we're following Jesus," said the Rev. Kaji Dousa, pastor of Park Avenue Christian Church in Manhattan. "We're just getting people in church, and that's not interesting to me. The point of following Jesus is that



Rev. Kaji Dousa with members of a growing congregation at Park Avenue Christian Church. Below, Kayla Ichikawa takes communion.



you move and you do."

When Ms. Dousa took over in the fall of 2016, weekly attendance hovered at around 15 people. The church, a 107-year-old stone- and stained-glass building, is affiliated with the United Church of Christ, one of the most progressive and activist mainline denominations. The previous pastor had largely eschewed politics, members said.

Ms. Dousa began preaching about refugees and has accompanied immigrants living in the country illegally to their check-ins with Immigration and Customs Enforcement. In one sermon, she likened the U.S. under President Donald Trump to Weimar Germany.

Now the church is bustling nearly every day of the week. About 200 people recently gathered at the church for a rally led by two survivors of the Parkland, Fla., school shooting, who advocated stricter gun control. Regular Sunday attendance, meanwhile, has jumped to about 100—including an influx of young people who hadn't attended church in years, or sometimes ever.

Danelle Bain, the 28-year-old daughter of a pastor, joined Park Avenue Christian Church last year after nearly a decade away from organized religion.

"Churches have upped their activism this year, because there's been a call for it," said Ms. Bain, who took part in a recent protest against deportations that the church helped organize in Washington Square Park. "Those churches

are really drawing the millennial crowd."

Wading into politics hasn't gone as smoothly for her father, a pastor in Stillwater, Okla.

For three decades, the Rev. John Bain led politically mixed Disciples of Christ congregations, where Democratic and Republican party leaders sat side-by-side in the pews. Keeping the peace wasn't difficult, he said, until last year.

Trump supporters assailed him for being too critical of the president. At the same time, liberal members pressured him to engage more directly with politics.

The church created a special ministry for immigrants, which outraged some members who saw it as taking a political stand. Several longtime members left the church. Attendance has dropped from around 220 a week in 2016 to

180 on average now.

He said he wishes he could do more to "be the hands and feet to this world," but is afraid for his livelihood "with one of my kids still in school."

"I've had some pretty ugly conversations after worship," he said. He now steers clear of mentioning Mr. Trump during his sermons.

Until the 1960s, mainline Protestants were the dominant religious force in the U.S.

Since then, their numbers have been in steep decline and they now make up only 10% of the population, down from nearly 30% in 1972, according to a Billy Graham Center analysis of data from the General Social Survey, a federally funded research project.

They have a long history of advocating for social causes, including an active role in abolitionism in the 19th century and the civil-rights movement

in the 20th. Around the time their numbers began to decline, many churches withdrew from front-line political activism and focused on less-polarizing work such as helping with food distribution for low-income people.

Liberal clergy leaders say they recognize the risks of politicizing the pews, but see an opportunity to reinvigorate the spirit of the mainline church.

"Church buildings and church membership are declining, and part of me says, 'Thanks be to God,'" said Jason Chesnut, a Lutheran pastor in Baltimore who advocates for more church engagement on social issues.

"Lots of churches are trying to hold on to what we had in the 1950s and 1960s. I'm not interested in continuing what has often been a glorified country club."

Many denominations haven't released recent membership numbers. Pastors at mainline churches around the country, however, noted an increase in church attendance.

The United Church of Christ reported a decline in membership nationwide in 2017, but at a slower pace than the past several years.

A number of individual churches in the denomination—including 14 of 18 surveyed in the Southwest—said attendance rose during Mr. Trump's first year in office.

"People are wanting our faith communities to take a stand," said Bishop Dwayne D. Royster, pastor of Faith United Church of Christ in Washington, D.C.

"Those that do are going to see growth. Those that don't are just going to eventually

become more marginalized."

At Christ Church in Alexandria, the congregation is struggling to heal its rifts.

Rev. Noelle York-Simmons, who took over as church rector in late 2016, said she doesn't shy away from political themes, but nor does she talk politics to the exclusion of other issues—from death to divorce—that affect her parishioners.

"I like to preach with the newspaper in one hand and the gospel in the other," she said. "But I'm not going to do that every week, particularly when the congregation is feeling pretty beat up."

Around 80 newcomers joined the congregation last year, according to church records—nearly three times as many as left. Church officials say they aren't sure of the reasons.

"What people are saying to us is that they're joining the parish for the same reason they have always joined our parish: the loving community, the incredible outreach, serving people locally, serving people abroad," said Ms. York-Simmons.

The church has around 1,800 members, according to records, with Sunday attendance at around 480.

Lt. Gen. Ed Soyster, 82, a retired Army officer who describes himself as politically centrist, left the church late last year, along with his wife, after nearly two decades. As an usher in 2008, he escorted President George W. Bush to a pew during a visit.

He said the decision to take down the plaques, which came after a deadly clash over Confederate statues in Charlottesville, Va., was symbolic of an increasingly political tenor.

"It's just an indication of the changes that are taking place in that church, and whatever the biased left agenda is," he said of the plaques. Sermons, he added, would often have "no mention of Christ or anything. They were political. They were about racial equality and various things that should be done."

Charles Andrae said the increasingly political tenor is why he left Christ Church last year, where he had been a member for about 30 years.

"I go to church to hear the word of God and help where I can," said Mr. Andrae. "The political rhetoric in church—that's no place for it."

Diana Butler Bass, an Episcopalian and author of books on American Christianity, said fights over how and whether to engage politically are "taking place in every congregation at this moment."

She once worked at Christ Church in Alexandria, and said she was proud of the church's efforts to combat white supremacy.

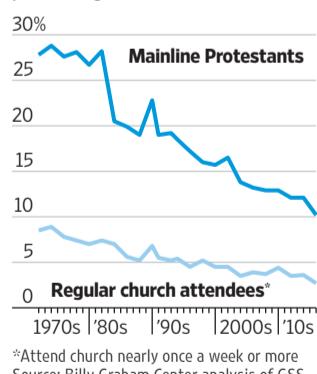
Historically, she said, taking a political stand is a risk. In Memphis during the civil rights movement, she said many of the largest mainline churches waffled. Those that took a stand in favor of civil rights often shrank or closed.

"If mainline churches do the right thing, no matter the cost, maybe there will be nobody left in 25 years," she said. "But those churches will have followed their calling—that's what matters."

No decision has been made about where the plaques honoring President Washington and General Lee will go once they are removed from the sanctuary. For now, they remain on either side of the altar.

Mainline Decline

Mainline Protestants as a percentage of all Americans



THE WALL STREET JOURNAL.

Danelle Bain, 28, joined Park Avenue Christian Church after a decade away from organized religion.

great beyond.

"Be quiet and save your strength," Scotsman Jamie Dorman advised another app user who was feeling a moment of crisis.

Given the limited nature of their time together via the app, Marcel Klimo of Bratislava, Slovakia, said he quickly pressed others for the answer to a question he always wondered about: Which came first, the chicken or the egg?

"That's an 8% battery question, not a 4% battery question," someone replied.

Smartphone research is rooted partly in a 2008 study by the U.K.'s postal service. The organization which sold prepaid phone cards at the time commissioned the study and concluded that 13 million Britons considered losing

their phone or running out of juice to be among the most stressful things in their lives. The Post Office coined the term "nomophobia" to describe the feeling, and the term burrowed its way into

The Die With Me chat room links up people facing less than 5% battery life.

the English language, joining the Merriam-Webster dictionary in 2016.

Health researchers in Brazil followed with a 2010 paper analyzing a patient who said he had kept his phone with

him continuously since 1995.

"In this report, we present and discuss a hypothesis for the development, in individuals with panic disorder and agoraphobia, of dependence on his or her mobile phone," said the study's abstract. "Result: The patient was treated with medication and cognitive-behavior psychotherapy. He has remained asymptomatic for 4 years."

In 2014, Italian public-health scientists began lobbying to have nomophobia designated an official illness in the Diagnostic and Statistical Manual of Mental Disorders, known as the DSM, in a science journal article. The DSM section on anxiety disorders won't be updated for several years, said Michelle Craske, who led that section. She

laughed at the notion of people having genuine fear their smartphones might die.

Nancy Cheever, a media psychology specialist at California State University, Dominguez Hills, brings subjects into a psychology lab with blank walls. Placing their smartphones about three feet behind them—far enough so the subjects would have to get up to retrieve them—she floods the devices with four texts. She has found that self-described heavy phone users' anxiety soars when their phone pings.

"This is a real problem. Yes, it is a First World problem for sure that we created, but it's still important," said Dr. Cheever, who approached the National Science Foundation about funding future research.

Some clinical psychologists find patients increasingly raising concerns about smartphone anxiety. Kathy Marashack, in Portland, Ore., said she teaches patients to deal with it the same as with any anxiety. Relax. Breathe deeply. Avoid triggers such as leaving home without your charger.

The Die With Me chat room can be such an escape from the anxiety of a dying phone that one of its users, Mr. Klimo, has talked with a colleague about creating a way to stay in the app longer. His colleague suggested a feature that would allow users who have a power cord to keep the battery life at just under 5%.

"I told him that would be like cheating death," Mr. Klimo said. "But I guess we all want to live forever."

POWER

Continued from Page One

At the University of Missouri, researchers deliberately separated people from their smartphones to study their reactions. In South Korea, psychiatrists developed a Smartphone Addiction Scale. Subjects score how much they relate to the phrase "My life would be empty without my smartphone."

Some nomophobes are turning to one another for comfort. An app called Die With Me allows users with less than 5% battery life to enter a chat room where they can talk through their fears with others as their phones collectively head toward the

OPINION

THE WEEKEND INTERVIEW with Jesse Morton and Mitchell D. Silber | By James Taranto

The Making—and Unmaking—of a Jihadist

Close your eyes and picture an Islamic extremist. The stereotype your mind conjures up probably looks nothing like the man who's come to see me—"the white guy," as he describes himself, who "is a celebrity because he's the jihadist."

Meet Jesse Morton, 39. He's an ex-jihadist now, a one-time leader of a defunct New York-based extremist cell called Revolution Muslim. Visiting the Journal's offices, he's accompanied by Mitch Silber, 48, a former intelligence analyst for the New York City Police Department. Mr. Silber's investigative work helped send Mr. Morton to federal prison, but today the two men collaborate on counterterrorism projects. Mr. Silber says Mr. Morton's story of conversion and rehabilitation contains lessons for the West as it faces the next wave of terrorism, the "virtual caliphate" of a displaced Islamic State.

Mr. Morton's tale begins in 1995, when he fetched up in New York as a 16-year-old runaway from Pennsylvania. He was intelligent and curious, alienated and hungry for purpose: "I was looking for something that would give me meaning and significance and importance."

Counterterrorism's odd couple: An ex-cop teams up with a former extremist he helped send to prison.

He soon had trouble with the law, and in a jailhouse library in 1999 he devoured "The Autobiography of Malcolm X." The book "gave me a cognitive opening into this radical realm of existence from an Islamic perspective," he recalls. "I had already started to read [Noam] Chomsky and [Norman] Finkelstein and had gravitated toward radical political interpretations. So I wanted to synthesize the two."

While incarcerated on drug-dealing charges the following year, he was "recruited" by a fellow inmate, a man of Moroccan descent who said he had once fought alongside the anti-Soviet mujahedeen in Afghanistan. Mr. Morton, who'd been desultorily catechized as a Lutheran, became a serious Muslim and took a new identity, bestowed by the Moroccan: Younus Abdullah Muhammad.

"Islam was very healthy for me in the beginning, because it gave me structure," Mr. Morton says. He "stopped smoking weed, stopped drinking, started to pray five times a day, fasting during Ramadan." He made progress on that radical synthesis, too, as the Moroccan "gave me this sort of eschatological, millenarian interpretation of Islam that also suggested that impending war with the United States versus the Muslim world was coming soon."

That vision from 2000 looked prophetic in 2001. "I was already progressing into the realm of radicalization but wasn't firmly committed as a jihadist," Mr. Morton says. "The 9/11 attacks, for me, made me want to go farther."

The attacks galvanized the young Mr. Silber as well, albeit in a more typically American way.

Then 31 and an investment banker, he "wanted to do something to get into the fight." He enrolled at Columbia University's School of International and Public Affairs, earned a master's degree, and in early 2005 joined the NYPD.

His duties included leading a departmental "away team" to gather information at terror-attack sites overseas. The first stop was Amsterdam, where filmmaker Theo van Gogh had been assassinated in November 2004. "We go and meet with Dutch authorities, and they say, 'Look, this was a second-generation Moroccan. This is not an al Qaeda operative who committed this attack,'" Mr. Silber says. The March 2004 bombing of a Madrid commuter train was also a "homegrown plot," as would be the July 2005 bombing of the London Underground and many others before and since.

Mr. Silber and a colleague published a 2007 report, "Radicalization in the West: The Homegrown Threat," in which they described how domestic jihadists are made. The NYPD disavowed the report in 2016 to settle a lawsuit with the American Civil Liberties Union, but Mr. Silber stands behind it. He tells me the radicalization process begins when future jihadists "have some crisis in their life," they "re-evaluate who they are," and—here echoing Mr. Morton's phrase—they "have a cognitive opening."

They encounter radical ideas online, or from a street preacher, or at a Muslim Students Association meeting. "They begin to self-identify, and then they actually indoctrinate themselves, or get indoctrinated in sort of a small cluster," Mr. Silber continues. "That echo chamber is reinforcing that worldview—and then it becomes time to mobilize: Travel overseas, train playing paintball. Decide to carry a plot out at home."

With some variations, Mr. Morton was following that pattern. In 2003 he attended New York City's annual Muslim Day Parade. "I was anti-American," he says, "growing increasingly in fundamentalism, but doing so by myself independently. At the end of that parade, I met an organization called the Islamic Thinkers Society—an offshoot of London-based al-Muhajiroun, which the U.K. has since banned.

Under the society's aegis, Mr. Morton preached to South Asian immigrants on the streets of Jackson Heights, Queens. His status as a convert, he believes, lent him credibility with listeners: "Not only has he converted to Islam," he imagines they were thinking, "but he's saying a lot of radical things that most people in the community, to a degree, agree with but are afraid themselves to say. It was a great recruitment tool."

The NYPD was watching—closely. Mr. Silber says the department had an undercover officer embedded in the Islamic Thinkers Society. That's how Mr. Silber found out the jihadists had seen his "Radicalization in the West" study. "They've read the report," he quotes the undercover officer as saying. "They think the report is pretty good." Mr. Morton confirms this: "I remember reading



the prison in Morocco, I said Jesse Morton."

Awaiting trial in a Virginia jail, he was drawn again to the library. "I see the Encyclopaedia Britannica's 'Great Books of the Western World,' and the next step in my own deradicalization was to pick up the volume that was based on Enlightenment philosophers," he says. "I started to read Descartes, Montesquieu, Rousseau, Tom Paine, the Federalist Papers."

He pleaded guilty on three counts and was sentenced to 11½ years in prison. But after becoming an FBI informant, he won release after 3½ years. In 2016 he landed a job as a researcher for George Washington University's Program on Extremism—with Mr. Silber as a reference. The two men had yet to meet, but Mr. Silber, who left the NYPD in 2012, had heard from his former undercover men, who debriefed Mr. Morton in Virginia, that "we think Jesse is a changed guy."

Mr. Morton tells me he's still a Muslim, but "I interpret Islam now as something that is flexible—something that has much more to do with my own personal spiritual journey."

That journey has included at least one regrettable detour. Mr. Morton lost his job at GW after he suffered an emotional breakdown in late 2016: "I used drugs for the first time in 15 years and went on a binge that eventually threw it all away." Arrested for cocaine possession, he returned to prison for 90 days for violating his parole. "I needed to address my mental-health issues," he says he realized. He tells me he's making progress.

Meanwhile, he and Mr. Silber—who finally met face-to-face at a Times Square coffee shop in October 2016—have teamed up as a counterterror odd couple. They've written a paper, forthcoming from the think tank New America, titled "From Revolution Muslim to Islamic State: An Inside Look at the American Roots of ISIS' Virtual Caliphate." Last year they launched a nonprofit, Parallel Networks, through which they intend to provide counseling aimed at deterring would-be extremists and reintegrating prisoners into society after they've served time for terror convictions.

Mr. Silber believes the threat of terrorism "is going to evolve but is not going to get better." He's especially concerned about the estimated 1,700 Europeans, and a few dozen Americans, who are returning home after fighting for Islamic State. "I've spent a lot of time in France and the U.K. this year," he says. "The number of returning foreign fighters is tremendous, and Europe does not know how to manage their re-entry."

He hopes "formers" like Mr. Morton can help: "From the NYPD perspective, we know that formers in the gang world—you can bring them back to the community and say, 'Listen, I went to jail; I was a gang banger; I know what that's like. Hey, 16-year-old version of me, you don't want to go down that road.'"

Mr. Taranto is the Journal's editorial features editor.

Shop Around for Surgery? Colorado May Soon Encourage It



Here's a simple idea to help lower health-care costs: publish prices. A bipartisan group of state lawmakers in Colorado is pushing a bill to do precisely that. The Comprehensive Health Care Billing Transparency Act would allow Coloradans to see the true price of any health service they use—exams, procedures, prescriptions—before they undertake treatment.

If passed, the legislation would mandate that hospitals and other facilities disclose the base fees they charge for specific services "before applying any discounts, rebates, or other charge adjustment mechanisms." Every bill sent to a patient would need to include an itemized list, which would allow patients to see if a service had been marked up. By making such information available upfront, the legislation would reintroduce competition to Colorado's opaque health-care markets.

The bill is the brainchild of Denver businessman David Silverstein, who made news last year when he suggested that consumers

stop paying their medical bills until providers show how they arrived at the prices being charged. Mr. Silverstein is the founder of BrokenHealthcare.org, a nonprofit that hopes other states will follow Colorado's lead in legislating greater health-care transparency.

As profound a change as the Colorado bill represents, all it really would do is let consumers deal with health care the way they do any other product or service. Think about it: When you want to buy a car, you shop around, comparing the quality and price of competing models and the offerings at different dealerships. The same is true for practically everything else Americans buy: refrigerators, houses, office supplies, washing machines, computers, and on and on.

Why is health care the big exception? Because the prices are obscured. Particularly if you're covered by health insurance, you never know the true cost of treatment. There's no incentive to shop around. This isn't merely a fluke of the system, but a well-executed scam. Just look at the gag clauses written into pharmacy and hospital contracts, which can prevent providers from telling you that it could

be cheaper to pay with cash instead of using your insurance.

Keeping prices hidden provides no benefit to the patient. It serves only to help middlemen turn a tidy profit. When you use your insurance to pay for a prescription, a pharmacy benefit manager may get

a cut of the fee. Your hospital probably has a similar deal with the "group purchasing organization," or GPO, that supplies it with everything from saline to anesthetics to antibiotics.

Publishing prices upfront would allow patients to shop for value. In order to attract business, medical providers would have to step up their game by offering more for less. The itemized bills would prevent hospitals and other providers from adding "surprise" charges to medical bills.

If Colorado's legislative effort succeeds, other states are likely to

follow the state's lead. Fortunately, Colorado is a particularly good place to begin. Price transparency can reach its full potential, since Colorado does not have a "certificate of need" law. In more than 30 states, CON laws require medical providers to get permission from the government before building a new hospital or other facility.

In theory, these restrictions are meant to prevent overbuilding and thereby keep health-care spending in check. In practice, they are anticompetitive and have helped entrench health-care monopolies. Since Colorado lacks a CON law, medical providers there would be free to compete once prices become transparent. They could form new physicians' groups or open new surgery centers to offer patients more bang for their health-care buck.

Since the time of Adam Smith, it has been clear that competition in the marketplace lowers prices. When prices are obscured, the market fails. Colorado's Legislature should pass this bill and mandate that health-care prices be available at the point of sale. This is especially important now given the growing number of Americans who are paying out of pocket for day-to-day care. As insurance premiums

have risen under ObamaCare, enrollment in high-deductible health plans has jumped; they now cover 28% of workers, according to the Kaiser Family Foundation. Last year, the average American family faced a deductible of \$7,983.

The more people are writing their own checks for the medical services they receive, the more they will be interested in shopping for value. There already are a few smartphone apps that help comparison-shop in health care, but so much more is possible. A first step is passing a bill like Colorado's that makes prices publicly available and easily accessible.

By enacting the Comprehensive Health Care Billing Transparency Act, lawmakers in Colorado would be working toward lower health-care costs for their state's residents. At the same time, they'd be advancing the cause of price transparency and setting an example for the nation. Free markets have the ability to make health care more affordable—if only government will let them.

Mr. Coburn, an Oklahoma Republican, was a U.S. senator from 2005-15. He is a Manhattan Institute fellow.

OPINION

A Dog's Breakfast of a Dinner

**DECLARATIONS**
By Peggy Noonan

It's over, the conversation has turned and won't bubble up again till early next year but a final thing should be said about the White House Correspondents' Association dinner. It's been persuasively argued that the dinner hurt journalism (true) and politics in general (yes). But I think it hurt America.

Here, with apologies but to make a point (the TV clips don't capture it) is a sample of the comic stylings of Michelle Wolf, in the centerpiece speech of the evening. To put things

The Correspondents' Association fête isn't just bad, it's bad for America. Let this one be the last.

in historical context, the tampon joke is very much like what Walter Lippmann said of Mamie Eisenhower. Oh wait, that's wrong. But the banging bimbos reference is reminiscent of what Bobby Kennedy said about Scotty Reston. Oh dear, that's wrong too. Anyway here's what Michelle Wolf said.

On Mike Pence: "He thinks abortion is murder, which, first of all, don't knock it till you try it. And when you do try it, really knock it—you know, you've got to get that baby out of there." Paul Ryan has been circumcised. "Unfortunately, while they were down there they also took his balls." Ivanka Trump is "about as helpful to women as an empty box of tampons." "She's the Diaper Genie of the administration:

on the outside, she looks sleek, but the inside, it's full of sh—." Like a porn star when she's about to have sex with Donald Trump, 'Let's get this over with.' "Oh, you don't think he's good in bed." Of Sarah Sanders: "Like, what's Uncle Tom but for white women who disappoint other white women? Oh I know, Aunt Coulter." Also, she'd like to make fun of Democrats but they're "harder to make fun of because you guys don't do anything." Lucky them.

The above is an abridged version of Ms. Wolf's quotes, because most of them didn't make it past my editors. These are the tamer ones.

What's wrong with those remarks? You're thinking of words like vulgar, grubby and immature, and you're right, and you're detecting an embarrassing fixation on sexual organs and bodily functions, and you're right there too.

But you also think—you want to think: This is below us. It used to be. Can't it be below us again?

The dinner is decadent. It is the Capitol elite in "The Hunger Games." It takes place in the great political capital of the world, with its most powerful figures in journalism and politics, and they giggle at dirty jokes.

It is weird. They are, almost all of them, better than that. But they invited the comedian and acted out mirth. Everyone who laughed was lowered.

Each year the WHCA dinner gets grubbier and more partisan. Each year there is a heavier insistence on hitting the audience's sweet spot, center-left sanctimony. Instead of admitting and correcting all this, participants take refuge in their own form of disapproval porn: You raise one eyebrow, briefly give one shake of the head, stare at the cutlery and then, when you think the camera is off you in the reaction shot, deftly lean in and say something encouraging to the victim of a joke. In this

**At the White House Correspondents' Association dinner, April 28.**

way you think you're preserving your dignity. You are not.

Comedians have defended the routine: "Michelle Wolf killed." Fine, it's their job to hate censorship and burst boundaries. They feel tribal loyalty. It's not their job to have good judgment and uphold what remains of public dignity. It's not their job *not* to embarrass the nation. That's more the responsibility of the journalists and politicians, who failed.

The dinner hurts America in two ways. The first and more obvious is that it is, functionally, elite journalists telling half of America: We hate you. It's as if they break out of their "This just in" face and say, "You know how you think we don't share your values and respect your views? You know how you think we're biased, self-infatuated twerps who think we're better than you? It's true! We do! Ha ha!" Mainstream media's disdain for half the country is not news to them—they know exactly what their betters think. But how does it make our country better to grind your heel into the wound? How does that enhance the position of the press?

Second, the world is watching. It is odd journalists forget this, but they do. Every foreign capital gets the full, instantaneous report; every ambassador shares his observations in his lame weekly letter home. This week they reported on the American leadership class—its great journalists and CEOs and politicians—chortling over jokes that were primitive, squalid and deeply stupid. This just might lead the absorbers of this information to conclude the American leadership class itself is those things.

"It is," you say. But America in its ego often puts itself forward as a moral exemplar, the greatest nation. Maybe our friends in foreign capitals look and think, again: "They're not just slobs, they're liars. They're hollow."

When you see a hollow tree you just want to push it over.

People attend the dinner for the reasons of vanity we all share—wanting to be on the inside, wanting a public affirmation of your importance. For Republicans and conservatives there's an additional reason: to show what good sports they are. But they should never go again. There is no need for them to cooperate in their

humiliation, and no gain in it. The people back home are not impressed. The people in the room are not touched. You look like a fool.

No great newspaper, no serious organ of journalism, should ever attend again. Why hurt your profession by showing so much of your ugly side?

The dinner is an anachronism representing a world of Washington journalism that began disappearing, culturally and technologically, two generations ago. Times pass, things change. What was once an event of stature—a sign to journalists that they'd arrived or were arriving, a way for money men to get a personal bounce out of ad money spent, a way to make a good impression on a potential source, and for everyone to feel part of something meaningful and important, American journalism—is over.

It is a lost world. When you've got a lost world start a new one. Make it better.

The dinner's organizers can't reform themselves. If they could they'd already have done it. No one wants to be the censor, no one wants to be the joke Nazi, no one wants their first dinner to be called staid.

Scrap it and start again. The reason for the dinner is to give scholarships and recognition to aspiring journalists, and reward some current ones. So throw a banquet to honor the winners. The scholarship winners will be delighted to meet those they think real stars—reporters, anchors, editors. Offer witty, heartening, inspiring speeches. Impart a sense of how to be in the world, how to act, which doesn't involve roaring over tampon jokes and the inherent comedy of abortion.

The White House Correspondents' Association dinner is a blind, sick, stumbling horse desperate to be put down. Put it out of its misery.

"Michelle Wolf killed." Let's hope so.

It's the Era of Feelings, and Not Necessarily Good Ones

By Paula Marantz Cohen

What do the #MeToo movement and the election of Donald Trump have in common? Both are the result of a powerful emotional response. In the first case, women have sought retribution for being harassed or abused. In the second, a bloc of white working-class male voters have expressed anger at the direction of America's economy and culture.

Both groups feel injured or overlocked—often in mutually exclusive ways. Indeed, that is the point. Strong feelings bring people into conflict. Rational discussion and institutions like the justice system are supposed to adjudicate difference, but feelings don't lend themselves to adjudication.

The habit of letting feelings shape one's public positions seems to be most prevalent among young people. More than previous generations, millennials seek to build their society around feelings, turning away from many of the values that most middle-aged or older Americans take for granted.

What were those values? The assumption that one is innocent until proven guilty, the importance of stoicism in adversity, and the need for objectivity in reckoning with life's larger questions. When I was a college student in the 1970s, the use of "I" in a scholarly paper would have been dismissed out of hand. Crying in a professor's office or challenging the assignment of a particular text would have marked me as capricious and unduly sensitive. To take difficulties personally was to be weak and foolish.

These assumptions and viewpoints have now come under fire.

The balance regarding what is viewed as trivial and significant,

unpersuasive and persuasive, and permissible and impermissible has shifted radically.

There are three main trends responsible for this shift (though others could be derived from these). The first is the increasing tendency to view life in relative rather than absolute terms. Throughout the 20th century, anthropologists, sociologists and literary critics built theories around the arbitrary and provisional nature of cultural systems, arguing that every belief, text and institution could be deconstructed and viewed as incomplete and biased.

This explains why both sides of the political spectrum can now accuse the other of trafficking in fake news. The idea of a stable and absolute truth has eroded to a point where meaning in almost any context is up for grabs.

Advances in neurobiology are the second cause of the increased support for feeling in today's culture. Growing knowledge of the brain has undermined the idea that people act based on rational intentions. One could argue that this is the biological extension of what

Sigmund Freud posited more than a century ago, when he popularized the idea of the unconscious. But Freud assumed that healthy people operate under the restraint of the superego, which is shaped by social

From Donald Trump's election to the #MeToo movement, emotion is swamping reason.

norms. Modern neuroscience suggests something radically different: that we rationalize our responses only after we have decided viscerally what to do in any given situation. Awareness of this rationalizing behavior—which neuroscientists call the "turn to affect"—has generated a new, if confused, acceptance of feeling over reason.

The third cause of the rise of feeling in our culture is the increased power that technology

gives to individuals. At the founding of our nation, Americans espoused the rights to life, liberty and the pursuit of happiness, hoping to rectify the abuses of monarchy. In the fervent pursuit of these rights, citizens were originally constrained by the rule of law and reason. The internet has helped erode such constraints by allowing "like-feeling" individuals to form powerful cohorts that demand satisfaction.

Of course, there have been other moments in American history when emotion has swamped reason: hysteria about sin in Salem in the late 17th century, hysteria about communism in the 1950s, and the student protests of the 1960s, among others.

But the current emotional deluge is far more integral to the existing order. Americans now have a president governed by instinct and impulse, universities where the human-resources and legal departments can be so responsive to students' feelings that they prescribe the behavior of the faculty, and a

public discourse so full of self-righteous anger that people have become unwilling to engage across political lines.

The rise of this new paradigm of feeling has some benefits. We are freer to express emotional pain, where before we had to suffer in silence. We can refer to our own experience without being criticized as narrow and self-indulgent. Women can speak up without having to imitate the traditional male voice of authority. We can even shed a tear without being ostracized for weakness.

Still, the unfettered expression of feeling inevitably gives rise to conflicts about whose feelings should take precedence. And these conflicts only stoke more anger and pain. Without recourse to adjudication based on law and reasoned discourse, I fear we will end up in a war of feelings, which no one can win.

Ms. Cohen is a dean and English professor at Drexel University.

Should Presidents Be 'Good' People?

**BUSINESS WORLD***By Holman W. Jenkins, Jr.*

It is interesting to consider that the only current 2016-related investigation that would not be happening today if Hillary Clinton had been elected is the Robert Mueller investigation.

It is also interesting to consider that if Mrs. Clinton had not been steamrolled to her party's nomination—if the race on the Democratic side had been a real contest with multiple credible contenders—Donald Trump likely would never have been the Republican nominee.

Mr. Trump is accused of "eroding the norms" of American democracy

when in fact he violates them willy-nilly. Yet even during the primaries it quickly was clear that his success was no invitation for others to behave the same way. Mr. Trump spent 40 years developing and projecting the persona that would likely have disqualified him from consideration at any other moment against any other candidate.

Mrs. Clinton might have countered in myriad ways but opted for a campaign of "you have to vote for me because I'm a better person than Trump." It turned out that voters had other issues on their minds, and also doubted the premise. And now James Comey, in his book and media tour, is making the same mistake.

The former FBI chief invokes Reinhold Niebuhr, on whom he wrote his college thesis, but not as if he actually read Niebuhr. The famously verbose theologian and philosopher was not a conventional Christian with conventional beliefs. He was especially ungracious about the "stupidity" of the average man. His recurrent theme was the ethical murkiness of representative government, and how a democratic leader must be prepared to act in ways that are contrary to Christian ethics to meet the interests of his constituents.

Niebuhr wrote for a time, after all, when presidents were expected to be ready to incinerate half of mankind for the sake of U.S. interests and prestige. Even today, has any president been obliged to select as many specific, named individuals for death as Barack Obama did as commander in chief of the drone program? Niebuhr was definitely Protestant only in one way: his inclination to leave it to God to decide who among politicians is a

"good" person and who isn't. Unfortunately, it's a principle Mr. Comey doesn't pick up on.

The FBI chief, whose interactions with Mr. Trump would fill a matchbook, repeatedly has called the president a bad person. He opined for the benefit of a New Yorker editor that Mr. Trump suffers an "emptiness inside of him, and a hunger for affirmation, that I've never seen in an adult."

Hillary Clinton and James Comey want you to know they're better than Trump.

Strikingly similar words have been used over the years about both Clintons, and probably about many other aspirants to high office. "There is an emptiness inside that he fills up with dramas," went a 1998 Esquire inquiry into Bill Clinton. Historian Michael Beschloss, in the same article, traced the psychologizing urge to America's troubled experience of the Kennedy and Nixon administrations. Look further back, though, and ruminating on the human flaws of our leaders, and also on how their human flaws made them our leaders, has been a preoccupation at least since antiquity.

Mr. Trump unquestionably is a failure when it comes to conforming to current manners or selecting lies that prominent media organizations will endorse, e.g., you can keep your health care.

Then again all presidential speech is instrumental—a means to an end, with truth merely a tactical consideration.

When perusing Mr. Comey's book, a reader might keep in mind Niebuhr's description of our governing elites as experts in "unconscious and conscious identification of their special interests with general interests and universal values."

Mr. Comey performs excruciating self-examination over whether he exaggerated his college basketball career or revels too much in the limelight. But on a series of vexed, compromising decisions during the campaign, not so much. We get breezy assurances that his motives were pure when he met an Obama administration need that Hillary be exonerated, then an Obama administration need that Trump be investigated, all this followed by his final, galumphing intervention aimed at retrieving his own reputation before Congress in the Hillary email matter.

Notice that everything his former agency has tried to keep secret lately on "national security" grounds has turned out to be merely embarrassing to the FBI. Its deputy chief, right up to the moment he was cashiered for lying to his superiors about a self-serving media leak, said criticism only undermined the Russia investigation. We could go on. FBI agents were always presumed to have political opinions, but it was hard to imagine them spouting off on FBI work devices the way Peter Strzok and Lisa Page did.

So, yes, let's consider the human nature of people like Mr. Trump, Mrs. Clinton and Mr. Comey. It's times like these that we thank the Almighty that we are a nation of laws and institutions, not of men and women.

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SPORTS



The Curse of Apollo

How horses who didn't race at the age of 2 have recently fared in the Kentucky Derby:

YEAR	HORSE	RESULT
2017	Battle of Midway	3rd
2017	Patch	14th
2015	Materiality	6th
2013	Verrazano	14th
2012	Bodemeister	2nd
2011	Midnight Interlude	16th
2009	Summer Bird	6th
2009	Dunkirk	11th
2007	Curlin	3rd
2006	Showing Up	6th

Source: Kentucky Derby; WSJ

most impressive part about Justify is how quickly he's turned into a star, akin to a freshman in high school making the leap straight to the NBA.

"Justify is particularly challenged because [in addition] to not racing at age 2, he didn't even race until Feb. 18."

The so-called Curse of Apollo is something Baffert has heard a lot about, having come within 1½ lengths of breaking it in 2012, when his trainee Bodemeister, who also didn't race as a 2-year-old, was overtaken just steps from the wire by I'll Have Another.

"The Apollo thing," Baffert said. "Whether it happens this year or whatever, it will happen."

Baffert said a big reason the streak hasn't been broken is that trainers used to start horses much earlier in their racing careers, something he said isn't fully the case now. "Trainers take their time. They don't run them as early 2-year-olds anymore," he said. "So I think the game has changed."

Bailey said an "exceptional" talent can overcome a lack of race experience.

"In this day and age, an inexperienced horse that didn't race at the age of 2, isn't running against horses that have run 10 times, 12 times, like they did 25 years ago. Most of the horses in the field are relatively lightly raced, so the disparity isn't as great," said Bailey, who is now an analyst for NBC Sports.

Trainer Todd Pletcher conditions Magnum Moon, the other late-developing, undefeated colt in this year's Derby field who is also looking to outrun the ghost of Apollo on Saturday.

"It's lasted long enough that I guess there has to be something to it. But I feel strongly that at some point someone's going to reverse the curse," Pletcher said.

Looking at the full field for the Derby,

Bailey sees Justify as the likeliest winner.

"Magnum Moon is a good horse but I think Justify is several lengths faster than him. And probably several lengths faster than almost all of the field, except maybe Mendelssohn," said Bailey.

Coincidentally, the horse many consider to be the biggest threat to Justify in the Derby actually comes from the same bloodline. Mendelssohn—who secured a berth with a more than 18-length victory in the UAE Derby—and Justify were both sired by Scat Daddy. But horses by the same stallion, but birthed by a different dam (mother), are not considered related. Mendelssohn, conditioned by Irish trainer Aidan O'Brien, has won four of seven career starts.

Bray said he and Baffert were chatting one morning before the UAE Derby in Dubai when Baffert pointed to Mendelssohn.

"Baffert said, 'That horse is going to win the UAE Derby. The problem is, he's only the second-best Scat Daddy in the world right now. I have the best one.'"

KENTUCKY DERBY

Seeking to Outrun a Ghost

The Curse of Apollo has lasted for 136 years, but Justify has a strong chance to make history

BY JIM CHAIRUSMI

Louisville, Ky.

BOB BAFFERT is a four-time Kentucky Derby-winning trainer with a stable full of champion thoroughbreds, most recently sweeping the Triple Crown with American Pharoah in 2015. He often works with the sport's best horses, so it wasn't particularly noteworthy when a young colt named Justify entered his barn late last year.

"I just can't remember offhand," Baffert said last month about his earliest memories of Saturday's Kentucky Derby favorite.

But it didn't take long for the 65-year-old Baffert to take notice, after he saw the chestnut colt breeze in a workout at Santa Anita Park.

The dirt track at Santa Anita is deep and many horses can struggle over the surface, Baffert said. But not Justify.

"The first time I worked him [there] I knew he was something really special," Baffert said. "He just went around there and just did it effortlessly. And that's when I knew he was really a cut above the rest."

Justify went on to win his debut race in February and is undefeated in three starts, securing a berth in the Kentucky Derby after an easy 3-length win in the Santa Anita Derby on April 7. That was enough for Churchill Downs oddsmaker Mike Battaglia to tap Justify as the 3-1 favorite, even though the Run for the Roses will be Justify's first race outside the state of California.

But besides trying to beat 19 rivals to the finish line on Saturday, Justify and Baffert are also running against history. A horse that didn't race as a 2-year-old hasn't won the Kentucky Derby since a gelding named Apollo accomplished the feat in 1882. Since statistics were first kept in 1937, 61 horses have entered the Derby without racing at

the age of 2. All have lost and only eight of the 61 even finished in the top three.

The Kentucky Derby, a race in which only 3-year-old horses are eligible, is a stiff test for still-maturing thoroughbreds, with a large field and a boisterous crowd of over 150,000 fans, contested at a distance (1½ miles) farther than any horse in the field has ever run. As a result, the popular consensus among horsemen has been to establish a racing foundation for a horse at an early age before attempting to run in classic races such as the Derby, Preakness and Belmont Stakes.

"The lack of experience is a very tough thing to overcome but in the case of Justify, if he had started at 2, he might not be in the position he is in today as the favorite," said Simon Bray, a former trainer and current analyst for the racing network TVG. "Physically, he's so big. I don't think he would have been as developed racing as a 2-year-old."

Hall of Fame jockey Jerry Bailey said the

CYCLING

THE GIRO'S AWKWARD START

BY JOSHUA ROBINSON

JERUSALEM—The organizers of the Giro d'Italia, had dreamed for years of seeing Chris Froome tackle Italy's most celebrated bicycle race. So when the Team Sky rider and four-time Tour de France champion rolled off the start ramp here on Friday, it should have been a high point in the Giro's recent history.

Instead, it was more awkward than a pair of too-tight cycling shorts.

Team Sky had neglected to mention one crucial detail when Froome committed to the race last fall. Days earlier, a doping test found abnormally high levels of an asthma drug coursing through Froome's system.

"Obviously when we found out one week after unveiling the Giro route, it didn't make us happy," Giro director Mauro Vegni said here on Thursday. "I think that Team Sky knew, I can guarantee that we didn't."

What makes the situation so uncomfortable is that Froome hasn't been suspended.

The provisions of the anti-doping code mean that he is allowed to continue competing until the proceedings are concluded. And while the process would normally be confidential, news of the test leaked in December, leaving the entire sport wondering how to handle him.

People ranging from the president of the Union Cycliste Internationale, David Lapparent, to Froome's biggest rival here have all said that they don't think he should be racing. "It's his decision to be here," said Froome's chief rival here, the Dutch rider Tom Dumoulin. "If I would be in same situation, I would not be here."

Froome replied on Friday that he would do his talking on the bike. And his opening time-trial spoke volumes.

Dumoulin, the Giro's defending champion and a time-trial expert, might have won the stage, but Froome was only 37 seconds behind him over the lumpy, 9.7-kilometer

Cycling

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Dumoulin, the Giro's defending champion

and a time-trial expert, might have won the

stage, but Froome was only 37 seconds

behind him over the lumpy, 9.7-kilometer

course. With three weeks of racing to come,

Froome and his team are well aware that

the Giro route will offer plenty of chances

for him to flex his muscles in the high

mountains. "It's never nice to lose time to

Tom Dumoulin, but the Giro is very hard,"

Team Sky directeur sportif Nicolas Portal

added. "This is fine for us."

Froome has kept a low profile through

the winter and early part of the season. He

has only competed at two races this year:

the relatively minor Ruta del Sol in Spain

and the Tour of the Alps in northern Italy

and Austria. He and Team Sky have repeat-

edly denied any wrongdoing.

Vegni, the Giro director, has done his best

to remain diplomatic about Froome case,

but when asked on Thursday if a Dumoulin

victory in Rome might make everyone's life

simpler, he failed to hide his preference.

"He's young, he's handsome," Vegni said

of Dumoulin, "and he's good for cycling as

a whole."



Team Sky cyclist Chris Froome rides ahead of the start of the Giro d'Italia in Jerusalem.

U.S. Forecasts

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

Today Tomorrow

City Hi Lo W Hi Lo W

Anchorage 48 38 sh 47 34 sh

Atlanta 82 63 pc 79 60 pc

Austin 81 55 pc 85 58 s

Baltimore 79 55 c 86 51 r

Boise 81 57 pc 83 52 pc

Boston 74 55 s 63 49 sh

Burlington 71 52 s 66 39 sh

Charlotte 81 63 pc 82 58 pc

Chicago 80 54 s 63 44 sh

Cleveland 74 52 s 70 44 t



ACTIVISTS THIRD POINT MAKES CASE B3

BUSINESS & FINANCE



ARGENTINA RATES RISE AGAIN B11

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THE WALL STREET JOURNAL.

Saturday/Sunday, May 5 - 6, 2018 | B1

Walmart Has New Passage to India
Retailer joins others for 75% stake in online marketplace Flipkart; Alphabet also on board

Walmart Inc.'s battle with Amazon.com Inc. is heading to India.

By Corinne Abrams, Sarah Nassauer and Douglas MacMillan

Walmart is leading a group that will invest about \$15 billion for a roughly 75% stake in **Flipkart Group**, India's largest e-commerce company, according to people familiar with the matter. Google parent Alpha-

bet Inc. is planning to invest in Flipkart as part of the deal, other people familiar with the situation said.

It would be a big bet by Walmart that India will be a source of growth at a time when Amazon is gaining ground in the country.

Flipkart, which was started by two former Amazon employees in 2007, has already raised billions from investors including **SoftBank Group Corp.**, **Tencent Holdings Ltd.**, and **Microsoft Corp.** It sells everything from sofas to shoes to smartphones.

Flipkart's board has approved the transaction, which values the startup at \$20 billion before the investment, one person said. Walmart would control the company if

the deal is completed, the person said. Flipkart said it was valued at \$11.6 billion in a funding round in April 2017.

Bloomberg earlier Friday reported that Walmart was near a deal and its terms.

Planned investment in the Indian e-commerce startup

\$15B

U.K. supermarket rival, raising almost £3 billion (\$4 billion) in cash. Walmart is also in talks to sell a controlling stake in its Brazil operations, people familiar with the matter have said.

The potential Flipkart deal opens another front in Walmart's battle with Amazon as it also invests heavily to grow online in the U.S., where it earns the majority of sales. Walmart for years has grown slowly in India with stores and held talks with Indian e-commerce startups that didn't lead to an investment.

In part, Walmart's move is defensive. Though online buying makes up a small percentage of the Indian retail landscape, it is expected to grow quickly. Amazon founder Jeff Bezos has pledged to invest \$5 billion in India, and the U.S. titan has made rapid gains against Flipkart since its 2013 launch.

"We estimate that India makes up a material portion of the 'other' international retail business, which is expected to drive 30% of Amazon's total retail revenue growth over the next 3 years," Brian Nowak, an analyst at Morgan Stanley, said in a recent note on the potential deal. For weeks, there have been reports out of India on a possible hookup between Walmart and Flipkart.

Walmart executives have indicated they plan to compete in the country. "India is a market, over time, that I think, whether it's 10 years, 20 years,

Please see DEAL page B2

Xerox's Future Remains A Blur

BY DAVID BENOIT

Xerox Corp. was thrown into turmoil after the collapse of an agreement with two activist investors that would have fired its chief executive and most of the board, a turn of events that sets up a summer of drama over the American icon.

Late Thursday, the company said its pact with the activists was expiring 48 hours after it was struck but before it was approved by a judge, leaving in place Xerox's existing directors and Chief Executive Jeff Jacobson.

The company now faces a shareholder fight with Carl Icahn and Darwin Deason—the largest and third-largest investors who control about 15% of the stock—that could upend its entire board. That campaign will be run against an equally tumultuous backdrop: A deal to sell control of the company to Japan's **Fujifilm Holdings Corp.** has been temporarily blocked by a judge and faces an uncertain future if it can't be renegotiated.

Meanwhile, the company will be led by a chief executive, Mr. Jacobson, whom the board has essentially fired twice in his 18 months on the job and by a board that on Tuesday saw seven of its 10 members agree to resign.

"Xerox and its board of directors recognize the uncertainty caused by the developments of the past several days among the company's investors and other stakeholders," the company said Friday.

In January, Xerox an-

Please see XEROX page B2

Berkshire's Annual Bash to Bring Calls for Sharing the Wealth

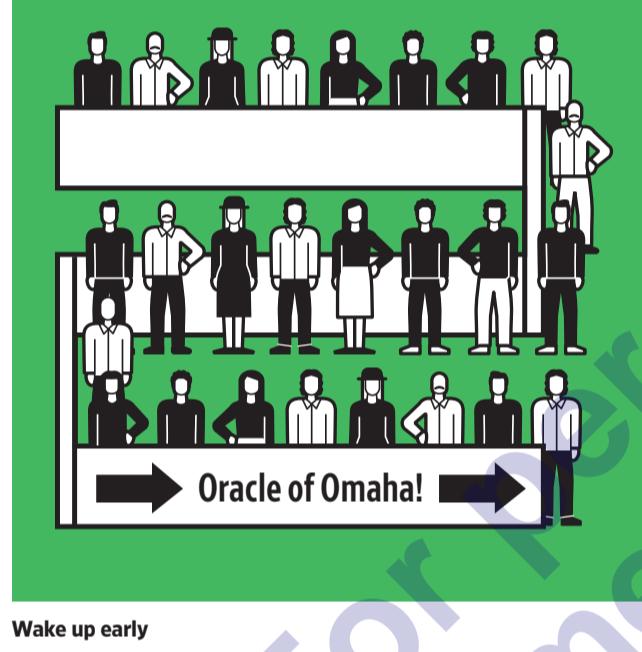
Berkshire Hathaway Inc. has a cash problem. And it will be center stage on Saturday at Berkshire's annual meeting.

The conglomerate's cash pile stood around \$116 billion at year-end. For most investors, so much cash would be great. This isn't entirely the case for CEO Warren Buffett.

As Berkshire continues to rake in money, shareholders are putting pressure on Mr. Buffett to return cash—an idea he has shot down for years. He says Berkshire can make better use of its cash by investing it.

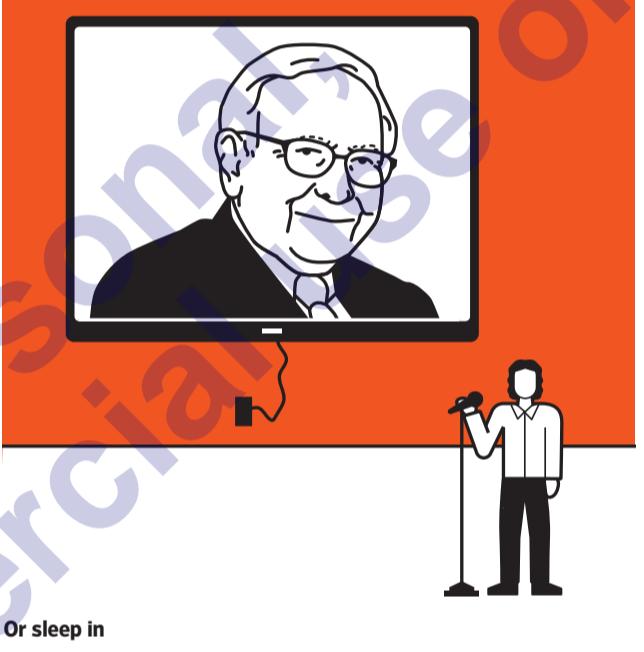
But as pressure continues and valuations soar, he suggested Berkshire might run out of ways to profitably deploy its hoard. So, if not a dividend, perhaps an aggressive buyback plan.

What happens now is one of many questions Mr. Buffett will face Saturday. And if you've made it to Omaha to see him, it always helps to know the rules:



Wake up early

Diehard Berkshire fans wake up at 3 a.m. or earlier to stand in line outside the CenturyLink Center on Saturday morning. If you show up after the sun has risen, you might be left sitting high in the rafters.



Or sleep in

Viewers can watch the meeting from inside the CenturyLink arena or in designated overflow rooms, and ask questions at microphones in either location. The event will also be live streamed on Yahoo Finance.



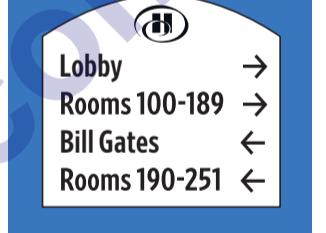
Don't lose your credentials

Besides access to the meeting, they can also get you into events around town hosted by local Berkshire businesses like jewelry company Borsheims or discounts at Nebraska Furniture Mart.



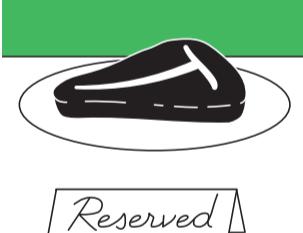
Don't expect a Buffett sighting

At one time, anyone could approach Mr. Buffett with questions or stand in line to shake his hand. These days, the security around him is tight, and he has limited his public appearances.



Wander the Hilton lobby

The Omaha Hilton is across the street from the convention center. You might also see some Berkshire bigwigs in athletic gear at the Sunday morning 5K race held by Berkshire shoe brand Brooks.



Eat a steak

Shareholders love to visit Gorat's Steak House, though reservations are tough to get. Buffett's favorite: T-bone steak and hash browns with a root-beer float for dessert.



Just ask

Berkshire shareholders take pride in being friendly to newcomers, so introduce yourself. (Standing in line at 4 a.m. is a good way to make friends, we hear.)

With Cash Overload, Fund Adds Options

BY STELLA YIFAN XIE

The world's largest money-market fund by assets has too much cash to manage.

Billionaire Jack Ma's Ant Financial Services Group on Thursday said that it would offer two additional money-market funds to customers who have been parking their spare cash in its hugely popular online fund, the latest attempt by the company to limit flows into the fund.

The fund, known as Tian-hong Yu'e Bao, which a unit of Ant created in 2013, had \$266 billion in assets under management as of March 31, after nearly doubling in size last year. The yuan-denominated fund is more than twice the size of the largest U.S. dollar money-market fund and has roughly the same amount of assets as the SPDR S&P 500 ETF, the world's oldest and largest exchange-traded fund.

Ant, a sprawling financial company controlled by Mr. Ma that owns popular payments network Alipay, said that starting Friday it will add two funds managed by third-party asset-management firms to its Yu'e Bao platform, whose name stands for "leftover treasure."

The change would give hundreds of millions of Alipay users the option to invest their money in alternative high-yielding money-market funds.

Yu'e Bao's rapid growth has been fueled by hundreds of millions of individuals that use Alipay to make payments on

Please see FUND page B5

THE INTELLIGENT INVESTOR | By Jason Zweig

An Adviser's Free Trip May End Up Costing You

If you want to travel to beautiful resorts free of charge, become a financial adviser.

Later this month, three dozen advisers will spend three days at the Ritz-Carlton Hotel in Marina del Rey, Calif., all expenses paid. Next month, about 75 wealth managers will spend four days and three nights in Mexico City, staying at the Four Seasons Hotel and dining at lavish restaurants like Cipriani and Nobu. The advisers won't have to pay for their airfare, hotel, meals or entertainment.

At such "due-diligence conferences," advisers meet with fund companies and other businesses. The events, say sponsors and financial advisers, are an efficient way for advisers to glean valuable insights from dozens of

experts under one roof. But an adviser's job is deciding where to put your money. Wining and dining with money managers under tropical skies could cloud his or her judgment.

The format can vary, but advisers often sign up to meet face to face with asset managers for 20 to 25 minutes at a time. An announcer declares when time is up, and the advisers then switch to meet with the next managers on their list. These regimented sit-downs are nicknamed "speed-dating." Over two to three days, advisers tend to have at least 16 speed-dates with managers. Some events also feature "dine-arounds," with advisers and fund managers meeting at gourmet restaurants.

Financial advisers generally aren't invited to participate unless they control at

Please see INVEST page B5

Ticketmaster Faces New Rival

BY ANNE STEELE

LOS ANGELES—The ex-CEO of **Ticketmaster** wants to disrupt the ticketing business—starting with tickets.

Nathan Hubbard, who led the ticketing giant for four years after it merged with **Live Nation Entertainment Inc.**, imagines a world where fans can walk up to a Beyoncé concert or a Super Bowl game

and get in by showing nothing more than their faces. He has built what he hopes will be the first serious competitor Ticketmaster has faced in decades.

His new company's name is blunt mission statement: **Rival**.

The startup has attracted high-profile backers including top Silicon Valley venture-capital firm Andreessen Horowitz and Santa Monica, Calif.-based

Ticketmaster, a unit of Live Nation, declined to comment.

Today, venues ranging from nightclubs to stadiums enter long-term contracts giving a ticketing provider—usually Ticketmaster, which holds an estimated 80% of the market—the exclusive right to sell tickets to any event they host. Prices are set by concert promoters or sports teams, based on a combination of gut instinct and past demand for similar events. Ticket providers make their money from additional service and delivery fees.

As event promoters struggle to price and distribute

Please see RIVAL page B2



Nathan Hubbard envisions facial-recognition technology replacing the need for paper or even digital tickets to venues.

Please see RIVAL page B2

BUSINESS & FINANCE



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China-based importers are holding off on new soybean orders from the U.S., concerned that a shipment will face a steep tariff by the time it is delivered.

Tariff Tensions Hit Soybean, Pork Trade

U.S.-China dispute threatens to upend agricultural exports to important market

BY JACOB BUNGE
AND JESSE NEWMAN

The U.S.-China trade spat is cutting into the flow of soybeans, pork and other commodities from U.S. farms to one of the world's biggest markets.

Since early April, when China announced tariffs on some U.S. agricultural goods and threatened to target others, Chinese importers have canceled purchases of corn and cut orders for pork while dramatically reducing new soybean purchases, according to U.S. Department of Agriculture data. Chinese importers' new orders of sorghum, a grain used in animal feed, have dwindled while cancellations increased.

The chill in agricultural trade is sending jitters through the U.S. Farm Belt, which for years has dispatched farmers on trade missions to cultivate the Chinese market.

"As the summer persists and if nothing's been resolved, it will start showing up as a pretty big hole in U.S. exports," said Soren Schroder, chief executive of Bunge Ltd., one of the world's largest processors and traders of soybeans.

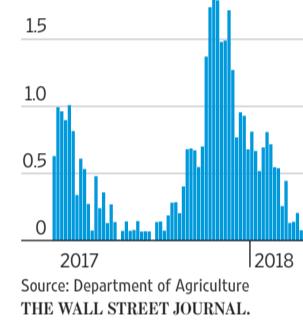
There is no specific date for the bulk of the tariffs that China has threatened to impose, and senior U.S. officials including Treasury Secretary Steven Mnuchin and U.S. Trade Representative Robert Lighthizer are in Beijing for negotiations. Even if a deal is hammered out, the uncertainty created by threatened tariffs has been enough to curb deals in some of the most heavily traded products.

China's rapid economic growth and burgeoning middle

Counting Beans

U.S. soybean exports to China rise and fall based on seasonality and competition from South American producers.

Weekly exports since start of 2017



Source: Department of Agriculture
THE WALL STREET JOURNAL.

class have sharpened its national appetite for pork and other meats, requiring huge quantities of feed grain. In 2017, China was the second-biggest customer for U.S. agri-

cultural products, spending nearly \$20 billion.

In soybeans, China-based importers are holding off on new orders from the U.S., including advance purchases of this fall's crops. The risk that a shipment will face a steep tariff by the time it is delivered has led Chinese buyers to book more beans from South American suppliers, according to Mr. Schroder.

"If [the Chinese] market closes, it could be devastating for local communities across the Midwest," Sen. Chuck Grassley (R., Iowa) said.

Chinese buyers ordered about 255,000 metric tons of U.S. soybeans during the week ended April 5, according to the USDA, but new sales over the rest of the month came to about 11,000 metric tons, a sharp decline. Meanwhile, purchasers canceled nearly 76,000 metric tons' worth of orders over the month.

Livestock operations and

food processors in China typically switch their soybean purchasing from the U.S. to Brazil and Argentina in the North American springtime, as South American farmers harvest crops and their beans become cheaper.

But analysts say China's reluctance to put on advance orders for U.S. crops indicates growing worries that tariffs will leave importers facing losses on each shipment. While U.S. soybeans delivered to China currently run about \$15 a ton cheaper than Brazilian-grown varieties, a 25% tariff would cost Chinese importers around \$100 a ton, according to Ken Morrison, a St. Louis trader.

The only Chinese tariffs in effect so far are on U.S. pork products, which count China as one of their five largest overseas markets. After China imposed the tariffs on April 2, the USDA reported the biggest weekly drop in net pork sales to

the country since October 2016. Sales have declined further since then.

Given expanding U.S. pork supplies—boneless hams in cold storage hit a record 86 million pounds earlier this year—and another big slaughterhouse set to open later this year, the industry has been aiming to sell more to China, not less.

"With the trade negotiations, a lot of unknowns with our future demand is clearly not a positive to the pork market at this stage," said Jason Roose, vice president of U.S. Commodities Inc., a livestock and grain advisory firm in Des Moines.

China's growing preference for South American crops could be a wash for U.S. grain traders.

Ed Breen, chief executive of crop-seed supplier DowDuPont Inc., said Thursday that if China steps back from U.S. soybean purchases, growing markets like Mexico, Indonesia, Vietnam and Turkey would fill the void.

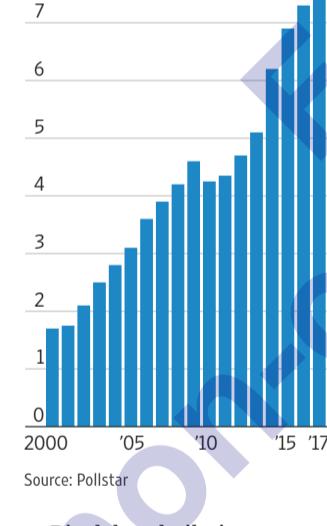
RIVAL

On the Road

Sales of concert tickets have skyrocketed in the past two decades

North American ticket sales

Estimated, for major concerts



Source: Pollstar

Top grossing concert tours, in millions

In North America



THE WALL STREET JOURNAL.

Rival has built its system and begun to integrate it with teams and venues; customers will see tickets beginning next year.

Mr. Hubbard envisions a day when there is no ticket at all. With facial-recognition technology, your face can now be your ticket. (Rival will be capable of generating paper or mobile tickets, if clients choose.)

Facial-recognition software has frequently generated controversy, since it tends to raise the specter of Big Brother-style surveillance. Mr. Hubbard says Rival won't be storing customers' photos, but rather a set of data points derived from them, which events can use to verify attendees' identity and get customers through the gates quicker—and keep out people on watch lists maintained by law enforcement or the venue itself.

The industry is ripe for disruption. People are spending

more than ever on experiences, even as concern is rising about security at crowded live events. At the same time, artists and teams today have little control over how, to whom or for how much their tickets are sold.

The size of the market for reselling tickets—an estimated

Facial-recognition technology will let your face be your ticket, Hubbard says.

\$15 billion a year—indicates "there's a whole bunch of money that's being pocketed by middlemen on the backs of artists and teams," says Mr. Hubbard.

Rival aims to address another issue that has vexed live events for years: not knowing

would support a renegotiated deal, giving the directors a narrow chance to save the transaction, the person said. The board was emboldened by a 12% drop in Xerox's stock price over two days after the settlement with the activists put the Fujifilm deal in peril, the person added.

Fujifilm and Xerox had been discussing adding another \$5 a share to the dividend, people familiar with the matter said. The turmoil of the past few

days could reopen the deal negotiations entirely, including changing the structure, the person said.

Messrs. Icahn and Deason on Friday said the board failed to live up to its shareholders, urged them to fire Mr. Jacobson—again—and terminate the Fujifilm deal. The pair intend to nominate a full board slate of 10 new directors and continue suing the current directors personally. They say the deal undervalues the company.

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DEAL

Continued from the prior page 30 years from now, we'll be glad we're in India, and I think there's a lot of growth opportunities there," Walmart finance chief Brett Biggs said last summer. Walmart CEO Doug McMillon said India is a key growth market for the company, along with North America and China, during a February earnings call.

Unable to sell products directly to consumers because of tight regulations, Walmart first opened wholesale outlets in India in 2009. To date, it has opened 21 Best Price wholesale stores, with plans to open 50 more. The member-only stores resemble U.S. warehouse chains like Costco and Sam's Club, but are only open to licensed businesses owners in compliance with government regulations.

As Walmart's store footprint grew slowly, India's e-commerce startups proliferated. In 2011, Walmart executives traveled to India to talk with several such startups about the market, including Snapdeal.com, another large e-commerce retailer, said a person familiar with Walmart's efforts.

Then in 2016, as Amazon rapidly grew in India and local players sparred for funding, Walmart spoke with Flipkart about a potential investment.

The total Indian retail market accounts for more than \$800 billion a year in sales and is headed north of \$1 trillion in the next two years, according to research firm Forrester.

But most of the sales are fragmented between small

mom-and-pop retailers and brands. Marks & Spencer, Zara, H&M and others global brands have set up physical shops. IKEA says it will open in India soon. These retailers are allowed in because they only sell their own products. Foreign-owned companies aren't allowed to sell others' brands.

Online retail, however, provides an opening. Amazon gets around restrictions by acting as a marketplace only. Its website sells third-party products.

Amazon is now the second-largest Indian e-commerce company after Flipkart by sales, kicking Snapdeal off that perch, according to some analysts. Softbank, an investor in both Flipkart and Snapdeal, had pushed the two homegrown firms to merge last year without success.

A Walmart investment in Flipkart would show "further consolidation of the forces against Amazon," said Satish Meena, an analyst at Forrester.

Flipkart last year raised \$1.4 billion from Microsoft, eBay Inc. and Tencent. In August it raised about \$2.5 billion from SoftBank.

Online retail in India is small compared with other markets like China and the U.S., but it is expected to grow quickly as shoppers become more comfortable paying online. Online retail in India was worth about \$20 billion last year but should rise to \$35 billion by 2019, according to Forrester.

"It makes sense for both Flipkart and Walmart," Mr. Meena said of a potential deal. Flipkart would benefit from Walmart's experience in brick-and-mortar retail.

—Newley Purnell contributed to this article.

In the Cart

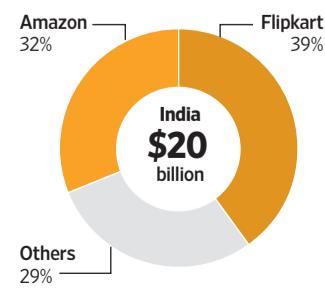
Online spending in India lags behind other countries but is growing, with Flipkart leading the e-commerce market.

Average e-commerce spending per shopper, 2017

U.K.	\$2,062
U.S.	1,819
France	1,039
Japan	1,014
China	858
India	113
World-wide	833

Sources: We Are Social (spending); Forrester (gross merchandise volume)

Online retail gross merchandise volume, 2017



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XEROX

Continued from the prior page nounced a complicated merger that would cede control to Fujifilm. The deal, which Messrs. Icahn and Deason oppose, would trade Xerox's 25% ownership of their 60-year joint venture to Fujifilm for 49.9% of a new company that combines all of Xerox with the joint venture. Xerox sharehold-

ers in total would also be paid \$2.5 billion in a special dividend, equal to \$9.80 a share. The Xerox board let the settlement agreement with the two activists expire Thursday night because it felt the judge had given it more flexibility to reach a new deal with Fujifilm than they originally believed, according to a person familiar with the matter.

The board believes other shareholders, apart from Messrs. Icahn and Deason,

would support a renegotiated deal, giving the directors a narrow chance to save the transaction, the person said.

Messrs. Icahn and Deason on Friday said the board failed to live up to its shareholders, urged them to fire Mr. Jacobson—again—and terminate the Fujifilm deal. The pair intend to nominate a full board slate of 10 new directors and continue suing the current directors personally. They say the deal undervalues the company.

BUSINESS NEWS

CBS, Rose Face Suit By Women

By JOE FLINT

CBS News and its former morning-show anchor Charlie Rose were sued Friday by three women who allege they were sexually harassed by Mr. Rose and the network was aware of his behavior and refused to act.

The suit, filed in New York State Supreme Court, is the first legal action against Mr. Rose and CBS News, a unit of CBS Corp., in the wake of his firing as anchor of "CBS This Morning" in November after the Washington Post reported several allegations of sexual harassment by him.

Two of the plaintiffs—Katherine Brooks Harris and Yuqing (Chelsea) Wei—were CBS employees who worked for Mr. Rose at the network. The third, Sydney McNeal, is described in the suit as an executive assistant to Mr. Rose. Ms. Harris also worked for him at his show on PBS.

All three, who were described in the lawsuit as junior employees in their 20s, accuse Mr. Rose of inappropriate sexual touching and remarks, which they say were unwelcome and created a hostile work environment.

In the lawsuit, Ms. Wei said she told an executive—morning-show producer Ryan Kadro—the network might "have a lawsuit on your hands" because of the unwanted attention by Mr. Rose.

A CBS News spokeswoman said, "We will vigorously defend against the allegations pertaining to CBS News and Mr. Kadro."

Mr. Kadro said Ms. Wei didn't tell him "about inappropriate behavior by Charlie Rose towards Ms. Harris at any time." He also said he didn't believe Ms. Wei used the word "lawsuit."

Mr. Rose's attorney, Bob Bodian, said the claims in the lawsuit are without merit.

Redstone Drops Demand for CEO

By KEACH HAGEY
AND JOE FLINT

Shari Redstone is offering a concession to break a logjam in the merger negotiations of CBS Corp. and Viacom Inc., the media companies her family controls, but initial indications are that it won't be enough to get the deal across the finish line.

Ms. Redstone has dropped her demands that Viacom Chief Executive Bob Bakish have a top management role at

the combined company and be considered the successor to CBS Chief Executive Leslie Moonves, according to people familiar with the matter.

She would now accept having Mr. Bakish serve on the board of the combined company and is willing to delay selecting a successor to the 68-year-old Mr. Moonves for now, the people said.

CBS, which rejected the idea of putting Mr. Bakish in management, also is sour on the latest offer. A person fa-

miliar with CBS's thinking said a board seat for Mr. Bakish is a nonstarter and that the two companies remain far apart on a deal. For weeks, Ms. Redstone and Mr. Moonves have been at an impasse over the leadership issue. CBS has put forward a proposal that would set up Mr. Moonves's longtime right-hand man, CBS Chief Operating Officer Joe Ianniello, as his successor.

Ms. Redstone made the latest offer to Mr. Moonves at a meeting this past week that

was attended by veteran media executive Dick Parsons, who was recently tapped for the CBS board, the people said.

Reuters previously reported the meeting. CBS shares, which were up following an earnings report Thursday, rose further and closed up 9%. Viacom shares were up 3%, with most of the move before the news.

Ms. Redstone is president of National Amusements Inc., which overwhelmingly controls CBS and Viacom. She is

the daughter of media mogul Sumner Redstone.

One person familiar with the meeting said Ms. Redstone's overall position has remained consistent. "The NAI position was that Bob had to have a meaningful position at the company," the person said.

Ms. Redstone has agreed to table the decision about who will succeed Mr. Moonves for now, leaving that decision up to the board of the combined company, the people familiar with the matter said.

Investor Urges United Technologies Breakup

By THOMAS GRYTA

Activist investor Third Point LLC detailed its case for breaking up industrial conglomerate **United Technologies Corp.**, and said it has shared its views with the company's board.

The Farmington, Conn., company is already planning a portfolio review that will examine a split, a process it expects to complete by year-end. The idea of a breakup gathered momentum around September when United Technologies agreed to buy **Rockwell Collins** for \$23 billion.

United Technologies owns one of the world's biggest jet-engine makers, Pratt & Whitney, along with Otis elevators and Carrier air conditioners, and the conglomerate and Third Point are talking in similar terms about a possible breakup.

In separating, Rockwell would merge with UTC's aviation-services division and Pratt & Whitney engines division to form a large aviation company, while both the Climate, Controls & Security division and Otis elevators business would become separate companies.

"To reverse its years of underperformance and realize the full potential of its franchise assets, we believe UTC



Pratt & Whitney engines, Otis elevators and Carrier air conditioners are part of the conglomerate.

should split into three focused, stand-alone businesses," Daniel Loeb's Third Point said in a letter to investors Friday.

The firm sent a more detailed letter to the board, continuing a trend of activists pushing for change at large conglomerates.

"While UTC disagrees with several of the assertions contained in the Third Point letter,

the company is always open to the input of shareholders," the company said. It noted that some of Third Point's points have been discussed publicly. "While it is our policy not to comment on specific discussions with individual investors, we are committed to maintaining constructive dialogue with shareowners representing all points of view."

United Technologies CEO Greg Hayes has openly addressed the idea of a breakup and highlighted some of the factors around the decision.

In March, he described potential one-time costs of \$2 billion to \$3 billion for dividing into three units and said such a process would take 18 to 24 months.

The portfolio review is set to begin after the Rockwell

Collins deal closes over the summer.

United Technologies, formed in 1934, has a market value of \$94 billion. Its stock is down 6.3% this year and 1.2% in the past 12 months.

Third Point bought an undisclosed stake in the fourth quarter, joining fellow activist William Ackman's **Pershing Square Capital Management LP**.

In its Friday letter, Third Point contended that some of the estimates made by Mr. Hayes around breakup costs are too high, "showing a lack of precision that belies a serious approach to considering how best to create shareholder value."

"Third Point did not invest in UTC for what it is today but for what it could become. We intend to work constructively with the company to see the portfolio review conclude successfully," Third Point said.

United Technologies had planned to evaluate a breakup plan in a couple of years because it needed cash to pay down debt from the Rockwell deal.

The new federal tax law allowed the company to bring home overseas cash and pay down debt more quickly, which meant it could move up the planned review to this summer when the deal closes.

Newell Chief Rebuts Critique

By SHARON TERLEP
AND CARA LOMBARDO

Newell Brands Inc. boss Michael Polk wants to make one thing clear: He isn't a CEO who gets chauffeured.

Before launching into a point-by-point rebuttal of criticisms levied by activist investors against the maker of Sharpie markers and Elmer's glue, Mr. Polk hit back against their assertion that Newell executives waste money by using hired drivers.

"No, I don't use a driver," he said in a call Friday with analysts to review the company's latest quarterly results. "I drive myself to work every day, same as I did every day for the five years I worked in Atlanta, same as my dad did

for 38 years at the company he worked for, same as I would expect my kids to do for the rest of their lives."

The comments came as part of Mr. Polk's response to a 172-slide presentation released Tuesday by activist fund **Starboard Management LP**. Starboard recently agreed to call off a proxy fight with Newell in exchange for being able to name three directors to the company's board.

The activist accused Newell of wasteful spending, running scattered and inefficient operations and maintaining a bloated corporate culture that slows decision making.

Mr. Polk denied several Starboard claims. "No, we don't have five planes, we have two," he said. He also

echoed the dynamic with Starboard is unusual in that it puts the veteran chief executive in public disagreement with a major investor shortly after agreeing to let the investor nominate directors. Newell has revamped its board, agreeing to replace nine of 12 directors.

"Are we now at a detente?" SunTrust analyst Bill Chappell asked on Friday's call.

Starboard, which earlier this year had called for Mr. Polk's ouster, wasn't available to comment.

Extradition Unlikely in VW Case

By WILLIAM BOSTON



MICHAEL SOHN/ASSOCIATED PRESS

Martin Winterkorn

matter of extradition. A spokesman for the justice ministry said the 70-year-old German national wouldn't be extradited, making it unlikely that Mr. Winterkorn would stand trial unless he voluntarily left the country.

"If I were him, I would not be going to Austria on hiking vacations or sailing in Sweden," said Klaus Ziehe, a spokesman for prosecutors in Braunschweig, who have jurisdiction over the case.

In Hanover, the capital of Lower Saxony state, which holds a 20% stake in Volkswagen, a state government spokeswoman declined to comment "out of respect for the American justice authorities and the ongoing investigation in Germany."

Wolfgang Porsche, patriarch of the family clan that controls a majority of Volkswagen's voting stock, also remained silent.

Even in the German media, accounts of the indictment that dominated headlines initially had been largely displaced by other news stories by midday on Friday. The few commentaries on the news faulted German authorities for not pursuing the scandal as energetically as their U.S. counterparts.

Some opposition lawmakers echoed the sentiment, pointing out that German authorities, which have been investigating the case since 2015, had yet to indict a single top VW executive.

U.S. authorities allege that Mr. Winterkorn, who was Volkswagen CEO from 2007 until September 2015, conspired with others to defraud the U.S. and violate the Clean Air Act. The indictment was made on March 14 and unsealed by a federal court in Michigan on Thursday.

"We are reviewing the allegations and will take appropriate action," said Steven Molo, a New York-based attorney representing Mr. Winterkorn in the U.S.

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TECHNOLOGY

Musk Defends Use of 'Bonehead'

Tesla CEO criticizes short sellers, but says he should have answered questions

By TIM HIGGINS

Tesla Inc. Chief Executive Elon Musk defended his dismissive treatment of Wall Street analysts earlier in the week, saying they represented people betting against the Silicon Valley electric-car maker while also conceding it was "foolish" not to answer them.

The response came early Friday in a Twitter post, one day after the Palo Alto, Calif., company's shares dropped almost 6%. The fall followed Mr. Musk's performance Wednesday on a public, after-hours conference call with financial analysts to discuss Tesla's first-quarter results.

During the more than one-hour call, Mr. Musk cut off two analysts asking about capital-expenditure plans and reservations for the Model 3 sedan, dismissing them as "boring, bonehead" questions and "dry." He then proceeded to engage for more than 20 minutes with a retail investor who



Elon Musk said two questions were 'boring bonehead' and 'dry.'

maintains a YouTube channel, on topics that dealt largely with future ambitions such as bringing out a compact sport-utility vehicle and driverless cars.

"It's important to know that Tesla is the most shorted (meaning most bet against)

stock on the market & has been for a while," Mr. Musk posted in Twitter posts starting at 7:17 a.m. EDT. "The 2 questioners I ignored on the Q1 call are sell-side analysts who represent a short seller thesis, not investors."

Mr. Musk is facing intense

scrutiny as Tesla struggles to ramp up production of the new Model 3 and analysts question whether he will need to raise additional cash to keep paying for his ambitious plans.

The company's negative free cash flow hit about \$1 billion last quarter while Mr. Musk says Tesla is on track to be cash-flow positive by the second half, in part because it cut back on plans for capital expenditures this year.

With regard to the inquiry about capital expenditures from an analyst at Sanford C. Bernstein & Co. that the CEO called a "boring, bonehead" question, Mr. Musk wrote that it was already answered in his previously issued letter to shareholders.

A follow-up question by an RBC Capital Markets analyst about Model 3 reservation-holders converting with orders was "absurd" because the company has about 500,000 reservations, Mr. Musk wrote.

"It would take 2 years just to satisfy existing demand even if new sales dropped to 0," he wrote. "We went through the same drama on [Model] S & [Model] X and almost all confirmed in the end."

Will likely be even better for Model 3, as customer satisfaction score post delivery is higher. I worry zero about demand. Just spent all night in the factory, not the showroom."

The analysts on Friday didn't respond to requests to comment. On Thursday, the Bernstein analyst, Toni Sacconaghi, responded on CNBC: "This is a financial analyst call—this is not a TED talk," he said. "So when financial questions are asked, they should be addressed."

A Twitter follower on Friday, responding to Mr. Musk's multiple posts, said he should have chosen to not call on the analysts if he knew they represented short sellers.

Mr. Musk, about an hour after his first message, responded that he agreed and added, "Once they were on the call, I should have answered their questions live," he wrote.

"It was foolish of me to ignore them." Then, he seemed to offer another dig at Tesla's short sellers: "Oh and uh short burn of the century comin soon. Flamethrowers should arrive just in time."

Tesla's shares closed up 3.4% at \$294.09 on Friday.

China Approves Chipset Venture

By YOKO KUBOTA

BEIJING—China's antitrust regulator has approved Qualcomm Inc.'s joint venture with a unit of China's state-owned Datang Telecom Technology Co. to design smartphone chipsets, people familiar with the matter said, a win for the U.S. chip maker amid escalating U.S.-China trade friction.

The proposed joint venture was announced a year ago, but only this week approved by China's antitrust regulator, the people said.

The venture would be formed between Qualcomm and Datang's subsidiary Leadcore Technology Co., as well as Jianguang Asset Management Co. and Wise Road Capital, Qualcomm has said. It would compete with companies producing processors for low-cost smartphones, including China's Spreadtrum Communications, which is owned by Tsinghua Unigroup.

Qualcomm and Chinese antitrust regulators didn't immediately respond to requests for comment. A Datang representative declined to comment.

The approval came as a U.S. delegation wrapped up its two-day meeting with Chinese officials in Beijing in an attempt to resolve U.S. claims over unfair trade practices, many of which focus on the technology sector.

While the approval is welcome news for Qualcomm, the San Diego-based company is still waiting for China's antitrust regulator to approve its planned \$44 billion purchase of Dutch semiconductor company NXP Semiconductors NV—a deal widely seen as critical to Qualcomm's future. Qualcomm and NXP, which originally expected the transaction to close last year, recently extended their purchase agreement to July 25 to give China more time to consider the deal and make space for China and the U.S. to resolve their trade tensions.

A spokesman for China's Commerce Ministry said last month that a preliminary review of the NXP deal had turned up "related issues that are hard to resolve, making it difficult to eliminate the negative impact."

—Yang Jie contributed to this article.

Amazon Counts Small U.S. Vendors

By LAURA STEVENS

Amazon.com Inc. said more than one million small businesses in the U.S. sell their wares on its online marketplace, providing the number for the first time amid criticism from some politicians over the company's business practices and economic impact.

The Seattle-based retailer has previously said that it had more than two million total third-party sellers world-wide, but hadn't given a breakdown in the U.S. In its release this week, it also listed the number of smaller merchants by state, saying California had the most with more than 175,000, followed by New York with more than 81,000.

Amazon said it based its count on a U.S. Small Business Administration guideline of having \$7.5 million or less in annual revenue.

The disclosure comes as the retail giant and its chief executive, Jeff Bezos, have drawn increased scrutiny in recent weeks, including tweets by President Donald Trump criticizing Amazon for its impact on traditional retailers and tax issues. Amazon's rapid growth—it is now the second-largest company by market value, behind Apple Inc.—also has made it a target for people worried about the technology industry's outsize clout.

Toyota to Invest in Two Canadian Plants

By ADRIENNE ROBERTS

Toyota Motor Corp. plans to invest \$918 million in two plants in Ontario, Canada.

The move marks one of the largest investments in Canada's shrinking auto industry in recent years. But it comes amid uncertainty as the Trump administration pushes to complete by later this month the renegotiation of the North American Free Trade Agreement, which could rewrite some auto-industry trade rules.

Toyota's investment will go to factories that build both gasoline-powered and hybrid versions of the RAV4 compact sport-utility vehicle, which will be fully re-engineered, the person said.

Factory upgrades are scheduled to be completed by late 2019 and create about 450 new jobs.

President Donald Trump has repeatedly threatened to withdraw the U.S. from Nafta unless he gets more favorable terms that ultimately would boost American factory jobs. U.S. administration officials have proposed tightening the treaty's so-called rules of origin to require a higher percentage of parts to be made in the U.S. to avoid tariffs, though the U.S. has softened some of its demands in recent talks.

Canada has been losing automotive jobs to Mexico over the past two decades. Mexico is seen as an attractive place to produce vehicles and auto parts because of its aggressive development incentives and the broad reach of Mexico's free trade agreements.

Mexico has captured nine of



Toyota's RAV4 compact sport-utility vehicle was the auto maker's best-selling vehicle in the U.S. last year, with sales topping 400,000.

the past 11 announced new assembly plants for the continent between 2011 and 2016, according to a recent report by the Center for Automotive Research.

The country, which produces about 20% of vehicles made in North America, is expected to significantly increase car production to more than five million vehicles by the end of the decade, the group said.

The RAV4 is also Toyota's most popular vehicle in Canada, and the company sold

government of Canada will provide a grant of \$171 million to support Toyota's investment.

The RAV4s built at the Ontario plants are sold in Canada and shipped to the U.S., where they are among Toyota's top sellers. The RAV4 was Toyota's best-selling vehicle in the U.S. in 2017, with sales of the vehicle topping 400,000.

The RAV4 is also Toyota's most popular vehicle in Canada, and the company sold

more than 50,000 units in the country last year.

Toyota previously built its popular Corolla compact car in Canada, but last year announced it would move production to a new plant in Guanajuato, Mexico.

Toyota later changed course following criticism from Mr. Trump and said it would build the Corolla at a \$1.6 billion assembly plant in Alabama with Mazda Motor Corp. that will be up and running by 2021.

The auto maker will move some truck production to the plant under construction in Mexico.

Toyota is also in the midst of a planned \$10 billion investment in the U.S. that it aims to spend over the next five years as it revamps its plants to support its new engineering architecture.

Around the same time last year the auto maker announced a \$1.3 billion investment in its Camry sedan plant in Kentucky.

Alibaba Expects Torrid Revenue Growth to Continue

By LIZA LIN

Chinese e-commerce giant **Alibaba Group Holding Ltd.** said it expected its annual revenue to grow 60%, as its core commerce and cloud-computing businesses attract more customers.

Alibaba on Friday reported a fourth-quarter profit of 7.56 billion yuan (\$1.21 billion), down 29% from a year earlier when it booked gains from the sale of assets, including internet firm MoMo Inc. Excluding that one-time effect, the company said profit rose 37% for the quarter, which ended March 31. Revenue increased 61% to 61.93 billion yuan.

Alibaba's shares, which on listed on the New York Stock Exchange, traded up 3.5% on Friday.

In a call with analysts, finance chief Maggie Wu said the company's commerce and cloud business would drive growth for Alibaba in the current fiscal year.

Stripping out new acquisitions such as food-delivery platform Ele.me and logistics arm Cainiao Network Technology Co., revenue growth will



One of the Chinese company's bookstores in Shanghai.

still likely exceed 50%, she said. In the recent quarter, revenue in Alibaba's core commerce unit—which runs China's two largest online retail sites, Taobao and Tmall—rose 62% to 51.29 billion yuan.

At its cloud-computing business, revenue more than doubled to 4.39 billion yuan.

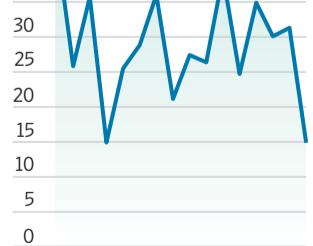
Alibaba's digital-media and entertainment division, which

includes mobile browser UCWeb, video-streaming site Youku Tudou and Alibaba Pictures Group, recorded revenue of 5.27 billion yuan, up 34% from a year earlier.

The Hangzhou-based company said it would continue to invest in new initiatives, extending its buying streak of the past few years. This year, Alibaba has increased its control

Great Mall of China

Alibaba's operating margin fell as it spent to expand overseas and into brick-and-mortar retail.



*Fiscal year ended March 31

Source: the company

THE WALL STREET JOURNAL

Barely a month later, Alibaba also announced it would fully acquire Ele.me, a \$9.5 billion online food-delivery and services platform.

Overall, the company's operating margin in the recent quarter fell to 15% from 25% a year earlier.

In response to a question, Alibaba Vice Chairman Joe Tsai said trade friction between the U.S. and China was unlikely to affect the company's business in a significant way, as there would always be other sources for products if imports from the U.S. were curtailed.

"Obviously a trade war is not good for anybody," Mr. Tsai said. "In particular, we feel the trade war will hurt small businesses in the U.S., but our Chinese consumers will find alternative ways to bring imports into the country through our platform."

The company also said it was considering a listing in China through a China depositary receipt, but added that there was no fixed timeline for the step.

◆ Heard on the Street: Alibaba to put patience to the test.... B12

WEEKEND INVESTOR

TAX REPORT | By Laura Saunders

Repeal of Fee Deduction to Pressure Investors



Now is the time to refocus on how you pay your investment fees.

In a little-noticed move, the recent tax overhaul repealed a deduction for investment-advisory fees that effectively will raise these fees for millions of investors.

Before the overhaul, fees paid for investment advice could be deductible as "miscellaneous" expenses on Schedule A of the tax return. Now, they aren't deductible at all.

The repeal of the deduction affects many investors who pay fees for advice based on a percentage of their assets, including many with tax-efficient separately managed accounts.

It also puts pressure on investors in hedge funds and other funds organized as partnerships, says Robert Gordon, a tax strategist who heads Twenty-First Securities. That is because they typically owe tax on profits before hefty fees are de-

ducted, while investors in mutual funds and exchange-traded funds are taxed on profits after fees.

To be sure, there were hitches to getting the tax break. One was that expenses were deductible only to the extent that they—together with a grab bag of other write-offs—exceeded 2% of a filer's income.

For example, say that two retirees had income of \$150,000, savings of \$3 million, and an adviser's fee of 1% that they paid with funds outside their tax-sheltered retirement accounts.

In 2017, they could deduct \$27,000 of the \$30,000 fee because of the 2% threshold. For 2018, they will get no deduction.

Another hitch limited or disallowed this deduction for filers who owed alternative minimum tax. As a result, says Tim Steffen, a tax specialist with Robert W. Baird & Co., investors who were high earners or owed AMT often didn't benefit from the write-off.

Still, many investors will

Under Advisement

Assets in fee-based accounts as a percentage of total investment assets



Source: Aite Group

THE WALL STREET JOURNAL.

feel its loss.

In recent years, brokerage firms and registered investment advisers have nudged clients toward fee-based accounts rather than commission-based accounts. From 2010 to 2016, the percentage of total investment assets in such accounts climbed to nearly 39% from just more than 30%.

The dollars in them have nearly doubled during the

period, to \$7.9 trillion from \$4.1 trillion, according to the latest data from Aite Group.

Many investors affected by the recent tax change have accounts with fees based on a percentage of assets. Typical fees range from 0.6% to 2% annually, with many paying 1% to 1.5% on accounts of less than \$1.5 million, according to Cerulli Associates. The fee is often in addition to those for individual holdings, such as mutual funds or exchange-traded funds.

With more investors owning fee-based accounts, what is there to do? Here are a few steps.

♦ **Know your fees:** A 2017 survey by Cerulli found that more than 40% of investors didn't know what they paid for advice or else thought it was free.

A good place to look for information is past 1099 tax forms for investment accounts that summarize income such as capital gains and dividends. Firms often listed advisory fees that were deductible on this

form, although the IRS doesn't require it. These fees also often are disclosed on monthly, quarterly or annual statements. If they aren't, ask why.

Also check out fees that aren't for advice, such as those for the investment management of mutual funds or ETFs.

♦ Be aware of tax nuances:

There are many. Until 2018, advisory fees could be deductible, but not if paid with assets in an individual retirement account.

Commissions to buy investments in taxable accounts aren't tax deductible. But they do reduce taxes by raising the investor's "cost basis," the starting point for measuring taxable gain when an investment is sold.

Interest on money borrowed to make an investment has been and remains deductible, up to the amount of investment income.

♦ Gauge the fees' effects:

Fees typically are quoted as a percent of assets, which can make them seem smaller. Instead, think of them as a

percent of annual return. If an investor's annual fees are 2% of assets, that is one-third of an annual return of 6%. Ask your adviser if reported returns are before or after fees.

♦ **Consider your options:** If you got a deduction for fees in the past, see what losing it means to you. Advisory fees often are negotiable.

If your fees are high and eroding your returns, investigate switching to lower cost investments or look for investment vehicles that are more tax efficient.

If you have a traditional individual retirement account, consider whether to pay for advice using assets inside or outside the account.

As you can't take a deduction, it could make sense to pay the IRA's advisory fees from inside the account using pretax dollars, but you'll also give up tax-deferred growth on those dollars. The right answer differs from case to case, Mr. Steffen says.

AmTrust Affirms SEC Investigation

BY MICHAEL RAPORT

AmTrust Financial Services Inc. disclosed it has been under investigation by the Securities and Exchange Commission for nearly five years over its accounting practices and other matters.

In a proxy filing Friday with the SEC, the New York insurer said that since June 2013, it "has been responding to an investigation by the SEC, which in its course has included" a review of its accounting for its loss and loss-adjustment reserve estimates for major business lines and segments, its investment in life settlement contracts, and its acquisition of captive insurance companies in Luxembourg.

The company described the SEC inquiry as ongoing and

in the wake of an assortment of problems for AmTrust, including a restatement of three years of earnings in early 2017 and a delayed filing of the company's annual report. AmTrust has denied any wrongdoing and at the time said short sellers, investors who benefit from a stock's decline, had spread false information about the company.

An AmTrust spokeswoman on Friday said that many companies receive inquiries from SEC staff, and that in the past, "We carefully reviewed the matter and determined that it was not material and that disclosure was not required." The company now believes it is "appropriate to voluntarily disclose the matter in the proxy" filed Friday, she said.

The disclosure comes a month before AmTrust shareholders are scheduled to vote June 4 on a \$2.7 billion deal that would take the company private, by selling itself to Chairman and Chief Executive Barry Zyskind, AmTrust's controlling Karfunkel family and private-equity firm Stone Point Capital LLC. Mr. Zyskind said in March that becoming a private company would enable AmTrust "to focus on long-term decisions, without the emphasis on short-term results."

The going-private deal would pay AmTrust shareholders \$13.50 a share. On Friday, AmTrust's shares fell less than 0.1%, to \$13.04.

Since last year, AmTrust has taken a number of steps to shore up its finances and boost investor confidence, including naming a new finance chief, securing an additional \$300 million investment by the Karfunkel family and reaching a reinsurance agreement that provided AmTrust with additional coverage of reserves.

INVEST

Continued from page B1
least \$50 million in clients' assets, often much more. Typically, one to three dozen advisers, and about the same number of fund managers, attend.

"Both sides are guaranteed to meet with the people that you've been trying to get to know," says Stephanie Patti, chief executive of Global Trend Events, which organizes two conferences a year, including the Marina del Rey meeting. "The advisers, it could take them a year or more to meet with 16 fund managers, and they leave with a whole notebook full of ideas. The fund managers, they get to build long-term relationships and get to know the advisers."

It doesn't hurt that these meetings are a free way to visit swanky destinations.

"There's always some advi-

ers that are more interested in getting a trip rather than getting work done," says Tim Manko, an event manager at Wealth Investment Exchange, which just ran one conference in Carlsbad, Calif., and has another coming up in Boca Raton, Fla., in October. "That goes with the territory."

Such mooching is rare, he says. "If you weren't exactly attentive, we might not invite you back."

Neil Greene, who runs the Mexico City conference, says, "Nobody strong-arms any adviser to do business. Maybe you just walk away with educational value that you bring back to your practice."

The organizers of these conferences pay for all the advisers' costs with sponsorship fees from the fund companies and other financial firms. In addition, many fund managers directly host advisers, all expenses paid, at their headquarters or at tourist destinations.

Could a free trip to a posh

resort make an adviser more inclined to favor the hosting funds, even if they aren't the best match for every client?

"Humans are prone to reciprocate," says George Loewenstein, a behavioral economist at Carnegie Mellon University who studies conflicts of interest. "When someone does something nice for you, you feel the need to do something nice in return."

"Receiving a benefit can give the adviser an incentive to make a certain recommendation," says Brian Hamburger, president of MarketCounsel, a firm in Englewood, N.J., that helps financial advisers comply with regulations. "And that can present a conflict of interest."

So, he says, advisers should disclose their attendance at such meetings to their clients.

Advisers aren't likely to favor a firm just because it presents at a fancy resort, says Ms. Patti of Global Trend Events. "If they aren't inter-

ested in any of the firms that are attending, they probably wouldn't want to come at all."

"If you're an adviser, you'd still be going out to dinner with these people anyway" even if you didn't attend such a conference, says Mr. Manko of Wealth Investment Exchange.

Still, these meetings are a reminder that in the financial industry, the potential for conflicts is as pervasive as oxygen.

A spokesman for the American Medical Association says it "would not be acceptable" for a physician to accept an educational trip paid for by a drug manufacturer. According to the code of ethics of PhRMA, the trade association for pharmaceutical companies, its members should not provide entertainment or leisure, such as vacation trips, to doctors and other medical professionals.

The financial industry should adhere to the same standard.

2013

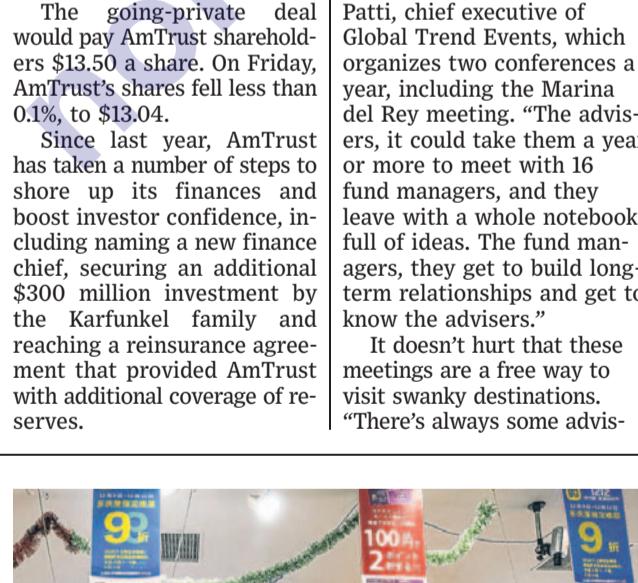
Insurer has been under probe since June of that year

said it has cooperated with the probe.

AmTrust said it can't predict when or how the inquiry will end or whether it could have a material impact on the company.

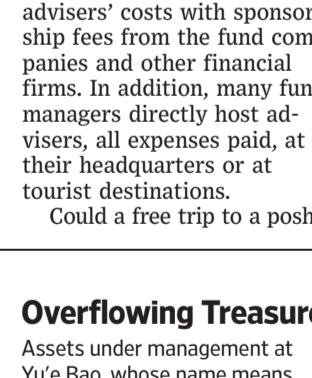
The Wall Street Journal reported in April 2017 that AmTrust's accounting has been the subject of an SEC investigation, and AmTrust and the SEC previously had discussed some of the accounting matters in back-and-forth comment letters that have been made public. But the company hadn't publicly disclosed the SEC probe before Friday.

The Journal's reporting of the SEC probe a year ago came



Overflowing Treasure

Assets under management at Yu'e Bao, whose name means 'leftover treasure,' have swelled over the past year.



Source: Tianhong Asset Management

THE WALL STREET JOURNAL.



Continued from page B1
everything from online shopping purchases to movie tickets and utility bills and who want to earn returns from their idle funds. The fund's early popularity was a product of long-suppressed bank interest rates in China, but in recent years as deposit rates have been liberalized to some extent, it has become a convenient vehicle for people to park their money.

The fund's large size, however, has drawn scrutiny from regulators who have labeled it as systemically significant. The fund has drawn a flood of money by offering generous yields, which were recently 3.96% on an annualized basis, well above interest rates on bank deposits. Like other Chinese money-market funds, it invests primarily in certificates of deposit issued by Chi-

nese banks, short-term government securities and commercial paper.

Under pressure from Chinese authorities, Tianhong Asset Management, which oversees the Yu'e Bao fund's investments, has taken multiple steps over the past year to slow its growth and limit inflows. Ant's latest plan to offer other money-market fund options to Alipay customers indicates that money continues to flow in. Yu'e Bao's assets increased 6.9% in the first quarter of 2018, according to the company.

Ant said individuals can invest in two money-market funds managed by Bosera As-

set Management Co. and Zhong Ou Asset Management Co., two relatively well-known Chinese fund managers that aren't affiliated with it. Bosera's fund was set up in 2004, has \$496 million in assets and a seven-day annualized yield of 4%. Zhong Ou's fund, which has been around since 2015, has \$765 million under management and a seven-day annualized yield of 4.45%. There will be no limits on what individuals can invest in the two funds.

The Yu'e Bao fund will continue to impose daily and aggregate investment limits, said Le Shen, a spokesman for Ant.

In essence, Ant is joining with companies that are rivals to its Tianhong unit. "The addition of these new money-market funds to Yu'e Bao is in line with Ant Financial's commitment to using technology to make financial services more inclusive, and to working closely with traditional financial institutions," said Guom-

ing Zu, vice president of Ant Financial's Wealth Management Business Group.

Diverting investor money into alternative funds will help "reduce concentration risks" at the Tianhong Yu'e Bao fund, said George Xu, an analyst at Moody's Investors Service, adding it would limit potential liquidity risk to China's financial system. Regulators worry about the possibility of large-scale investor withdrawals from the money-market fund, which could have trouble returning money if it can't easily cash out of illiquid assets it holds. Still, Mr. Xu said it isn't a given that investors will choose the other funds over Ant's own offering.

Assets in China's money-market funds have swelled in recent years, led by Yu'e Bao's expansion, but in March they dipped slightly to \$1.15 trillion at month's end from \$1.23 trillion at the end of February, according to the Asset Management Association of China.

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MARKETS DIGEST

Dow Jones Industrial Average

Last 24262.51 Trailing P/E ratio 23.96 20.51
 Year ago 16.02 17.78
 Dividend yield 2.19 2.32
 or 1.39%
 All-time high 26616.71, 01/26/18 Current divisor 0.14523396877348



Bars measure the point change from session's open

Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

S&P 500 Index

S&P 500 Index

2663.42 Last 2663.42 Trailing P/E ratio 23.49 23.76
 Year ago 16.82 18.44
 Dividend yield 1.95 1.97
 or 1.28%
 All-time high 2872.87, 01/26/18



Nasdaq Composite Index

7209.62 Last 7209.62 Trailing P/E ratio 25.06 26.09
 Year ago 19.96 20.97
 Dividend yield 1.04 1.08
 or 1.71%
 All-time high 7588.32, 03/12/18



Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commodities performed around the world for the week.

Stock Index	Currency, vs U.S. dollar	Commodity, traded in U.S.	ETF
	Wheat	6.46%	
S&P 500 Information Tech	3.21		
Nymex Crude	2.38		
Corn	2.37		
DAX	1.90		
S&P/ASX 200	1.84		
IBEX 35	1.80		
FTSE MIB	1.70		
Nasdaq 100	1.69		
Lean Hogs	1.48		
S&P GSCI GFI	1.33		
Nasdaq Composite	1.26		
WSJ Dollar Index	1.00		
S&P 500 Real Estate	0.96		
Euro Stoxx	0.89		
FTSE 100	0.87		
Comex Copper	0.64		
Stoxx Europe 600	0.62		
Russell 2000	0.60		
CAC-40	0.60		
S&P/TSX Comp	0.39		
iShNatMuniBd	0.32		
S&P SmallCap 600	0.29		
Shanghai Composite	0.29		
S&P MidCap 400	0.28		
Comex Silver	0.17		
Nymex ULS	0.14		
iSh 20+ Treasury	0.08		
S&P 500 Materials	0.06		
iSh 7-10 Treasury	0.05		
Nikkel 225	0.02		
VangdTotalBd	0.02		
S&P 500 Energy	0.01		
-0.06 Japan yen			
-0.07 S&P 500 Consumer Discr			
-0.13 iSh 1-3 Treasury			
-0.14 Canada dollar			
-0.16 S&P BSE Sensex			
-0.16 VangdTotalBd			
-0.20 Dow Jones Industrial Average			
-0.24 S&P 500			
-0.30 Indian Rupee			
-0.37 iSh TIPS Bond			
-0.40 iShBoxx\$HYCp			
-0.42 S&P 500 Utilities			
-0.46 Chinese Yuan			
-0.54 Indonesian Rupiah			
-0.54 Australian dollar			
-0.56 iShBoxx\$InvGrdCp			
-0.58 Comex Gold			
-0.58 South Korean Won			
-0.61 Nymex Rbob Gasoline			
-0.87 Russian Ruble			
-1.15 Norwegian Krone			
-1.17 Hang Seng			
-1.22 Swiss Franc			
-1.24 Kospi Composite			
-1.36 S&P 500 Industrials			
-1.38 Euro area euro			
-1.68 iShJPUMErgBd			
-1.69 S&P 500 Financials Sector			
-1.70 Dow Jones Transportation Average			
-1.70 Soybeans			
-1.83 UK pound			
-2.04 S&P 500 Consumer Staples			
-2.17 Nymex Natural Gas			
-2.68 IPC All-Share			
-2.79 South African Rand			
-3.04 S&P 500 Health Care			
-3.39 Mexico peso			
-3.85 Sao Paulo Bovespa			
-4.58 S&P 500 Telecom Svcs			

Trading Diary

Volume, Advancers, Decliners

NYSE NYSE Amer.

Total volume* 763,664,792 7,444,112

Adv. volume* 627,777,838 4,537,478

Decl. volume* 130,973,151 2,446,358

Issues traded 3,073 324

Advances 2,239 190

Declines 746 108

Unchanged 88 26

New highs 76 6

New lows 65 10

Closing tick 28 43

Closing Arms† 0.65 1.17

Block trades* 6,092 86

Nasdaq NYSE Arca

Total volume* 2,013,025,144 215,492,486

Adv. volume* 1,596,374,704 166,598,609

Decl. volume* 391,402,497 40,412,112

Issues traded 2,962 1,325

Advances 2,068 1,013

Declines 764 291

Unchanged 130 21

New highs 93 24

New lows 50 33

Closing tick 430 34

Closing Arms† 0.66 0.95

Block trades* 7,861 1,087

*Primary market NYSE NYSE American NYSE Arca only.

†(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	52-Week High	Low	% chg	YTD chg	3-yr ann.
Dow Jones										

Industrial Average	24333.35	23778.87	24262.51	332.36	1.39	26616.71	20606.93	15.5	-1.8	10.3
Transportation Avg	10427.81	10172.40	10370.23	115.59	1.13	11373.38	8783.74	12.8	-2.3	5.8
Utility Average	707.24	700.58	704.38	3.44	0.49	774.47	647.90	0.2	-2.6	5.8
Total Stock Market	27728.35	27151.53	27165.16	349.85	1.28	29630.47	24391.29	11.2	-0.1	7.8
Barron's 400	717.15	701.80	714.45	8.74	1.24	757.37	624.99	11.4	0.5	7.5

Nasdaq Stock Market

Nasdaq Composite	7228.26	7057.89	7209.62	121.47	1.71	7588.32	6011.24	18.2	4.4	12.8
Nasdaq 100	6783.36	6612.39	6769.12	125.64	1.89	7131.12	5580.55	19.9	5.8	14.7

S&P

500 Index	2670.93	2615.32	2663.42	33.69	1.28	2872.87	2357.03	11.0	-0.4	8.0
MidCap 400	1905.17	1863.40	1897.45	24.89	1.33	1995.23	1691.67	9.1	-0.2	7.7
SmallCap 600	963.84	942.42	958.92	11.84	1.25	979.57	817.25	13.0	2.4	10.6

Other Indexes

<tr

BANKING & FINANCE

Uranium Miners Look to Dig Out

By RHIANNON HOYLE

Fears that uranium will be the next commodity swept up in the U.S.'s trade offensive have the market grinding to a halt.

The price of U3O8, a common uranium compound used mainly in nuclear-power generation, has sunk 12% this year to roughly \$21 a pound, near its 12-year low of \$18, struck in 2016, according to Ux Consulting Co.

The decline accelerated after two of the U.S.'s biggest uranium producers, Ur-Energy Inc. and Energy Fuels Inc., petitioned the Trump administration in January for a cap on imports at 75% of historic levels, under the same national security law invoked for the recent steel and aluminum tariffs. They also requested that U.S. government agencies introduce a "Buy American" policy for uranium.

The possibility that President Donald Trump could embrace uranium in his "America First" trade policy has spooked buyers in an industry still plagued by a global glut following the 2011 Fukushima nuclear disaster in Japan.

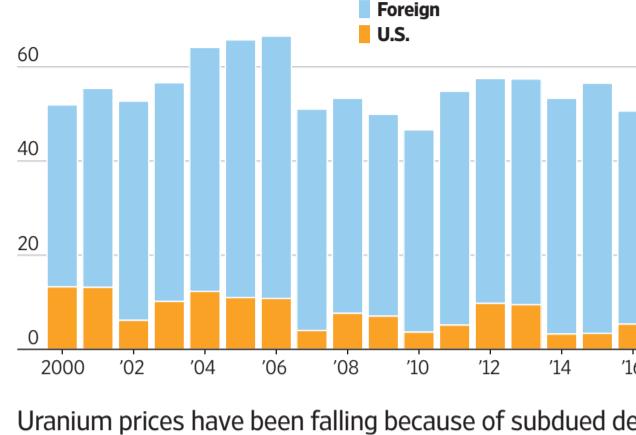
"The U.S. nuclear utilities are now frozen in place and unwilling to make any new purchases," said Jonathan Hinze, president of Ux Consulting. "They fear that they could be stuck with foreign-sourced uranium that they can no longer use if the petition is successful."

The effective buyers' strike has cemented uranium as one of the worst-performing commodities of the past year. The average spot price paid to

U.S. utilities are using less uranium from the U.S. and production has fallen, as weak prices turn mines unprofitable.

Uranium purchased by U.S. nuclear power reactors

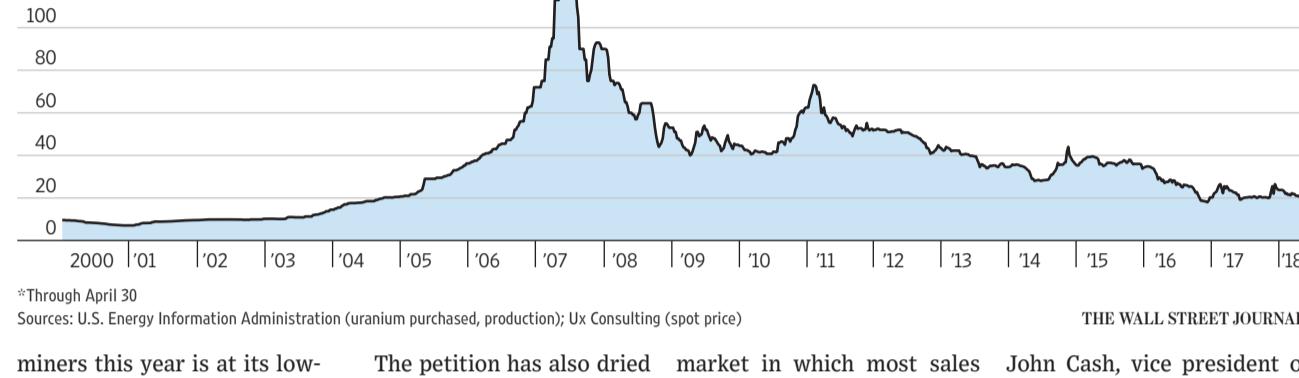
80 million pounds of U3O8



Uranium prices have been falling because of subdued demand and large stockpiles.

Spot price for triuranium octoxide (U3O8)

\$140 a pound



*Through April 30

Sources: U.S. Energy Information Administration (uranium purchased, production); Ux Consulting (spot price)

miners this year is at its lowest in 15 years, said Alex Molyneux, chief executive of Australia's Paladin Energy Ltd., a big uranium producer.

"U.S. utilities traditionally represent a large part of spot-market activity, and they have backed away," he said. The U.S. accounts for a quarter of global uranium demand.

The petition has also dried up demand elsewhere in the world as buyers await news on whether the Commerce Department will act on the petition. The department said the petition is under review.

The closure of nuclear power plants is also damping demand for uranium, which is traded in a global but opaque

market in which most sales are agreed through privately negotiated spot and term contracts. U.S. miners say they are struggling against rising shipments from countries including Kazakhstan and Uzbekistan, where state-owned miners dominate the sector.

"That has made it very difficult for us to survive," said

John Cash, vice president of regulatory affairs at Ur-Energy. "That is our goal here: We want the U.S. domestic miners to be able to survive."

The two Denver-based companies, each of which has laid off more than 50% of its workforce in the past two years, accounted for more than half of U.S. uranium output in 2017.

Moving On From Handling Financial Woes

'Wizard of Oz,' the U.S. regulator who banks loved to hate, heads back to campus

By AMRITH RAMKUMAR

A decade after the financial crisis, The Wall Street Journal has checked in on dozens of the bankers, government officials, chief executives, hedge-fund managers and others who left a mark on that period to find out what they are doing now. Today, we spotlight former policy makers Daniel Tarullo and Alistair Darling.

After Daniel Tarullo announced last year that he was resigning from the board of the Federal Reserve, big bank stocks such as Bank of America Corp. and Citigroup Inc. rallied.

That was no surprise. The 65-year-old longtime public servant was the primary architect of postcrisis financial regulations that imposed stricter requirements on large financial firms.

He advocated for greater regulation during his eight years at the U.S. central bank. Mr. Tarullo's resignation followed criticism from President Donald Trump, who argued that more stringent rules have hampered economic growth.

For many, Mr. Tarullo's departure marked a turning point in the country's transition from a period of expanded oversight of U.S. banks to one of less.

Mr. Tarullo said in an interview shortly after he announced he was leaving the post that he had a "fairly strong presumption"—even before the November 2016 presidential election—that he would resign early in 2017. He said the Trump administration



Daniel Tarullo was a Fed architect of postcrisis financial rules.

didn't ask him to leave.

By the end of his term last April, Mr. Tarullo had even raised the prospect of looser regulation, suggesting changes to the Fed's annual "stress tests" of big banks and to the Volcker rule, which bans banks from making speculative trades.

"There are clearly some changes that can be made without endangering financial stability," Mr. Tarullo said in a speech right before he left the central bank.

The Boston native is now back home, teaching law at Harvard University. In an email, Mr. Tarullo wrote that he has now made it through the fifth volume of Marcel Proust's seven-volume "In Search of Lost Time."

Mr. Tarullo started at the Fed in 2009, as President Barack Obama took office, with the stated mission of overhauling the regulatory system.

He was nicknamed the "Wizard of Oz" for his behind-the-scenes sway over everything from corporate strategy to how many billions of dollars the banks must maintain in capital.

As head of the Fed's committee on bank supervision, Mr. Tarullo pushed for more power for the central bank over large financial institutions, adopting rules that effectively taxed banks' size, while avoiding directly forcing them to break up, as some industry critics had demanded. He served as the de facto vice chairman for supervision, a position created by the 2010 Dodd-Frank financial-overhaul law, because Mr. Obama never nominated anyone to fill the job.

Mr. Tarullo successfully pushed for tighter capital and liquidity requirements on big banks. He was a force behind new rules for foreign-owned banks operating on U.S. soil and helped design and implement the annual stress tests that big U.S. banks must pass or face restrictions on their ability to pay dividends to shareholders.

A fan of the TV show "Seinfeld" and the Boston Red Sox, Mr. Tarullo has spent most of his career in government and academia. He previously taught at Georgetown University, where he earned his bachelor's degree.

Former chief of the U.K. Treasury loses appetite for politics

BY ALISTAIR MACDONALD

Alistair Darling, the former U.K. Treasury chief who led his country's response to the credit crisis, is one of the few public figures associated with the financial crisis to emerge with a burnished reputation.

When British lender Northern Rock ran out of funds in 2007, Mr. Darling authorized Bank of England support and a state-backed guarantee to depositors, stemming Britain's first bank run in 150 years. As the credit crisis raged, Mr. Darling's Treasury department stepped in to bail out troubled lenders HBOS and Royal Bank of Scotland.

For his long service to the government, he was made Lord Darling of Roulanish.

Mr. Darling left the Treasury in 2010. But the Scotsman returned to public service in 2014 to lead the Labour Party's campaign to keep Scotland in the U.K. during that year's independence referendum. The Union survived, but Mr. Darling's appetite for front-line politics didn't.

"It was such a divisive, unpleasant experience...If I had any doubts about [remaining in politics], I thought that was it," he said in an interview. "It was time to go."

Mr. Darling now serves on Morgan Stanley's board of directors, but it isn't all about work these days. He spends more time on Scotland's remote Isle of Lewis, fishing there four to five times a year.

"I have been contemplating painting the garden shed," he said of the one at his Edinburgh home. "But I look at it,



Alistair Darling

and every day it needs painting more."

In the late summer of 2008, Mr. Darling was at a family cottage on the isle when he told a reporter that economic conditions were arguably the worst in 60 years.

He was widely criticized as overly pessimistic, but the collapse of Lehman Brothers and the worst global financial crisis would soon follow. Several months later, the U.K. Treasury had to rescue HBOS and RBS.

"The banking system came within three hours of collapsing," he said.

Mr. Darling believes the legacy of the crisis lives on. RBS is still a state-owned bank, and he argues that the unpopular fiscal austerity that followed the financial crisis in Britain contributed to support for Brexit, encouraging people to vote against the status quo.

"Nobody would have anticipated that 10 years on we would still be living the consequences," he said.

Wells Fargo Reaches Settlement In Lawsuit

By EMILY GLAZER

Wells Fargo & Co. said it reached a \$480 million preliminary settlement in a securities fraud class-action suit.

The settlement comes at a difficult time for Wells Fargo, which is dealing with multiple investigations and settlements.

Wells Fargo said the amount was fully accrued for as of March 31.

The \$480 million settlement is to resolve a class-action in federal court in the Northern District of California. It is subject to final approval by the court.

Union Investment, a European asset-management firm and the court-appointed lead plaintiff in the lawsuit, alleged that Wells Fargo and certain current and former officers and directors of the bank made false statements and "artificially inflated" Wells Fargo's stock price from February 2014 through September 2016.

The bank said Friday that it denies the claims and allegations in the action and entered into the agreement in principle to avoid the cost and disruption of further litigation."

HSBC Net Declines as Costs Rise

By MARGOT PATRICK

HSBC Holdings PLC's new Chief Executive John Flint got off to a rocky start after costs jumped in the first quarter and a planned \$2 billion share buyback fell short of analysts' expectations.

The bank's shares fell 1% Friday to 714.40 pence (\$9.70).

Operating costs in the first three months rose 13%, or 8% after one-time provisions, outpacing a 3% increase in adjusted revenue.

Net profit was \$3.09 billion, down slightly from \$3.13 billion in first-quarter 2017.

"Given the state of the world at the moment and the opportunities in front of us, there are opportunities for us to invest in growth," Mr. Flint said. "The fact we're investing in the business is a sign of strength."

Mr. Flint, who has been with HSBC since college, became CEO in February after previously heading the bank's retail division and holding other top roles.

On Friday, Mr. Flint said HSBC's current strategy is working but that some tweaks will be announced at or before first-half results in August.

Meeting with reporters after an investor meeting in the previous week, Mr. Flint said the bank can't realistically set any aggressive new financial targets until it meets current ones, such as reaching a 10% return on equity. In 2017, the return was 5.9%. It improved in the first quarter to 7.5%.

The bank on Friday said it would buy back another \$2 billion in shares, adding to buybacks last year. The announcement disappointed some analysts since HSBC said it was likely to be the only one this year. UBS analysts said they had expected \$4 billion in buybacks this year.

FINANCE WATCH

BANKING

Deutsche Bank Will Shut Houston Office

Deutsche Bank AG will close its Houston office and cut around 70 investment-banking jobs primarily focused on advising oil-and-gas companies in the U.S.

Mark Fedorick, Deutsche Bank's head of Americas corporate finance, told employees the move would "rationalize our U.S. oil and gas investment-banking coverage footprint" in a memo sent internally late Thursday and viewed by The Wall Street Journal. A spokeswoman for the German lender confirmed the

contents of the memo.

Deutsche Bank will continue to provide debt financing, cash management and other services to oil-and-gas companies, Mr. Fedorick said in the memo.

The memo didn't specify the number of jobs to be cut, but a person familiar with the bank's plans said it would be around 70. They will almost all be front-office jobs, most of them bankers that advise companies on deals.

The investment bank, which used to be overseen by two executives, is now run by just one, Garth Ritchie. His former co-head, Marcus Schenck, is leaving the bank.

—Jenny Strasburg

CHINA DEBT CRUNCH

Trading Suspended for Manufacturer's Units

A Chinese equipment maker has turned to the local government for help to ease its multibillion-dollar debt burden, the latest example of private businesses feeling the squeeze of Beijing's campaign to control debt.

DunAn Group, which employs around 29,000 people, hasn't been able to raise short-term bonds, putting a strain on liquidity and throwing into question its outstanding debt, according to local media reports.

The reports triggered inqui-

ries by the Shenzhen Stock Exchange, where two of DunAn's units are listed. The units responded in a filing that their parent company was having "short term liquidity problems." Both units suspended trading of their stocks Wednesday.

The media reports put the company's debt at as much as 45 billion yuan (\$7.1 billion).

Both filings said DunAn had asked for help from provincial government agencies and financial institutions, which, they said, had supported the measures adopted by the parent company.

DunAn didn't respond to requests for comment.

—Chao Deng



About 70 jobs in Houston are expected to be cut at the bank.

MARKETS

Argentina Tries Third Rate Hike to Buoy Peso

By RYAN DUBE
AND JULIE WERNAU

Argentina's central bank unexpectedly raised interest rates for the third time in eight days in an attempt to prop up its faltering currency, as the country finds itself once again battling a financial crisis.

The central bank on Friday raised its main interest rate by 6.75 percentage points, following increases of 3 percentage points on Thursday and last Friday. The moves helped stabilize the peso Friday, but with a policy rate now at 40%, the prospects for economic growth are more uncertain.

"In addition to using the interest rate, the [central bank] will continue to use all of its intervention tools in the exchange market," the central bank said. "The monetary authority made these decisions with the objective to prevent disruptive behaviors in the foreign-exchange market as well as guarantee the process of disinflation, and it is ready to act again if necessary."

The total increase of 12.75 percentage points to the policy

rate since last Friday may be enough to stem the depreciation of the peso, Capital Economics said.

On Friday, Argentine bonds steadied, the MSCI Argentina stock index rallied, and the dollar fell 1.8% against the peso.

"Finally, these guys are acting in a way that is meaningful and impactful and will stop the currency run," said Daniel Kerner, managing director for Latin America at risk consultancy Eurasia Group.

The tumult in Argentine markets over the past week serves as a reminder that economies in the developing world with high current-account deficits, a heavy dollar debt burden and runaway inflation remain vulnerable to rising global interest rates.

Argentina, with a long history of lurching from one financial crisis to another, is back in the spotlight 17 years after it defaulted on some \$100 billion of debt, at the time the largest sovereign default in history.

After taking office in late 2015, President Mauricio Macri boosted Wall Street's

confidence in Argentina as he moved to undo 12 years of populist rule that led to double-digit-percentage inflation, the biggest fiscal deficit in three decades, a shortage of dollars and increasing poverty.

From the beginning, unraveling the generous spending policies of Mr. Macri's predecessor, Cristina Kirchner, was a difficult balancing act in a country where no democratically elected, non-Peronist president has finished his term in decades.

Still, he lifted currency controls, eliminated some export taxes, secured oil investments and reached a deal with creditors from the 2001 default that allowed Argentina to return to international financial markets.

In October, Mr. Macri's Let's Change Party won key midterm congressional elections, paving the way for more pro-business policies as the economy expanded 5% from a year ago in February.

But Mr. Macri is facing pressures. Argentines are upset with rising utility bills as he trims subsidies. Powerful unions oppose pension and labor overhauls, which the gov-



MARCOS BRINDICCI/REUTERS

The prospects for economic growth are uncertain with a policy rate at 40%.

ernment delayed this year. In April, support for the government fell to 46%, from 66% in October, according to a University of San Andres poll.

"Honestly, Macri has disappointed me," said Juan Lemes, a 48-year-old nurse in Buenos Aires, pointing to higher water, electricity and gas bills. "If I knew this was going to happen, I wouldn't have voted for him."

Some investors also are losing patience with Mr. Macri, urging his government to speed up overhauls and further cut subsidies and other

public expenditures as inflation remains stubbornly high after finishing last year at 25%.

Some investors lost faith in the independence of the country's central bank when it cut its interest rate in January despite inflation remaining well above its 15% target.

The immediate consequence was a raise in country risk for Argentina. That was the starting point for a process of dollarization of portfolios," said Guillermo Nielsen, a former Argentine finance minister.

Argentina's monetary authority now has little space to reduce its high interest rate, according to economists. The central bank sold close to \$5 billion in reserves last week in a failed attempt to support the peso, a move that, if repeated, could have depleted the country's reserves within two months.

"If the central bank loosens policy prematurely, it could risk triggering a rerun of the current crisis," Capital Economics said.

—Alberto Messer contributed to this article.

Late, Broad-Based Rally Lifts Stocks

By AKANE OTANI
AND JON SINDREU

U.S. stocks jumped Friday, shaving away much of the S&P 500 and Dow Jones Industrial Average's midweek losses but leaving both indexes down for a second consecutive week.

Friday's moves allowed the stock market to end on a high note following a rocky stretch

that included some lukewarm earnings reports and economic data.

Recent reports have pointed to a slowdown in growth across much of the U.S. economy in April, smaller-than-expected job creation and still-sluggish wage growth, which has renewed questions among investors about whether the economy's momentum is slowing.

Still, many investors say they remain relatively optimistic about stocks, citing broadly strong earnings results, as well as signs that central banks will stick to a slow and steady course of interest-rate increases.

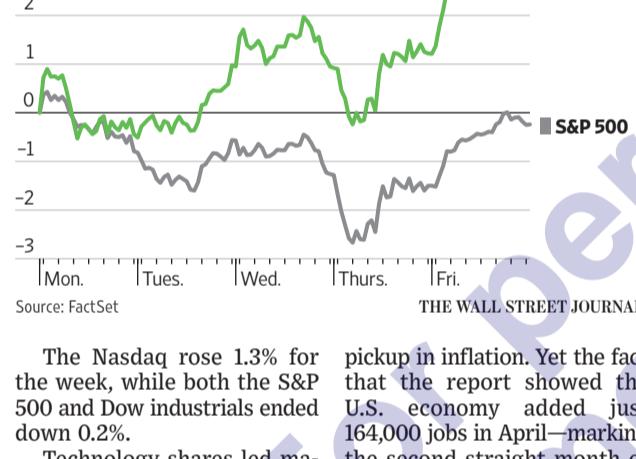
"There are no alarm bells ringing on the inflation front, the [Federal Reserve] is saying it's going to be patient and earnings are strong," said Katie Nixon, chief investment officer at Northern Trust Wealth Management. "We don't think we're close to peak earnings."

The Dow Jones Industrial Average rose 332.36 points, or 1.4%, on Friday to 24262.51, erasing declines after falling as many as 151 points earlier in the session. The S&P 500 added 33.69 points, or 1.3%, to 2663.42, while the Nasdaq Composite climbed 121.47 points, or 1.7%, to 7209.62, lifted by a rally in Apple shares.

Rebound

Gains in technology shares helped the S&P 500 stage an end-of-week surge.

Performance this past week



The Nasdaq rose 1.3% for the week, while both the S&P 500 and Dow industrials ended down 0.2%.

Technology shares led major indexes higher Friday, with Apple jumping \$6.94, or 3.9%, to a fresh closing high of \$183.83 after Berkshire Hathaway Chief Executive Warren Buffett said to CNBC that the company had bought 75 million Apple shares in the first quarter.

Berkshire's class A shares rose 5,549.00, or 1.9%, to 292,600.00 ahead of the firm's annual meeting in Omaha, Neb., over the weekend.

Friday afternoon's broad market rally marked a reversal from earlier in the session, when stocks wobbled following an employment report that offered investors a mixed view of the labor market.

On one hand, the fact that wage growth remained sluggish helped ease investors' fears of a faster-than-expected

pickup in inflation. Yet the fact that the report showed the U.S. economy added just 164,000 jobs in April—marking the second straight month of below-consensus job creation—also raised some questions among analysts.

"Today's report underscores the tug of war in the market:

Earlier drops Friday had followed the jobs report's mixed view of the labor market.

Is the weaker headline number and slight contraction in wages an indication of economic growth slowing, or is it another sign of the labor market reaching full employment," said Quincy Crosby, chief market strategist at Prudential Financial, in an email.

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Yuan Weakness Revives Manipulation Debate

BY SAUMYA VAISHAMPAYAN

based on an official gauge's latest reading on April 27.

That China isn't letting the yuan fall as much against the dollar as the euro or yen suggests Chinese officials are mindful of how their currency policy appears to the Trump administration, said Robin Brooks, chief economist at the Institute of International Finance.

"My own gut [feeling], having watched this a while, is that at the moment, the way they're treating the currency is as a bargaining chip in the negotiations with the Trump administration," Mr. Brooks said.

During his campaign for the presidency, then-candidate Donald Trump frequently criticized China for its currency policy, alleging Beijing had gained an unfair trade advantage by keeping the yuan undervalued. China remains on a watch list that the Treasury Department monitors for possible currency manipulation. The yuan's moves this year have reopened the debate about how China manages its currency.

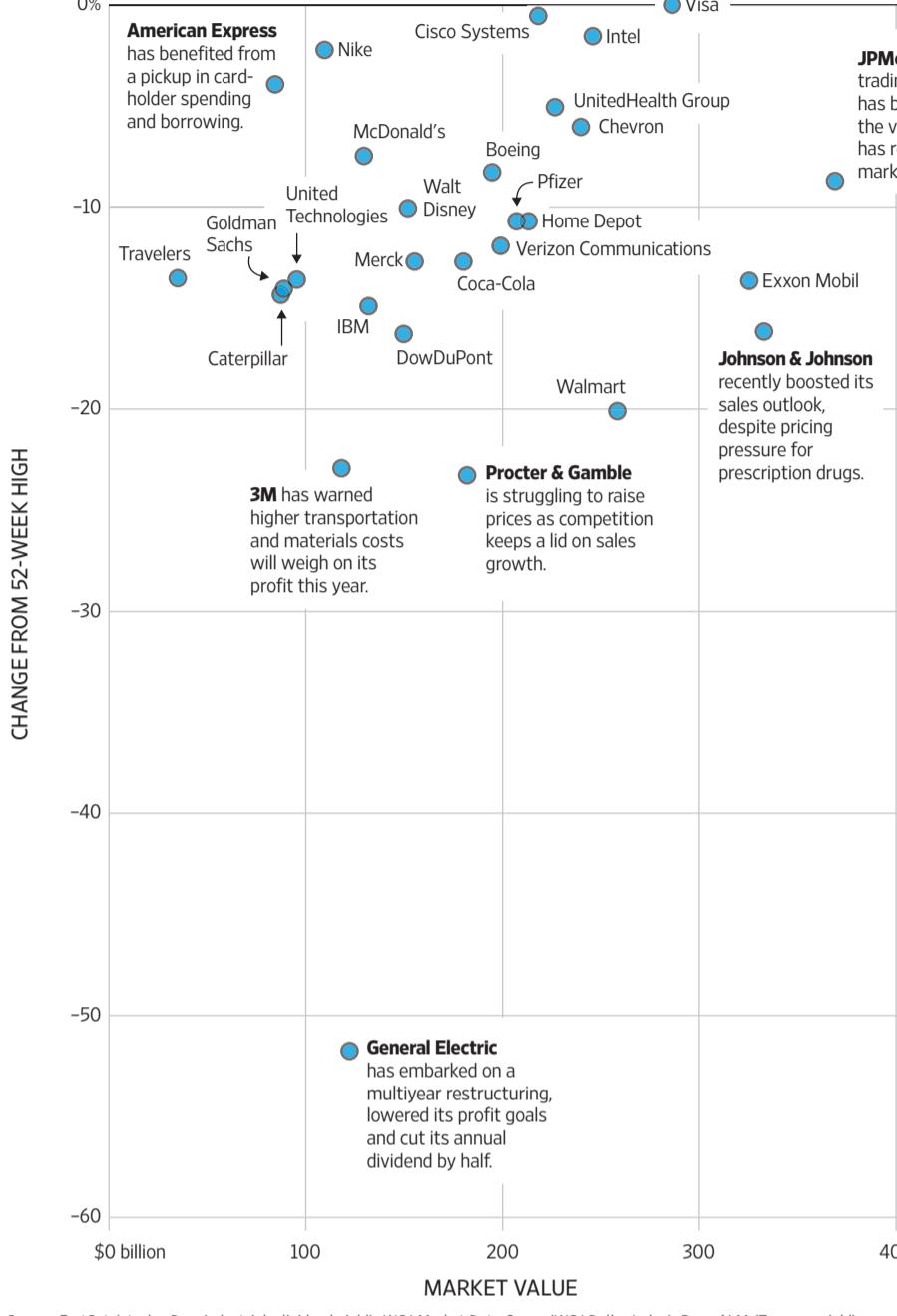
MARKETS

A Tug of War in Markets

The Dow Jones Industrial Average suffered its second consecutive week of declines and is 8.8% below its Jan. 26 all-time high. Stocks have struggled to regain momentum following a string of lukewarm earnings reports and economic data, while a rising dollar and strengthening government-bond yields threaten to diminish their allure.

Dow Jones Industrial Average stocks

By market value and percentage change from 52-week-high share price



Visa and Apple finished Friday's session at all-time highs.

Microsoft's surging cloud business has helped it post strong results.

Apple, the world's most valuable company, plans to buy back an added \$100 billion in stock from investors.

The dollar notched its biggest monthly gain since 2016 in April and has continued climbing in May, boosted by signs that growth in Europe and other regions may be slowing. Those gains could pressure the earnings of U.S. multinationals, whose products become less competitive abroad when the dollar strengthens.

WSJ Dollar Index



The yield on the two-year Treasury note earlier this year topped the dividend yield on the Dow Jones Industrial Average, highlighting the increased appeal of relatively safe government debt to income-seeking investors.

Two-year Treasury and Dow dividend yields



Source: FactSet (stocks, Dow industrials dividend yield); WSJ Market Data Group (WSJ Dollar Index); Ryan ALM (Treasury yield)

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OVERHEARD

Alibaba Will Put Patience To the Test

With growth in its core e-commerce business decelerating, Alibaba Group Holding has splashed cash into new investments. That makes the success of these efforts important, but their payoff is still unclear.

The Chinese company reported Friday a 3% year-over-year drop in operating profit for last quarter—lower than analysts' forecasts, according to S&P Global Market Intelligence—even

though revenue has increased at a better-than-expected 61%. The company's push into "new retail,"

through acquiring brick-and-mortar stores and opening its own, has boosted sales, but weighed down profits because those businesses aren't very profitable. Alibaba also started consolidating Cainiao, its unprofitable logistics subsidiary, in the December quarter. Excluding those, Alibaba's revenue last quarter rose 40%, still impressive but decelerating from previous quarters.

Alibaba's operating margin last quarter was only 15%, the lowest since it was listed in New York in 2014. It was 25% a year ago. And its spending will likely continue to depress margins in the near future. It invested \$2 billion in Lazada, an e-commerce firm in Southeast Asia in March. Last month, it said it would fully acquire Ele.me, a \$9.5 billion online food delivery and services platform.

It is unclear when those investments will generate a profit, if ever. Alibaba's online videos and cloud businesses, for example, have been in the red for years.

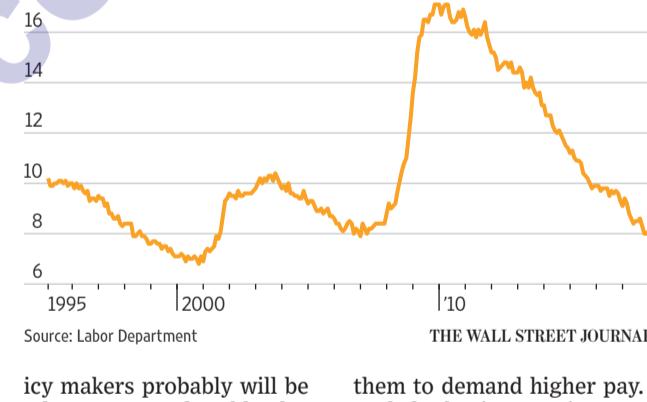
Alibaba can afford to keep splurging cash from its core business. Its investors, however, may need to be patient.

—Jacky Wong

Jobs Figure Drives the Point Home

Everyone Into the Pool

U6 rate of unemployment



THE WALL STREET JOURNAL.

sitting out. The labor-force participation rate—the share of the working-age population that is either in a job or looking for work—slipped to 62.8% from 62.9%.

That is consistent with the view that the lower level of participation relative to a decade ago owes more to factors such as baby boomers reaching retirement than things like worker discouragement. Underscoring that, U6—a broader measure of job-market slack including people who say they want jobs but aren't looking for work and those who say they can't find full-time jobs—declined to 7.8% from 8%, its lowest in nearly 17 years.

Meanwhile, April's gain of 164,000 jobs was more than enough to keep up with an increasing population. As long as companies keep hiring—and, in an expanding economy, they should—the unemployment rate will continue to decline. The job market is going to get tighter still.

—Justin Lahart

"The Mile High City" practically invites bad jokes about actually getting high these days given Colorado's stance on recreational cannabis. That extends even to button-down money managers.

This week's 2018 Forum of the Portfolio Management Institute featured all sorts of arcane insights into markets. One, delivered by David Kelly, chief global strategist at J.P. Morgan Asset & Wealth Management, had some rare props for stock analysts. Analysts have long been criticized for their bad predictions, but by April of any given year their collective view of how much earnings will increase by the end of the year is remarkably accurate.

Unfortunately, that really isn't the case for the following year. For 2019 in particular, they are "smoking a special brand of weed," in Mr. Kelly's assessment. Forecasting 11% earnings growth after this year's 26% leap smells like "Colorado Select," he said.

Apple's Revenue Boost From Google Is Likely to Slow

Tim Cook should consider penning a thank-you note to Google, though it would pain him to do so.

The licensing fees that Google parent Alphabet pays to **Apple** to direct traffic to its search business are kept under tight wraps by both companies. But the fees appear to have played a notable role in the iPhone maker's most recent quarter.

In its quarterly filing on Wednesday, Apple named licensing as the top contributor to the 31% year-over-year jump in services revenue the company reported for its fiscal second period ended March 31. Licensing for Apple includes more than just the money coming from its Silicon Valley rival, though

several analysts believe Google is the most significant contributor to this part of the business.

Whether that kind of growth will continue is another question. Alphabet has told its own investors that it expects growth in the traffic acquisition costs paid to distribution partners, which include Apple, to start slowing this year, at least relative to revenue from this part of the business. That could mean limited future upside for Apple from what is a lucrative revenue stream.

But don't expect either company to shine more light on it. More searches mean more ad revenue for Google. But traffic acquisition costs paid to distribution partners

are a significant expense. Those fees totaled \$2.9 billion for the March quarter, up 61% year over year and the equivalent of 13.2% of revenue from the company's owned properties compared with 10.4% for the same period last year.

Changes in "partner agreements" were cited as a major reason for the jump. Toni Sacconaghi of Bernstein estimates Google paid Apple more than \$3 billion for licensing in 2017, which would be about one-third of Google's distribution traffic acquisition costs for the year. That would also amount to a little under 10% of Apple's total service revenue for the period. But such payments would have a

Tacked On

Revenue and expenditures per calendar quarter*



the Apple Music business average around 15%, but he noted in an interview that Apple's licensing revenues "are almost pure profit."

That is a nice gift for Apple that won't be going away soon, even if the growth seen of late starts to slow. But it is also an uncomfortable reality to acknowledge, given Mr. Cook's frequent criticisms of his Big Tech peers who generate most of their business through online advertising.

Re-minded investors in Apple's earnings call this week that the company makes most of its money on device sales, adding that "you are not our product." At least not directly.

—Dan Gallagher

Constant calls
for impeachment
have become
a curse of
U.S. politics



C3

REVIEW



A history of
fine-tuning—
by an author who
has a passion for
imprecision

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THE NEW SCIENCE OF Psychedelics

Drugs such as LSD and psilocybin may soon revolutionize the treatment of disorders such as depression, anxiety and addiction, writes **Michael Pollan**. They may also hold the key to understanding human consciousness.

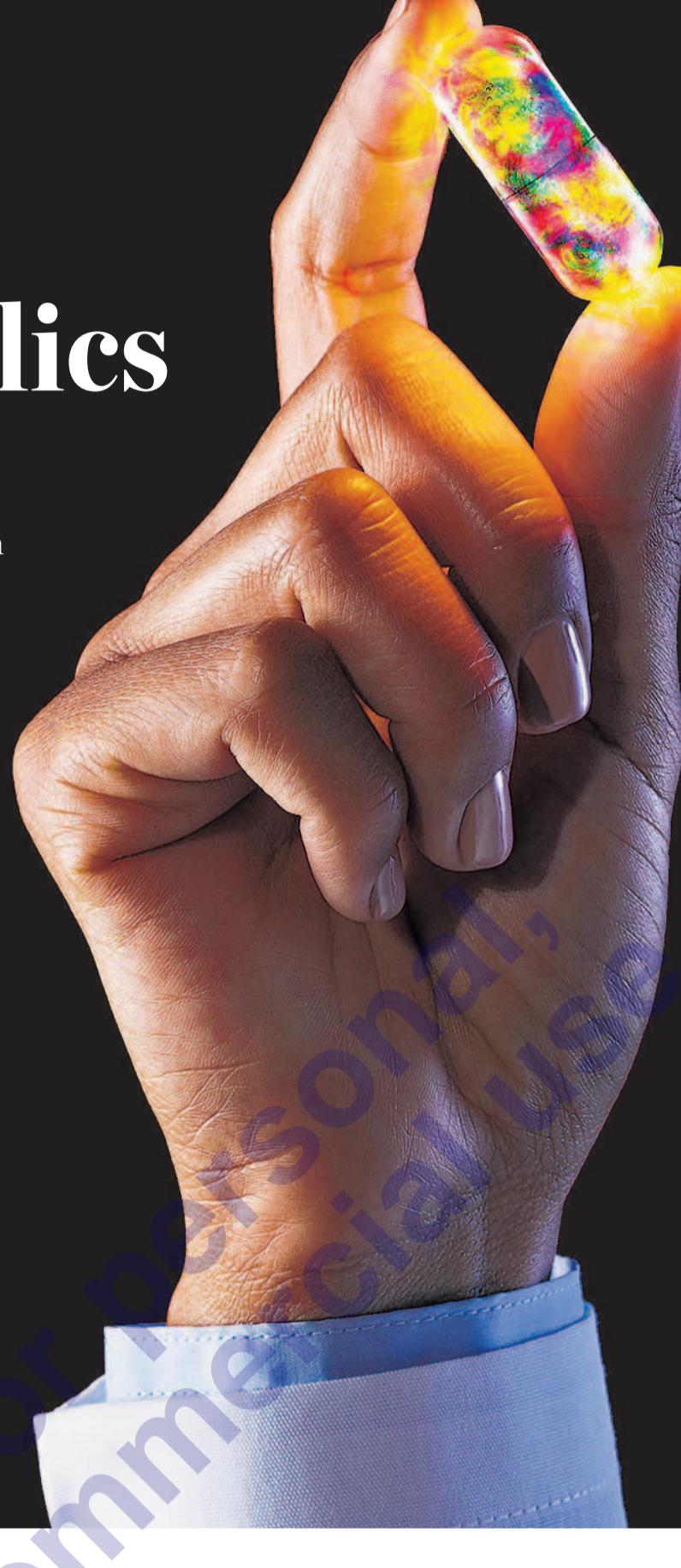
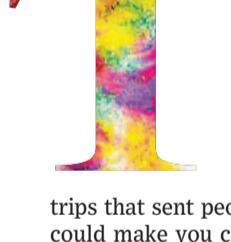


PHOTO ILLUSTRATION BY THE VOYURES



O ANYONE WHO lived through the 1960s, the proposition that psychedelic drugs might have a positive contribution to make to our mental health must sound absurd. Along with hallucinogens like mescaline and psilocybin (that is, magic mushrooms), LSD was often blamed for bad trips that sent people to the psych ward. These drugs could make you crazy.

So how is it possible that, 50 years later, researchers working at institutions such as New York University, Johns Hopkins, UCLA and Imperial College in London are discovering that, when administered in a supportive therapeutic setting, psychedelics can actually make you sane? Or that they may have profound things to teach us about how the mind works, and why it sometimes fails to work?

Recent trials of psilocybin, a close pharmacological cousin to LSD, have demonstrated that a single guided psychedelic session can alleviate depression when drugs like Prozac have failed; can help alcoholics and smokers to break the grip of a lifelong habit; and can help cancer patients deal with their “existential distress” at the prospect of dying. At the same time, studies imaging the brains of people on psychedelics have opened a new window onto the study of consciousness, as well as the nature of the self and spiritual experience. The hoary ‘60s platitude that psyche-

delics would help unlock the secrets of consciousness may turn out not to be so preposterous after all.

The value of psychedelic therapy was first recognized nearly 70 years ago, only to be forgotten when what had been a promising era of research ran headlong into a nationwide moral panic about LSD, beginning around 1965. With a powerful assist from Timothy Leary, the flamboyant Harvard psychology professor, psychedelics had escaped the laboratory, falling into the eager arms of the counterculture. Yet

Work on psychedelics may yield a grand unified theory of mental illness.

in the decade before that there had been 1,000 published studies of LSD, involving 40,000 experimental subjects, and no fewer than six international conferences devoted to what many in the psychiatric community regarded as a wonder drug.

Compared to other psychoactive compounds, these powerful and mysterious molecules were regarded as safe—it’s virtually impossible to overdose on a psychedelic—and non-addictive. Rats in a cage presented with a lever to administer drugs like cocaine and heroin will press it repeatedly, unto death.

LSD? That lever they press only once.

This is not to say that “bad trips” don’t happen; they do, especially when the drugs are used carelessly. People at risk for schizophrenia sometimes have psychotic breaks on psychedelics, and people surely do stupid things under the influence that can get them killed. But the more extreme claims about LSD—that it scrambled users’ chromosomes or induced them to stare at the sun until blind—were debunked long ago.

It wasn’t until the 1990s that a small band of researchers began to unearth what an NYU psychiatrist describes as “a buried body of knowledge” about the therapeutic potential of psychedelics. Perhaps the most promising application of the new drugs was in the treatment of alcoholism. Few people in Alcoholics Anonymous realize that Bill Wilson, the founder, first got sober after a mystical experience he had on a psychedelic administered to him in 1934, or that, in the 1950s, he sought, unsuccessfully, to introduce LSD therapy to AA.

In parts of Canada during the 1950s, psychedelic Please turn to the next page

This essay is adapted from Mr. Pollan’s new book, “How to Change Your Mind: What the New Science of Psychedelics Teaches Us About Consciousness, Dying, Addiction, Depression and Transcendence,” which will be published on May 15 by Penguin Press. His previous books include “Food Rules,” “In Defense of Food” and “The Omnivore’s Dilemma.”

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The teens most desperate for digital status are also the ones most likely to be troubled.

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REVIEW

Drugs to Reboot the Brain

Continued from the prior page

therapy became a standard treatment for alcoholism, and a 2012 meta-analysis of the six best-controlled trials of LSD therapy for alcohol addiction during that period found a "significant beneficial effect on alcohol misuse." Early studies of psychedelics for the treatment of several other indications, notably including depression and anxiety in cancer patients, also showed promise.

These first-wave studies were, by contemporary standards, poorly controlled. That's why many of the early experiments are now being reprised using more rigorous modern methods. The early results are preliminary but encouraging: A pilot study of psilocybin for alcohol dependence conducted at the University of New Mexico found a strong enough effect to warrant a much larger phase 2 trial now under way at NYU.

Another recent pilot study, at Johns Hopkins, looked at the potential of psilocybin to help people quit smoking, one of the hardest addictions to break. The study was tiny and not randomized—all 15 volunteers received two or three doses of psilocybin and knew it. Following what has become the standard protocol in psychedelic therapy, volunteers stretch out on a couch in a room decorated to look like a cozy den, with spiritual knickknacks lining the bookshelves. They wear eyeshades and headphones (playlists typically include classical and modern instrumental works) to encourage an inward journey. Two therapists, a man and a woman, are present for the duration. Typically these "guides" say very little, allowing the journey to take its course, but if the experience turns frightening, they will offer a comforting hand or bit of advice ("trust and let go," is a common refrain).

The results of the pilot study were eye-popping: Six months after their psychedelic session, 80% of the volunteers were confirmed to have quit smoking. At the one-year mark, that figure had fallen to 67%, which is still a better rate of success than the best treatment now available. A much larger study at Hopkins is currently underway.

When I asked volunteers how a psilocybin trip had given them the wherewithal to quit smoking, several described an experience that pulled back the camera on the scene of their lives farther than ever before, giving them a new, more encompassing perspective on their behavior.

"The universe was so great, and there were so many things you could do and see in it that killing yourself seemed like a dumb idea," a woman in her 60s told me. During her journey she grew feathers and flew back in time to witness various scenes in European history; she also died three times, watched her soul rise from her body on a funeral pyre on the Ganges, and found herself "standing on the edge of the universe, witnessing the dawn of creation."

"It put smoking in a whole new context," she said. It "seemed very unimportant; it seemed kind of stupid, to be honest."

Matthew Johnson, the psychologist who directed the study at Hopkins, says that these sorts of "duh moments" are common among his volunteers. Smokers know perfectly well that their habit is unhealthy, disgusting, expensive and unnecessary, but under the influence of psilocybin, that knowledge becomes an unshakable conviction—"something they feel in the gut and the heart." As Dr. Johnson puts it, "These sessions deprive people of the luxury of mindlessness"—our default state and one in which addictions flourish.

Perhaps the most significant new evidence for the therapeutic value of psychedelics arrived in a pair of phase 2 trials (conducted at Johns Hopkins and NYU and published in the *Journal of Psychopharmacology* in 2016) in which a single high dose of psilocybin was administered to cancer patients struggling with depression, anxiety and the fear of death or recurrence. In these rigorous placebo-controlled trials, a total of 80 volunteers embarked on a psychic journey that, in many cases, brought them face to face with their cancer, their fear and their death.

"I saw my fear...located under my ribcage," a woman with ovarian cancer told me. "It wasn't my tumor, it was this black mass. 'Get the f— out,'" she screamed aloud. "And you know what? It was gone!" Years later, her fear hasn't returned. "The cancer is something completely out of my control, but the fear, I realized, is not."

Eighty percent of the Hopkins cancer patients who received psilocybin showed clinically significant reductions in standard measures of anxiety and depression, an effect that endured for at least six months after their session. Results at NYU were similar.

Curiously, the degree to which symptoms decreased in both trials correlated with the intensity of the "mystical experience" that volunteers reported, a common occurrence during a high-dose psychedelic session. Typically described as the dissolution of one's ego followed by a merging of the self with nature or the universe, a mystical experience can permanently shift a person's perspective and priorities. The pivotal role of the mystical experience points to something novel about psychedelic therapy: It depends for its success not strictly on the action of a chemical but on the powerful

psychological experience that the chemical can occasion.

Few if any psychiatric interventions for anxiety and depression have ever demonstrated such dramatic and sustained results. The trials were small and will have to be repeated on a larger scale before the government will consider approving the treatment. But when the researchers brought their data to the FDA last year, the regulators reportedly were sufficiently impressed to ask them to conduct a large phase 3 trial of psilocybin for depression—not just in cancer patients but in the general population.

So how does psychedelic therapy work? And why should the same treatment work for disorders as seemingly different as depression, addiction and anxiety?

When scientists at Imperial College began imaging the brains of people on psilocybin, they were surprised to find that the chemical, which they assumed would boost brain activity, actually reduced it, but in a specific area: the default mode network. This is a brain network involved in a range of "metacognitive" processes, including self-reflection, mental time travel, theory of mind (the ability to imagine mental states in others) and the generation of narratives about ourselves that help to create the sense of having a stable self over time.

The default mode network is most active when our minds are least engaged in a task—hence "default mode." It is where our minds go when they wander or ruminate. The Imperial scientists found that when volunteers reported an experience of ego dissolution, the fMRI scans of their brains showed a precipitous drop in activity in the default mode network, suggesting that this network may be the seat of the ego.

One way to think about the ego is as a mental construct that performs certain functions on our behalf. Chief among these are maintaining the boundary between the conscious and unconscious realms of the mind as well as the boundary between self and other.

So what happens when these boundaries fade or disappear under the influence of psychedelics? Our ego defenses relax, allowing unconscious material and emotions to enter our awareness and also for us to feel less separate and more connected—to other people, to nature or to the universe. And in fact a renewed sense of connection is precisely what volunteers in the various trials for addiction, depression and cancer anxiety trials have all reported.

This points to what may be the most exciting reason to pursue the new science of psychedelics: the possibility that it may yield a grand unified theory of mental illnesses, or at least of those common disorders that psychedelics show promise in alleviating: depression, addiction, anxiety and obsession. All these disorders involve uncontrollable and endlessly repeating loops of rumination that gradually shade out reality and fray our connections to other people and the natural world. The ego becomes hyperactive, even tyrannical, enforcing rigid habits of thought and behavior—habits that the psychedelic experience, by loosening the ego's grip, could help us to break.

That power to disrupt mental habits and "lubricate cognition" is what Robin Carhart-Harris, the neuroscientist at Imperial College who scanned the brains of volunteers on psychedelics, sees as the key therapeutic value of the drugs. The brain is a hierarchical system, with the default mode network at the top, serving as what he variously calls "the orchestra conductor" or "corporate executive" or "capital city."

But as important as it is to keep order in such complex system, a brain can suffer from an excess of order too. Depression, anxiety, obsession and the cravings of addiction could be how it feels to have a brain that has become excessively rigid or fixed in its pathways and linkages—a brain with more order than is good for it.

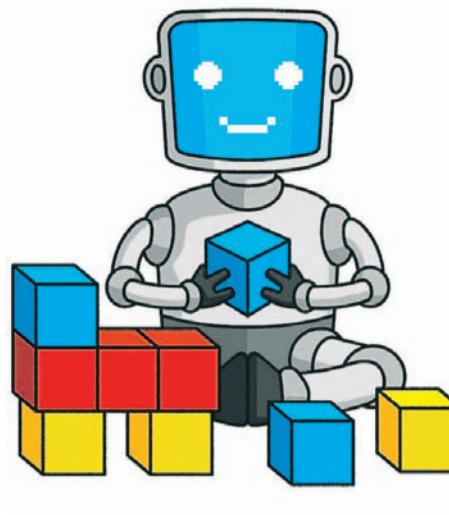
Dr. Carhart-Harris suggests that, by taking the default mode network offline for a period of time, psychedelics can, in effect, "reboot" the brain, jog it out of its accustomed grooves and open a space for new pathways to arise. His lab has made maps of the brain's traffic patterns on psychedelics showing that, when the default mode network is quieted, myriad new connections spring up in the brain, linking far-flung areas that don't ordinarily talk to one another directly.

The value of such an experience is surely not limited to the mentally ill. There are rich implications here for what one psychedelic researcher calls "the betterment of well people." Who doesn't sometimes feel stuck in destructive habits of thought? Or couldn't benefit from the mental reboot that a powerful experience of awe can deliver?

One of the lessons of the new research is that not just mental illness but garden-variety unhappiness may owe something to living under the harsh rule of an ego that, whatever its value, walls us off from our emotions, from other people and from nature. "For the moment," wrote Aldous Huxley, describing his own psychedelic journey in 1954, "that interfering neurotic who, in waking hours, tries to run the show, was blessedly out of the way."



NEUROSCIENTIST Robin Carhart-Harris suggests that psychedelics can open a space in the brain for new pathways to arise.



MIND & MATTER: ALISON GOPNIK

Curiosity Is a New Power in Artificial Intelligence

SUDDENLY, computers can do things that seemed impossible not so many years ago, from mastering the game of Go and acing Atari games to translating text and recognizing images. The secret is that these programs learn from experience. The great artificial-intelligence boom depends on learning, and children are the best learners in the universe. So computer scientists are starting to look to children for inspiration.

Everybody knows that young children are insatiably curious, but I and other researchers in the field of cognitive development, such as Laura Schulz at the Massachusetts Institute of Technology, are beginning to show just how that curiosity works. Taking off from these studies, the computer scientists Deepak Pathak and Pukit Agrawal have worked with others at my school, the University of California, Berkeley, to demonstrate that curiosity can help computers to learn, too.

One of the most common ways that machines learn is through reinforcement. The computer keeps track of when a particular action leads to a reward—like a higher score in a videogame or a winning position in Go. The machine tries to repeat rewarding sequences of actions and to avoid less-rewarding ones.

This technique still has trouble, however, with even simple videogames such as Super Mario Bros.—a game that children can master easily. One problem is that before you can score, you need to figure out the basics of how Super Mario works—the players. Simply trying to maximize your score won't help you learn these general principles. Instead, you have to go out and explore the Super Mario universe.

Another problem with reinforcement learning is that programs can get stuck trying the same successful strategy over and over, instead of risking something new. Most of the time, a new strategy won't work better, but occasionally it will turn out to be much more effective than the tried-and-true one. You also need to explore to find that out.

The same

holds for real life, of course. When I get a new smartphone, I use something like reinforcement learning: I try to get it to do specific things that I've done many

times before, like call someone up. (How old school is that!) If the call gets made, I stop there. When I give the phone to my 4-year-old granddaughter, she wildly swipes and pokes until she has discovered functions that I didn't even suspect were there. But how can you build that kind of curiosity into a computer?

Drs. Pathak and Agrawal have designed a program to use curiosity in mastering videogames. It has two crucial features to do just that. First, instead of just getting rewards for a higher score, it's also rewarded for being wrong. The program tries to predict what the screen will look like shortly after it makes a new move. If the prediction is right, the program won't make that move again—it's the same old same old. But if the prediction is wrong, the program will make the move again, trying to get more information. The machine is always driven to try new things and explore possibilities.

Another feature of the new program is focus. It doesn't pay attention to every unexpected pixel anywhere on the screen. Instead, it concentrates on the parts of the screen that can influence its actions, like the columns or walls in Mario's path. Again, this is a lot like a child trying out every new action she can think of with a toy and taking note of what happens, even as she ignores mysterious things happening in the grown-up world. The new program does much better than the standard reinforcement-learning algorithms.

Super Mario is still a very limited world compared with the rich, unexpected, unpredictable real world that every 4-year-old has to master. But if artificial intelligence is really going to compete with natural intelligence, more childlike insatiable curiosity may help.

REVIEW



The Danger of Impeachment Talk

Calls to remove a president have become a permanent feature of our politics, making it harder to achieve if truly needed

BY LAURENCE TRIBE
AND JOSHUA MATZ

THE 2016 presidential election was the first campaign in American history marked by credible threats of impeachment against whoever won. This was partly because both Donald Trump and Hillary Clinton had long been shadowed by charges of corruption, criminality and conspiracy. But it also reflected a more unnerving development: the emergence of a permanent presidential impeachment campaign.

Since the failed effort to oust President Bill Clinton two decades ago, calls to remove the president have become standard fare in American politics. In a stark break from the past, a whole generation has come to view impeachment talk as an ordinary feature of our partisan civil war, in which nothing is sacred and the Constitution has been weaponized.

This degradation of presidential impeach-

ment is dangerous. It has trapped the American people in a massive "boy-who-cried-wolf" dilemma. It has turbocharged the forces of partisan dysfunction and democratic decline. And most perversely, it has left presidents freer to abuse their power. To reverse this damaging shift, we must all find our way to a more rational understanding of impeachment's appropriate role in our constitutional order.

You wouldn't know it from watching cable news today, but impeachment played a marginal role for most of American history. Despite quixotic calls to remove a few early presidents, savvy politicians soon realized that impeachment was "little better than a tale to amuse, like Utopia, or Swift's flying island," as Sen. George Bibb of Kentucky remarked after the Senate voted to censure President Andrew Jackson in 1834. Assembling a majority of the House to impeach, and two-thirds of the Senate to convict, was simply too difficult in a world of organized political parties (which the Constitution's fram-

ers did not anticipate).

An even more wary view of the removal power emerged after 1868, when the Senate narrowly acquitted President Andrew Johnson on articles of impeachment. Although Johnson's overt campaign to sabotage Congress's plan for Reconstruction would have provided legitimate grounds for his removal, it soon became fashionable to condemn his trial as hopelessly partisan. To many, the impeachment power seemed tarnished and disreputable.

So things stood for over a century. Impeachment was banished to the political hinterlands, where it became the province of cranks, radicals and angry mobs. With only a handful of fleeting exceptions, respectable politicians avoided the subject.

Then came President Richard Nixon, who brought impeachment roaring back to life and ultimately resigned in 1974 to avoid it. The Watergate scandal and its aftermath were traumatic for the country, however. For two decades afterward, references to impeachment remained rare. The subject briefly surfaced over President Ronald Reagan's role in the Iran-Contra scandal, and President George H.W. Bush faced a frivolous call for impeachment after he launched the Persian Gulf War. But even amid intense disagreements, partisan threats to oust the president were largely out of bounds.

The impeachment of Bill Clinton broke that dam. In 1998, Republicans sought his removal for perjury and obstruction of justice relating

Will Trump's foes suffer for focusing on impeachment?

to investigations of his extramarital sexual relationships. Born of partisan spite in the House, and rejected on partisan lines in the Senate, the case against Mr. Clinton accelerated the most poisonous trends in our political system. During the administrations of Presidents George W. Bush and Barack Obama, their most aggressive foes invoked impeachment to inflame their political bases and to signal unyielding opposition. Allies of Messrs. Bush and Obama, in turn, used these threats to raise funds and condemn the other party as extreme. Six years into each presidency, over 30% of the public supported impeachment.

By 2016, a coterie of journalists, political operatives and elected officials had spent nearly two decades mastering the strategy and rhetoric of the permanent impeachment campaign. Calls for impeachment, and outraged condemnations of them, were now firmly established in our polarized political debate. It was no great surprise to hear politicians discuss their plans to impeach Mr. Trump or Mrs. Clinton before either had been elected, let alone sworn into office.

The impeachment power exists to save our democracy from tyranny and corruption, but it can fulfill this noble constitutional purpose only if it is taken seriously. When calls to impeach the president are played on repeat for years, they lose their punch. That is where we find ourselves today.

President Trump's political opponents are quick to frame their disagreements with him in terms of impeachment. His supporters, in turn, are quick to dismiss even legitimate discussion of presidential wrongdoing as a partisan conspiracy. With our senses dulled by a surfeit of impeachment talk, the nation may find it especially difficult to remove a tyrannical president when doing so is truly necessary.

Don't get us wrong: Sometimes impeachment talk is essential. When a president approaches the outer limits of his power, inspires doubt concerning his mental fitness or adopts bizarre positions on matters of great importance, demands for his removal can function as an early warning system. They can also generate corrective political energies and invigorate other constitutional checks and balances. There are even times when impeachment hearings or full-blown proceedings are called for. Although key facts remain shrouded, it's possible that Mr. Trump has created those circumstances.

But the steady barrage of impeachment talk from both parties has pushed our politics toward destabilizing extremes. Some of the president's opponents seem to view every skirmish as a battle in their war to depose a tyrant, while some of his allies treat every rebuke as a threat to his survival. Because the stakes are so high, fixating on impeachment reinforces our most harmful tribal tendencies.

Unrestrained impeachment rhetoric may even make it easier for a president to abuse his power. As threats of removal motivate a president's base to rally around him, he may worry less about political pushback from his own ranks. And as some Democrats have warned, the president's opponents may suffer at the polls if they are seen as standing only for the negative step of impeachment.

Since the late 1990s, the permanent impeachment campaign has done great harm to our politics. It's time to restore a saner and more reflective view of the impeachment power. The fate of our democracy may depend on it.

Mr. Tribe is the Carl M. Loeb University Professor and professor of constitutional law at Harvard. Mr. Matz is a constitutional lawyer in Washington, D.C. This essay is adapted from their new book, "To End a Presidency: The Power of Impeachment," which will be published on May 15 by Basic Books.

WE'VE GOT TO STOP MEETING LIKE THIS

BY PRIYA PARKER

DO YOU SPEND many of your days staring across a table at co-workers, wishing that you were elsewhere? Meetings, off-sites, conferences, launches, presentations, group calls—gatherings are what organizations do. The problem is that too many of these events are an ineffective use of people's time.

But it doesn't have to be this way. A few small changes can have an enormous effect on how people feel about meetings, how they interact at them and what they take away. Some years ago, as part of my advisory work, I set out to learn the secrets of the most transformative gatherings. I interviewed dozens of organizers—including a choreographer from Cirque du Soleil, a Japanese tea ceremony master, a director of an Arab-Israeli summer camp and a conference curator—to understand how they create galvanizing, generative moments. Here are a few of those lessons:

Set the stage. Whether it's your weekly meeting or your annual off-site, the culture of a gathering takes shape early, often well before the

event. Give your gathering a fresh, specific name. Is it a sales meeting, or a How to Crush It This Quarter Meeting? Language and tone give people cues about what to expect.

And try to prime attendees for any special expectations right from the outset. If you are planning a session on mentorship in your firm and you need people to show up with their guards down, send out an email ahead of time that includes real, heartfelt testimonials from three senior leaders sharing specific examples of how a mentor helped them.

Let everyone see and be seen. In high-pressure environments, people often want to get right to business. Many surgeons, for instance, want to start operating immediately, skipping over formalities like introducing themselves to their team. Yet a study published in the New England Journal of Medicine a decade ago found that when surgical teams took time to do such things as greeting each other and sharing their concerns about what might go wrong, the likelihood of complications and deaths fell by 35%.

Your meeting may not have life-or-death stakes, but it's still helpful for



everyone to see who's in the room and to know why. Set a norm that everyone in attendance is supposed to be there and has an equal right to speak. For meetings of 10 or fewer, give everyone a chance to address the whole room early on, by sharing their name and perhaps some personal information relevant to the business at hand. When a global health-care company that a friend of mine worked with hosted a meeting to review a maternal mortality initiative, the organizers asked each of the participants to share one unexpected thing about their own mothers.

Issue pop-up rules. Creative or even amusing rules that apply to a

particular event can change how people interact and what they create. Consulting for a company in Asia, I found that executives were calling clients during the breaks in an all-day meeting, re-entering the meeting late and disrupting everyone. So I instituted a rule: Anyone coming back late had to do 10 push-ups on the spot. It was a stunt, but the bigger point was to encourage the executives to start taking their obligations to their colleagues as seriously as they took their duties to their clients.

Cause good controversy. One of the biggest problems with business meetings is that all the risk has been wrung out of them. The responsible

harnessing of good controversy—handling with care the hot-button issues that we prefer to avoid—is one of the most difficult and important duties of a leader. But good controversy rarely happens organically. It needs to be engineered.

A few years ago, I facilitated a gathering for an architecture firm that needed to make a tough long-term choice: to remain a traditional creator of buildings, or to change its focus to "experience design," that is, how people navigate through a space. But the firm's culture was so polite that no one would debate the issue. So I set up a cage match: We threw towels around two architects and asked them to argue each side. Everyone else had to choose their preferred side. This helped the firm get closer to a decision. It also helped the team see how a peace-at-all-costs culture made them ambivalent, and how learning to be more (respectfully) argumentative could be healthy.

In the end, changing the way a company gathers can go beyond just that meeting or event. It can help change the larger culture: If it can be done in one gathering, why not across the whole enterprise?

Ms. Parker is the founder of Thrive Labs, an advisory firm, and author of "The Art of Gathering: How We Meet and Why It Matters," to be published by Riverhead on May 15.

REVIEW



**WORD ON
THE STREET:**
BEN ZIMMER

Tariff: From Arab Trade's Bygone Days

EARLIER THIS WEEK, President Donald Trump averted a trade war with the European Union—at least for now—by delaying his decision to impose broad tariffs on steel and aluminum imports that were supposed to go into effect on May 1. As the trade wrangling continues, tariffs will continue to dominate the headlines.

We owe the word “tariff” to trade relations around the Mediterranean Sea, particularly the interchange between Arab and European merchants going back to ancient times. Thanks to the extensive trade networks of Islamic dynasties—such as the Cairo-based Fatimid empire, active in the Mediterranean in the 10th through the 12th centuries—many terms relating to commerce entered European languages from Arabic.

Arab approaches to bookkeeping were also introduced via the Mediterranean trade, bringing in arithmetical terms to record financial transactions. The word “zero,” for instance, is based on an Italian rendering of the Arabic word “sifr.” (The same Arabic root became “cipher” along another etymological route.)

“Tariff” followed a similar path, originating with the Arabic “ta’rif,” meaning “information” or “notification,” from the verb “arafa,” meaning “to make known.” What Arab traders were making known by using this word was a list of fees on goods entering the port of a foreign country. By the mid-14th century, such a list was identified with the word “tariffa” in a Sicilian source. (A popular story claims the

Lincoln called himself ‘an old Henry Clay tariff Whig.’

Give Processed Food a Break

Modern food technology creates some abominations, but it also gives us better nutrition and variety and less waste

BY NICOLA TEMPLE

IN THIS AGE of culinary enlightenment, consumers are asking more questions than ever about what we eat. Many of us want food that comes with edifying stories—organic farming, sustainable fishing, artisanal cheesemaking—and shun the processed products of the global food industry.

But we should reconsider our disdain for processed food, not least because it’s impractical. In most countries including the U.S., people now get more of their calories from packaged foods than from fresh, as the market research firm Euromonitor recently found. The issue today isn’t a simple yes or no to processed food. Rather, it’s what kind of processing we should accept and what kind we should reject.

Processing food—that is, altering it from its natural form—has gotten a bad rap for some good reasons. Our supermarket aisles provide ample evidence of the problems with advanced food technology: fillers and chemical treatments that can alter the nature of foods, additives and colorings suspected of contributing to cancer risks, nutrition-free snacks that contribute to the growing problems of obesity and diabetes. The food industry has given us many reasons for distrust. But processed foods are key to our modern lives, and they can make nutritious meals more affordable and widely available.

Our relationship with processed food goes back to the beginning of human history. Our earliest ancestors pounded otherwise inedible tubers with rocks and sliced meat with primitive tools—processing methods that are credited with beginning the trend in our evolution toward smaller teeth and jaws and bigger brains. We spend only 5% of our day chewing our food, while our closest primate relatives, chimpanzees, spend 37% of their day that way, according to a 2011 study.

Processed food also has changed our DNA. Because we turned animal milk into butter, yogurt and cheese as early as 9,000 years ago, a significant portion of modern humans carry a genetic mutation that enables them to digest milk into adulthood. This trait is unique among mammals and carries significant nutritional advantages.

More recently, processing has brought huge benefits to human health. In the 19th century, soldiers and seamen were just as likely to die from malnutrition as from battle, until canning was developed by the French chef Nicholas Appert. The prevalence of diseases related to nutrient deficiency has led to the mandatory fortification of processed foods such as salt and wheat. Now the quest for more sustainable sources of protein and more awareness of animal welfare are driving the effort to develop “clean meat”—lab-cultured protein that doesn’t require the slaughter of animals.

Modern-day foods are processed for a variety of reasons: to allow them to last longer and get

shipped farther, to make them more convenient to cook and eat, to reduce waste, to enhance nutrition, to improve their cosmetic appeal, to mask inferior ingredients and to lower costs and/or increase profits. Most of these reasons have both pluses and minuses.

Perhaps the greatest spur to processing has been the desire for affordable, convenient food. A half-century ago, American households spent an average of 2.4 hours a day preparing their food; now they spend around 30 minutes. A big reason for this shift is the prevalence of what



Frozen meals are often more nutritious than homemade ones.

Americans get more than half their calories from packaged food.

the industry calls “ready meals”—chilled or frozen dinners, ranging from pizzas and stuffed pastas to entire plates with side dishes arrayed around meat or fish.

These products allow unscrupulous manufacturers to hide cheaper, lower-quality ingredients, but they are also where vegetables considered too ugly to be sold fresh get used, thus reducing waste. Ready meals also can be relatively healthy: A 2012 study led by researchers at Newcastle University looked at 100 such items and found that, though falling short of nutritional standards, they had lower calorie counts, less saturated fat and more fiber than 100 popular recipes for home cooking by leading U.K. chefs.

In fact, there’s a nutritional case for frozen food generally over fresh. Vegetables and fruit destined for flash freezing are picked when they’re ripe, while fresh produce is usually picked underripe and artificially ripened closer to the point of sale. Produce starts to degrade the moment it is picked, and the “fresh” peas or tomatoes that have been traveling for a week are often less good for you than their frozen ver-

sions. After 10 days, fresh green beans, for example, have little more than half the vitamin C of green beans frozen for 90 days, according to a 2014 study in the *Journal of Agricultural and Food Chemistry*.

Which leads us to preservation. I am not a fan of the preservatives used to improve the shelf life of bread products: I firmly believe that bread should go stale within days. But my family is fond of tortilla wraps; it’s our standard lunchbox fare. One morning, I decided to make my own. They were beautiful—soft, warm and imperfectly round. But by lunch time, they were hard enough to scrape paint off a wall.

Commercial tortilla wraps contain a humectant, an additive that attracts water and keeps them lovely and soft for days. Most wrap manufacturers use glycerol—a compound also used in, among other things, anti-freeze and the production of nitroglycerin. But we shouldn’t freak out about glycerol: It’s a simple molecule that forms the foundation of all plant and animal fats. I still don’t want preservatives in my bread, but I embrace the humectant in my wraps.

Vegetables present a similar conundrum, pitting freshness against preservation and convenience. Consider leafy vegetables, which immediately start to respire faster once they are cut. When kale is chopped, for instance, its respiration rate increases by 88%. The leaf quickly loses water and uses up stored sugars, causing it to wilt; released enzymes start to cause browning.

So what explains those lovely packaged, fresh-cut leaves in the supermarket? To limit microbial growth, companies must wash them one or more times with a disinfectant such as a chlorine solution or ozone added to water to label them as pre-washed, according to FDA guidelines. (Even those labeled “unwashed” are washed in water at least once.)

Processed meals also help to reduce waste. Someone might buy all the raw ingredients to make a homemade lasagna and salad but then use only a portion of them.

Unless you’re adept at refrigerator management, those extra ingredients are likely just to sit and degrade until you throw them out. Less food would have been lost with a ready-made lasagna and salad bag.

All sorts of chemical shenanigans go on with modern foods, but we need to see them in perspective. People have been processing milk into cheese for thousands of years, using natural enzymes to break down the protein and fats. An array of compounds contribute to the aroma and flavor. By the early 1900s, cheese manufacturers had figured out what bacterial cultures and enzymes could speed up the conversion. They can now create the illusion of maturity in a fraction of the time with the same organisms, enzymes and amino acids—just intensified.

Educating ourselves about food must include a better understanding of processed foods. I’m teaching my 10-year-old son how to grow edibles in our small garden and prepare them in the kitchen. But when he moves out on his own some day, I know that he’ll turn to prepared meals for some of his nutrition. I’d be remiss not to teach him to navigate this market wisely.

Ms. Temple is a biologist and science writer. This essay is adapted from her new book “Best Before: The Evolution and Future of Processed Food,” published by Bloomsbury Sigma.

word comes from the name of the Spanish port town Tarifa, which charged fees to merchants during Moorish times, but most etymologists discount that explanation.)

“Tariffa” took hold in Italian through the trading activities of maritime republics such as Venice and Genoa, and other Romance languages followed suit, with “tarifa” entering Spanish and Portuguese and “tarif” entering French. The word first made its appearance in English in the late 16th century, originally mimicking the Italian “tariffa” before the spelling settled as “tariff.”

Early on, the word could refer to a table of numbers used to facilitate calculations (also known as a “ready reckoner”), but the trading sense was the meaning that won out. Over time, “tariff” could refer not just to a list of duties on imported and exported goods, but also to any particular item in such an accounting of duties levied by a government.

“Tariff” has been an important term in U.S. politics since the start, beginning with the Tariff Act of 1789, which helped pay off the Revolutionary War debt by taxing imports. It was known as the “Hamilton Tariff” after Treasury secretary Alexander Hamilton, who advocated a protectionist approach to U.S. trade. Henry Clay and the Whig Party later championed tariffs, and Abraham Lincoln once wrote that he got his start in politics as “an old Henry Clay tariff Whig.”

The word has worked its way into international treaties, notably the 1947 General Agreement on Tariffs and Trade, or GATT. It was replaced in the 1990s by the World Trade Organization, which has similarly sought to reduce tariffs and other trade barriers.

Thanks to Mr. Trump, tariffs are a hot topic once again. The Federal Reserve’s business survey known as the “Beige Book” mentioned the word “tariff” 36 times in its April report, compared with no mentions the month before.

Answers
to the News Quiz on page C13:

1.A, 2.D, 3.A, 4.C, 5.D, 6.C, 7.D, 8.A, 9.B

BOOKS

THE WALL STREET JOURNAL.

Saturday/Sunday, May 5 - 6, 2018 | C5

Two Cheers for Exactitude

For Simon Winchester, the pursuit of precision is a breathtaking adventure, though precision itself is a bore

The Perfectionists

By Simon Winchester
Harper, 395 pages, \$29.99

BY DAVA SOBEL

SIMON WINCHESTER'S new book, "The Perfectionists: How Precision Engineers Created the Modern World," is a tale of many triumphs, but the telling of it leaves the author dispirited. Having surveyed the progress of exactness by narrating a grand, informed sweep from the steam engines of the 18th century to today's automated assembly of microscopic computer chips, he ends up longing for a lost and less precise world.

Mr. Winchester has shown himself an engaging raconteur in 29 previous books, most notably his 1998 best seller "The Professor and the Madman," about the creation of the Oxford English Dictionary. That account and its 2003 sequel, "The Meaning of Everything," forged an ideal match between subject and author, for the Oxford-educated Mr. Winchester possesses an enviable, capacious vocabulary. His delight in words cannot be bridled, so that even "The Perfectionists," which is, after all, a nonfiction treatment of technology, brims with amusing and rare nouns such as *bagatelle*, *bijoux*, *cynosure*, *seraglio* and *susurrus*. These whirr smoothly alongside the argot of the machine shop—*chamfered*, *mandrel*, *ratchet*, *worm gear*—and the graduated prefixes of precision measurement, from *deci* and *milli* on down to the ever tinier *nano*, *pico*, *femto*, *zepto* and *yocto*.

Mr. Winchester covers more than 200 years of fine-tuning in this work, and corrals a large cast of eccentric individuals. He revives the likes of Joseph Bramah, who advanced public hygiene in London by building water closets with his own patented "system of flaps and a float and valves and pipes that made the device both self-cleansing (flushing, indeed, for the first time) and free from the usual risk of freezing in winter that created unpleasant results for all." Bramah later conceived the hydraulic press, a primitive fountain pen, the beer engine and the means for sequentially numbering banknotes, among other achievements. Eli Whitney, typically lauded as the inventor of the cotton gin, is here unmasked as a "confidence man, trickster, fraud, charlatan."



CLOCKWORK UNIVERSE The Orloj, a 15th-century astronomical clock in the old town square of Prague.

The idea for "The Perfectionists" came to Mr. Winchester from a stranger, apparently a fan, via email message: "It was headed simply 'A Suggestion,' and its first paragraph (of three) started without frill or demur: 'Why not write a book on the History of Precision?'"

The topic resonated with Mr. Winchester. His father, Bernard Austin William Winchester (1921-2011), had enjoyed a long career as a precision

rig to predetermined coordinates in the North Sea, using charts and a radio navigation system called Decca. Although strong currents caused Mr. Winchester to set the contraption down some 200 feet from the target, "the knowledge that I had once helped locate a nine-thousand-ton drilling rig over a Permian salt dome in the heaving middle of an ocean, and had managed to do so with sufficient accuracy to create a flowing gas

off its target. Yes, it drilled, it hit gas, it was a success, but that two hundred feet—that distance bothers me every time I think about it. It was inaccurate. It was imprecise."

These two reflections on the same incident—one full of pride, the other of regret—signal Mr. Winchester's underlying ambivalence about his chosen subject matter. Precision is touted as a good thing, even a crucial thing, in chapters detailing the dramatic repair of the Hubble Space Telescope, for example, and the exciting recent detections of gravitational waves by the twin LIGO installations, which Mr. Winchester justifiably describes as the "most precise measuring instruments ever built by human agency," each one a "cathedral . . . to the worship of ultraprecision." Nevertheless, Mr. Winchester avers, "Philosophically, morally, psychologically, intellectually, and—dare one say it—spiritually, there are troubling aspects to humankind's ever-greater reliance on devices and techniques of ever-enhanced precision."

Personally, Mr. Winchester professes a preference, even a passion, for the imprecise. His chatty asides reveal the fact that he lives in an old farmhouse and owns many old clocks,

"most of them eight-day clocks, five of which need winding every Sunday morning," a ritual he conducts with a pocket watch, "a Ball railroad watch wound daily and which keeps to about ten seconds a week." These treasured timepieces "are often anything but accurate." On his wrist he wears a Rolex Explorer, a self-winding paragon of mechanical craftsmanship that is less precise than far less costly quartz watches. He admits "a lifetime loyalty to 35mm film and format." And he works in a painstakingly reconstructed "old timber-framed barn, a one-time granary built in upstate New York back in the 1820s. It was a tumbledown ruin when I bought it, and so I had its posts and beams trucked down to where I live, in a remote hamlet in the hills of western Massachusetts, and saw it rebuilt there in the summer of 2002."

Not all parts of the book fit precisely together. Mr. Winchester inserts many footnotes (appearing every few pages in some chapters) that supply all sorts of ancillary information: a line of poetry, a bit of historical background, a fine point of definition, an amusing factlet. But the footnotes are just as likely to contain

Please turn to page C6

A spirited history of man's quest for ever more precise tools, from binoculars to space telescopes, from the sextant to the GPS—and a lament for what's been lost in the shift from analog to digital.

engineer, and is lovingly remembered on the book's dedication page as "a most meticulous man." What's more, the author started his own working life as a petroleum geologist charged with pinpointing underwater stores of fossil fuel. In one of the many personal anecdotes peppering these pages, he recalls the March day in 1967 that found him on the bridge of a tugboat, towing a \$10 million drill

well, stayed with me for many years."

The recollected incident nicely sets up the chapter about today's more precise method of way-finding, the Global Positioning System. After describing the genesis and operation of GPS, Mr. Winchester reprises the tugboat episode, this time with a different sentiment: "Half a century on, it still rankles that I put that oil rig down in the ocean two hundred feet

singer Eddie Fisher: "Your father couldn't carry a rhythm. He had no rhythm." When Paul Simon, in turn, sought relationship advice from his father-in-law, Eddie Fisher smugly replied: "Who told you to fall in love with an actress?"

Still more disturbing is Mr. Hilburn's account of Mr. Simon's behavior in South Africa during an ANC-approved concert tour in January 1992. Apartheid had just been abolished, and certain black radical groups—those that argued the African National Congress wasn't moving aggressively enough against their former oppressors—used Mr. Simon's concerts to their own political ends. They picketed with placards reading "Liberation First, Entertainment Second" and "Simon Go Home." ("It's not Paul Simon we're after," one protester told the Los Angeles Times. "He's just been caught in the realignment of political forces.") Mr. Simon invited leaders of the protests to meet with him, and then scheduled a press conference to announce their peaceful resolution of differences. But one youngster used this media gathering as an opportunity to denounce Mr. Simon in harsh words. In the aftermath, Mr. Simon invited the protesters back to the hotel where, in the presence of his 19-year-old son, he "grabbed one of the leaders and pushed him hard against the wall," shouting in his face: "Don't you ever make me into a f—ing liar again!"

Most biographers would be tempted to use these incidents to psychoanalyze Paul Simon, probing for inner traumas and deep-seated neuroses. Mr. Hilburn avoids this to an

Please turn to page C6

The Fighter Still Remains

Paul Simon: The Life

By Robert Hilburn
Simon & Schuster, 439 pages, \$30

BY TED GIOIA

I'VE BEEN LISTENING to Paul Simon's music since I was 12. I know the songs by heart, but I still find the man behind them an enigma. Instead of using songs to confess the turmoil of his inner life—so common among his generation of singer-songwriters—Mr. Simon has used them, like a poet or dramatist, to strut a series of mysterious personae across the stage of his multifaceted albums.

He might start a tune in the first person ("I am just a poor boy . . ."), but then shift to an unexpected third-person narrative about a bruised boxer. Or he will use a song to give shady characters named Roy and Jack advice on ingenious ways of leaving their respective lovers. In other inscrutable one-of-a-kind tunes, he introduces himself with "You can call me Al" or "I am a rock."

Who is this peculiar man?

In the latter song, he adds some less-than-helpful details. "I've built walls, a fortress deep and mighty that none may penetrate." And then later: "I have no need of friendship, friendship causes pain . . . I am a rock."

Now Robert Hilburn comes to the rescue with a plan to crack open the rock in this up-to-date and scrupulously researched biography. The timing is perfect. Mr. Simon recently announced his retirement from touring. He may not be done with music mak-

ing, but this is a good occasion to reassess a career that started more than 60 years ago and has weathered enough changes in pop music to validate Mr. Simon's boasts of rock permanence.

Mr. Hilburn shows us that Mr. Simon's skill at adopting musical disguises started early in life. In 1957, when he was just 16, Paul and his boyhood friend Art Garfunkel got a recording contract with Big Records (don't be fooled by the name—the label was actually small). The duo enjoyed a taste of fame under the name Tom & Jerry. Adopting the persona of "Jerry Landis," Newark-born Paul Simon used his appearance on

The conflict Simon creates with his collaborators is the price he pays to reach his artistic potential.

Dick Clark's "American Bandstand" TV show to tell the world that he hailed from Macon, Ga.

It wasn't really a lie. More an assertion of the imagination—the same type of artistic disguise that Mr. Simon's fans would come to love in his many hit songs.

Mr. Simon was still a teenager when he broke up with Mr. Garfunkel for the first, but far from the last, time. But when they reunited in the mid-1960s, they skyrocketed to the top of the pop music world with a string of hits that started with "The Sound of Silence," a folk-pop ballad that reached no. 1 on the Billboard chart at the be-

ginning of 1966. But "Mrs. Robinson" (1968) and "Bridge Over Troubled Water" (1970) were even bigger, selling millions of records and defining a generation and a zeitgeist.

In one of the recurring ironies of

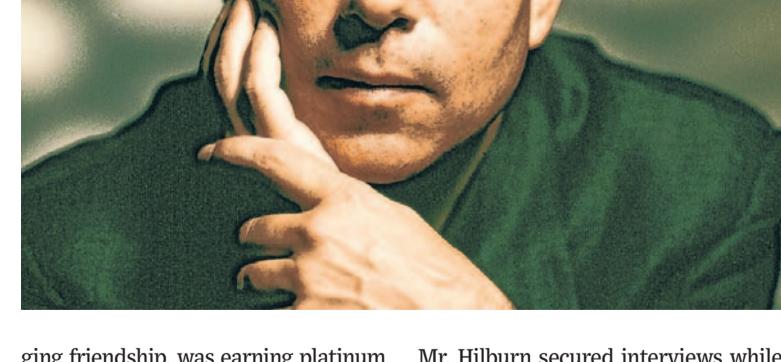
Mr. Simon's career, his relationship with Mr. Garfunkel hit the skids even as the latter song, a paean to unflag-

ging friendship, was earning platinum status. Mr. Hilburn didn't interview Mr. Garfunkel for this biography—one of the few unfortunate gaps in his otherwise thorough investigations. But he works hard to share both sides of the story in a contentious relationship with almost as many breakups as the "50 ways to leave your lover" enumerated in a famous Simon song.

Mr. Hilburn secured interviews while they were still around.

Even with all this help, he can only offer glimpses into a well-hidden private life. Some of the revelations here are small, but still shocking. Carrie Fisher claims that the first comment she ever heard from father-in-law Lou Simon, even before "Hello," was an insult directed at her dad, the pop

DEBORAH FEINGOLD/CORBIS VIA GETTY IMAGES



BOOKS

'Clouds always tell a true story, but one which is difficult to read.' —Ralph Abercromby

Chasing Monsters

The Man Who Caught the Storm

By Brantley Hargrove

Simon & Schuster, 295 pages, \$26

BY MARK YOST

AMERICANS, IT SEEMS, are obsessed with the weather, whether it's across town or across the country: torrential rains that result in "500-year floods"; snowstorms that close cities and major highways; and, over the next few months, tornadoes so devastating and unpredictable that they can destroy entire city blocks and yet leave an adjacent neighborhood untouched.

Tim Samaras was one of those weather obsessives. Growing up in suburban Denver, he watched storm systems pass overhead on their way to becoming tornadoes on the Great Plains. As a teenager, he started chasing these systems, his hobby eventually becoming a lifelong passion, earning him a regular spot on the television show "Storm Chasers" and no doubt inspiring a whole new generation of weather fanatics. He seemed to have an innate ability to predict the path of a tornado, allowing him to record some of the best data ever captured on these deadly storms.

Samaras died at the age of 55 on May 31, 2013, chasing a storm just west of Oklahoma City, in the heart of Tornado Alley. The one that killed him—as well as his 24-year-old son Paul and fellow storm chaser Carl Young—turned out to be the widest ever recorded, expanding from approximately 1 mile across to 2.6 miles in about 30 seconds. It caught the veteran adventurers off-guard and whipped their Chevy Cobalt around in a subvortex, one of the deadliest kinds of tornadoes there is, with winds near 300 mph.

Samaras's story is told well in "The Man Who Caught the Storm" by Brantley Hargrove, himself a storm chaser and journalist. In researching the book, Mr. Hargrove not only spent time with Samaras's immediate and weather-chasing family but followed in many of Samaras's footsteps. In a bit of foreshadowing early in the book, Mr. Hargrove recounts a July 21, 1993, excursion south of Lindon, Colo., a small farming community about halfway between Denver and the Kansas border. "Tim isn't a newbie—not is he an old hand yet—but his forecast today is as spot-on as a professional's. And like a pro, he knows well enough to give this one a wide berth. Getting too close to a rain-wrapped tornado is



TWISTER Tim Samaras near Manchester, S.D., in June 2003.

a bit like piloting a dinghy into a blind fog. Usually, the craft sails through without incident. But there's always a chance that the dinghy takes the bow of an oil tanker broadside."

That's also exactly how it started the day Samaras was killed. But before we get to that, Mr. Hargrove weaves a tale with just enough background, just enough science and just enough adventure to keep us reading. He describes how Samaras had an early interest in electronics, first taking apart broken appliances his father found, then ham radios—another Samaras hobby. Following high school, he worked for the University of Denver Research Institute and the defense contractor Applied Research Associates—which did blast testing for the military—and was recognized by the National Transportation Safety Board for his investigative work on the crash of TWA Flight 800, which went down off the coast of New York in 1996. At the time, storm-chasing technology was still rudimentary. Ever the inveterate tinkerer, Samaras would apply to his early storm analysis everything he learned at work, including the use of high-speed cameras during blast tests, to help advance his hobby.

For much of Samaras's storm-chasing career, the Holy Grail was to record data from inside a tornado. Not only was there much debate about what should be measured and how the measuring instruments should be de-

signed, but there was wide disagreement over how to get the instruments inside a storm. Samaras inevitably knocked heads with scientists, seeing flaws in their designs. He ended up building his own instruments, which he called probes.

On June 24, 2003, outside Manchester, S.D., Samaras's tinkering paid off. In a narrative that often reads like a thriller, we learn how, over the course of an afternoon, Samaras played cat and mouse with a fast-moving storm. "After gaining

In the end, Samaras's uncanny ability to predict the path of a tornado cost him his life.

some distance," Mr. Hargrove writes, "Tim plants a new probe he has outfitted with cameras. His white socks are pulled high over mud-splattered calves, and his dark hair is wet and matted against his forehead... Suddenly the tornado curves northwest, toward the caravan." Samaras plants his probe with little time to spare and speeds away from the fast-approaching tornado. Once the storm passes, Samaras returns to the probes, driving through "a freshly destroyed farmstead" and past "a

flattened farm truck, the cab shorn flush with the dash panel. Tree-root boluses the size of tractor tires are upturned and naked." In a scene straight out of the 1996 film "Twister," a movie based in part on Samaras's exploits, he and some of his fellow storm chasers are still debating the intensity of the tornado they just witnessed—was it an EF-4? An EF-5?—when he looks down at his intact probe and says, with a grin, "well, I can certainly tell you." His probe, placed a mere 82 seconds ahead of the storm, captured the biggest drop in atmospheric pressure and the lowest pressure at the Earth's surface ever recorded.

By the time he arrives in El Reno, Okla., in May 2013, Samaras is already a minor celebrity and a well-funded professional. He is also a different storm chaser than he was near Lindon 20 years before. "He's spent so much time in the presence of violent storms that the old pang of fear has dulled," Mr. Hargrove writes. "And while he has often said that nothing scares him more than the tornado he can't see, he and Carl have penetrated the rain before not knowing what awaited them on the other side." This time, what's waiting on the other side is their ultimate undoing. But not before they change tornado forecasting forever, for the better.

Mr. Yost is a writer in New York.

Paul Simon

Continued from page C5

almost extreme degree. Even Mr. Simon's long history of nightmares is hardly mentioned in these pages. I am no fan of gossipy books about celebrities, but I wish our author had pushed harder to get behind the facade and tell us not just what Mr. Simon says, but what fuels his many fires.

Mr. Hilburn makes up for this by offering insights into the artist's creative process. Mr. Simon is often described as a great songwriter, but Mr. Hilburn grasps that his career longevity required a gradual shift from writing tunes to shaping elaborately constructed recordings. He quotes keyboardist Barry Beckett, who played on several of Mr. Simon's hit records and aptly explains: "He goes for attitude, then groove, and then color." In time, Mr. Simon would show his mastery of all three ingredients.

Some of the best sections of this book go behind the scenes at key recording sessions. Mr. Hilburn describes how percussionist Hal Blaine got that amazing drum sound on "The Boxer"—it sounds like a cannon firing!—by using the resonance of an empty elevator shaft. He tells of Mr. Simon recording funky music in the back of a record store in Crowley, La., where the artist has gone in search of the perfect zydeco accordion sound. We follow along as Mr. Simon expands his knowledge of African and Latin music, and gradually becomes more daring with sampling, multitracking and all the tricks of the studio trade.

I grew more sympathetic with Paul Simon the deeper I got into this book. I saw how his stubbornness and willingness to provoke conflict were the price he needed to pay to reach his own artistic potential. And I also decided that he wasn't really hiding in his songs, but rather using them to reach a kind of transcendence that his real life could hardly achieve, given these inevitable conflicts.

Paul Simon's own life has been filled with troubled waters, but his music offered a bridge to all of us. He promised us beautiful resolutions—a "mother and child reunion" or "days of miracle and wonder." Who else besides Mr. Simon could reimagine Graceland as an actual moment of grace through rock 'n' roll? And then he shared that grace with us. That's quite a life, even if only in the grooves of a record.

Mr. Gioia writes on music, literature and pop culture. His next book, "Music: A Subversive History," will be published next year.

The Pursuit of Engineering Perfection

Continued from page C5

pertinent material that could have, should have been incorporated into the main body of the text rather than relegated to a dozen or more lines of tiny type. In no case do the footnotes indicate the author's sources of information, though these must have been many and varied.

A clever device in the construction of "The Perfectionists" is the statement of a tolerance number on the title page of each chapter. Tolerance, as Mr. Winchester defines it in the prologue, is the allowable variation in a machine part that guarantees it will "fit with another equally finely machined piece" for the smooth operation of the whole assembly. These tolerance numbers begin at chapter one with 0.1, or about 1/10th of an inch, which defines the important degree of uniform exactness wrought by John Wilkinson, often called "the father of true precision," on the cylinders of James Watt's early steam engines.

The tolerance number narrows to 0.0001 in chapter two with the advent of machines for making burglar-proof door locks. By chapter nine, following the perfectly flat surfaces of Henry Maudslay, the standardized screws of Joseph Whitworth and the motor cars of Henry Royce and Henry Ford, to name a few of precision engineering's heroes, tolerance has been shaved to an amount so minuscule that the number 1 is preceded by a decimal point and 34 zeroes.

The shrinking signifies big advances. And yet the final chapter, the 10th, offers no quantitative expression of tolerance. Its first sentence reads, in its entirety, "And yet."

Here Mr. Winchester recoils from machine precision with a remorse reminiscent of Victor Frankenstein's. "The ever-increasing degree of precision that defines so many of the perfectly ordinary items that now sur-

round us—and which is supposedly of such vital importance to the pursuers of today's scientific truths—prompts a cascade of philosophical questions." Pondering them prompts Mr. Winchester to revisit Japan, land of the bullet train and the Seiko wristwatch, a country, he argues, whose residents can "hold dear the two ideas"—precision and imprecision, perfection and imperfection—"simultaneously, and yet retain, at all levels of society, a keen ability to function." There is even, he says, a Japanese term, *wabi-sabi*, for "an aesthetic sensibility wherein asymmetry and roughness and imperfection are accorded every bit as much weight as are the exact, the immaculate, and the precise."

The culture-specific label bolsters his argument, though Mr. Winchester's own stance suggests one need not be Japanese to grok *wabi-sabi*.

While in Japan, Mr. Winchester visits a town destroyed by the earthquake and tsunami of March 2011. Most of the population of Minamisanriku survived by fleeing to the safety of hilltops, where they watched ships, cars and buildings variously "wrecked... tossed like chaff... torn apart and twisted and left to rust." The things that weathered the catastrophe were the bamboo forests. Thus the chapter ends with a paean to bamboo and a sigh of regret for "humankind more

generally, obsessed and impressed today with the perceived worth of the finely finished edge and the perfectly spherical bearing and by degrees of flatness that are not known outside the world of the engineer." If we fail to accept the equal value of the natural order, the author warns, falter, none shall survive—no matter how precise."

This dismal conclusion seems justified, given that we humans have increased our number to the peril of every life form on the planet, and now face a climate catastrophe of our own creation. But is precision per se to blame? Surely greed, heedlessness and warmongering have played their parts. As Mr. Winchester concedes,

John Wilkinson fixed the flaw in James Watt's steam engine via lessons learned from machining boreholes in heavy artillery, and the first implement to boast truly interchangeable parts was the flintlock musket. Likewise in the development of the jet engine, "it was war that provided the spur."

Mr. Winchester arrived at a similarly bitter end in his 2008 book "The Man Who Loved China," which chronicles the British biochemist and sinologist Joseph Needham (1900-95) and his incomparable lifework, the multi-volume "Science and Civilization in China." After describing the protagonist's travels in that country and years of scholarship at Cambridge, Mr. Winchester took a first-hand look at the city of Chongqing, which had been Needham's base. There the biographer noted the grim divide between porters struggling to earn a dollar a day and wealthy new elites paying \$100 a night for entrance fees at entertainment clubs, all coexisting under the world's most polluted skies and producing tons of

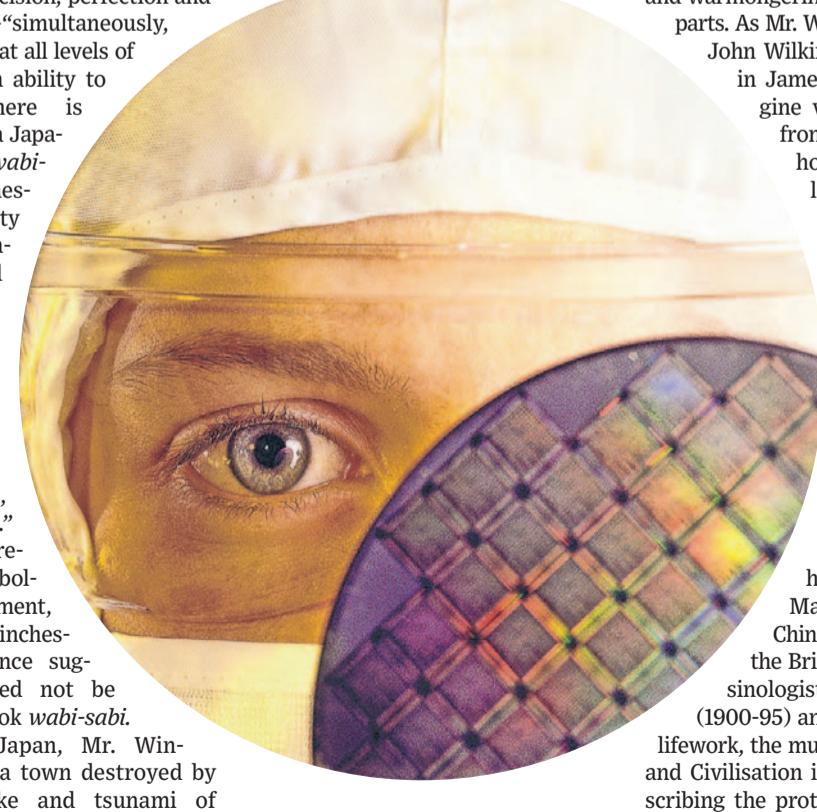
garbage per hour to be buried on the outskirts of town.

When Mr. Winchester wonders toward the close of "The Perfectionists" whether "a wish for perfection" is "truly an essential to modern health and happiness, a necessary component of our very being," and whether we are wise to "worship and revere and give thanks to all those of the past—Wilkinson, Bramah, Maudslay, [William] Shockley, and their like—for blessing us with their notion of the need for endlessly improving exactitude," he seems to regret the whole project, and perhaps wishes he'd never heeded that stranger's suggestion to write a history of precision.

One might have hoped, based on the excitement and enthusiasm expressed in the subtitle and throughout the text, that achieving the pinnacle of precision would provide the means to build a future world with big improvements on the modern one.

A hint of this brighter prospect glimmers in the interesting afterword that Mr. Winchester appends about metrology, the science of measurement. Here he offers a brief history of standard units such as the meter and the kilogram. The process cheers him considerably, as it allows him to recount a few more really good stories, and also to explain how today's metrologists eschew physical objects as referents in favor of naturally occurring phenomena, namely the speed of light and the frequencies of atomic oscillations—the "duration by which, fundamentally, we measure everything that we make and use, and which in turn helps establish for us with unfailing exactitude the precision that allows the modern world to function."

Ms. Sobel is the author of "Longitude," "Galileo's Daughter" and, most recently, "The Glass Universe."



FAB Producing silicon wafers for computer microchips requires an almost unreal degree of precision.

"then nature will in time overrun, and the green strands of jungle grass—and yes, the green strands of young bamboo—will eventually enfold and enwrap all the inventions that we make.... Before the imprecision of the natural world, all will

BOOKS

'All diplomacy is a continuation of war by other means.' —Zhou Enlai

The Man Who 'Lost' China

The China Mission

By Daniel Kurtz-Phelan

Norton, 476 pages, \$28.95

BY JAMES D. HORNFISCHER

HERE ARE SOME things no one ever says about Gen. George C. Marshall today: That he was vain, dull, a bungler. That he was guilty of "criminal folly" in his handling of foreign affairs. That he was not only disloyal to his country but also part of "a conspiracy so immense and an infamy so black as to dwarf any previous venture in the history of man."

These dumbfounding slanders, delivered by Joseph McCarthy on the floor of the Senate in the summer of 1951, are well and deservedly forgotten. But they reflected the tremors of their time, after the United Nations "police action" in Korea had spun beyond control, engulfing U.S.-led forces in a massive ground war with China—the same China that less than a decade earlier had been a U.S. ally.

What had Marshall, the now almost universally admired U.S. Army chief of staff who had contributed so much to victory in World War II, supposedly done wrong? He had dared and failed in something grand. In December 1945, he went to China as a special envoy of President Harry Truman in an attempt to broker peace between Chiang Kai-shek's governing Nationalists and Mao Zedong's insurgent Communists. In the end, though striving mightily, Marshall failed. As Mao drove Chiang and his forces to Taiwan and unified the mainland under Communist tyranny, his good name back home fell into a snake pit of paranoiac partisanship.

In "The China Mission," Daniel Kurtz-Phelan, the executive editor of Foreign Affairs, skillfully tells the story of Marshall's quixotic and forlorn diplomatic initiative. Deeply researched and written with verve, the book ought to be read by any U.S. foreign-policy maker practicing diplomacy in Asia.

For a time, it seemed that Gen. Marshall had united China and ended Mao's Communist insurgency.

Marshall's oft-forgotten experience in Asia has been covered before, notably in Forrest C. Pogue's four-volume life (1963-87). But Mr. Kurtz-Phelan has performed a service in reviving this important episode with such aplomb, rigor and pace.

Three days before Christmas 1945, Marshall arrived at a small stone bungalow in Chongqing to begin a series of parleys aimed at ending 18 years of civil war. After an eight-year hiatus following the Japanese invasion in 1937, the conflict had resumed with a vengeance.

While there was idealism in Marshall's heart—he was gravely concerned about the famine confronting ordinary Chinese people—power politics justified the effort too. Without a strong, unified China, Washington calculated, the Soviet Union could assert control of Manchuria, which it was already infiltrating and pillaging for industrial capital and infrastructure. Truman and Marshall believed a negotiated peace could serve American interests at home and abroad. Yet the American people in 1946 had little patience for expensive foreign projects.

Doggedly pushing through thickets of disagreement, Marshall won a quick cease-fire pact between Chiang and Mao's emissary, Zhou Enlai. Chiang had come to the table because his extermination campaign against Communist forces failed once they retreated into China's hinterlands. Though Mao professed to be a "Soviet pupil," Stalin had humbled him, signing a peace treaty with Chiang's government.

On Jan. 22 Marshall handed Chiang a draft bill of rights, a procedure for a constitution and a plan for interim coalition government. He followed this up by securing an understanding to unify the rival Chinese armies under Chiang's national leadership. "Marshall had achieved what even cynics were calling a miracle," Mr. Kurtz-Phelan writes.

Praising him breathlessly were not only American journalists, who believed peace in their time was finally at hand, but his Chinese hosts as well. Chiang's emissary called Marshall the midwife of unification, the leading strategist of the world and an ambassador of peace. Thus the American general departed



PARLEY Gen. George C. Marshall being welcomed by Nationalist leader Chiang Kai-shek and his wife, 1946.

Mao's headquarters on March 5, 1946, flattered and hopeful.

But a stronger geopolitical tide was rising. On that very same day, British Prime Minister Winston Churchill gave his "Iron Curtain" speech in Missouri. America had already resolved to contain Soviet Communism, of course. And the previous June, the U.S. War Department had concluded that the "Chinese Communists are Communists," in league with the movement directed from the Kremlin.

The three-man "truce teams" dispatched throughout China to effect the cease-fire soon encountered difficulty. Both Chinese sides considered the negotiations a stratagem for improving their position on the battlefield before the peace terms froze the lines in place. The cease-fire provided a rationale to press disputes that kept the fighting going.

Mr. Kurtz-Phelan's brisk narrative handles all this as a compelling drama. He adeptly paints his characters as more than mere avatars of political positions. Zhou was polished and gracious, a talented actor and dissembler who had become a communist in Paris, where he learned to debate with the best the Sorbonne had to offer. With a "personality full of mobility," he engaged Marshall with relish about "Lincoln's spirit of freedom and Washington's spirit of independence." One of Marshall's aides thought Zhou "could run General Motors."

Mao himself needed the talents of Zhou in order to play Marshall, for the Communist leader was by his own admission emotional, arrogant and quick to point fingers. Mao's strength was his mystical sense of himself and a massively ambitious ego fueled by the resentments of his upbringing.

Marshall emerges in "The China Mission" as a figure of considerable sympathy. Mr. Kurtz-Phelan shows him as a devout public servant, a consummate professional and a sincere idealist who relied upon the good faith of all with whom he dealt. He could command a room yet conveyed "abject humility." His Olympian calm coexisted with what the author calls "a reputation for truth-telling, for an almost insolent integrity in rooms of yes-men." He was less a battlefield leader than a superlative organization man. In World War I he had spoken truth to power—to Gen. John Pershing, who promptly made Marshall his aide. In World War II, his talents had helped defeat Hitler and Hirohito. But the problem of China, in the end, was beyond him.

His warm personal relationships with Chiang and Zhou did not seem to matter. Culture was part of it—at every turn, the American was desperate to make a deal. But the Chinese civil war had a momentum, a ruthlessness, all its own. The talents that made Marshall an effective leader in Allied war councils doomed him to failure with his cynical Chinese counterparts. "Each side overplayed its hand when momentum seemed to be in its favor and them came back to negotiate when the momentum had shifted, at which point the other side was no longer interested," the author writes.

Before Marshall knew it, American troops stationed in China to oversee an orderly repatriation of Japanese troops were caught in the rekindled civil war. Marshall pressed on nonetheless. Unable to parse the murky

relationship between Mao and Stalin, he gambled on good faith, hoping for the best. An honest broker trapped in a wicked game, Marshall was in the end whipsawed by cultural and political forces beyond his ken.

By November 1946, Marshall was all but finished. More than two-thirds of his truce teams had been recalled to headquarters for reasons of their safety. With Truman's domestic poll numbers in the tank, the midterm elections saw a Republican sweep of Congress. Marshall flew back to Honolulu two months later, never to return.

His failure inadvertently offered up America as a scapegoat for the continuing misery of ordinary Chinese. The Communists exploited it

to the hilt. Chiang, meanwhile, believing that Republicans were more sympathetic to him, was counting on the 1948 presidential vote to save his cause. But his reading of U.S. politics was no keener than Marshall's reading of China's. With a fatal overconfidence, and poor counsel, Chiang saw his Nationalist forces stretched thin, too heavily outfitted to pursue Mao's guerrillas into the hills. The same day Chiang's armies finally lost Manchuria, Truman won a close re-election.

Chiang's collapse produced an opening for McCarthyites in Washington to push back against Marshall's idealism. The general returned home to vicious gossip. "There have been

rumblings and rumors around Washington to the effect that you have been taken in by the Chinese Communists," his colleague Gen. Albert C. Wedemeyer told him.

The Marshall Mission was, by any standard, a failure. The 13 months of frenetic negotiation led to all-out war, and a Communist government in Beijing that vexes America to this day. The question is whether it had any chance of succeeding at all. After World War II, with the U.S. carrying out a massive demobilization (Truman preferred the term "disintegration"), failure was probably foreordained. Mr. Kurtz-Phelan's book is valuable for its reminder that diplomacy is futile when it is backed only by the frail regiment of hope.

When a chastened Marshall, as Truman's secretary of state, turned his attention to Europe, he found that change and peace were possible in war-torn regions of the world. The success of the Marshall Plan was a godsend for the ravaged continent and a boon for America too. But U.S. largesse toward Europe summoned forth hungry supplicants around the world. When Chiang's ambassador in Washington said there should be a Marshall Plan for China—his chorus of supporters posited the existence of a racist double standard—Marshall could only laugh. Mr. Kurtz-Phelan does so right along with him. "Predictions by American diplomats and journalists that the Chinese Communists would turn into mere 'agrarian democrats' proved laughable." Mao's victory made it possible for Stalin to approve North Korea's invasion of South Korea.

We know how the movie ends: the Communists in control by 1949, Chiang defeated and exiled to Taiwan, a customer of American arms. After Moscow tested a hydrogen bomb and war broke out on the Korean peninsula, the Cold War hit full stride.

Mr. Hornfischer, the author of "The Fleet at Flood Tide," is at work on a history of the U.S. Navy in the Cold War.

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BOOKS

'To lose confidence in one's body is to lose confidence in oneself.' —Simone de Beauvoir

Bodies in Question

Victorians Undone

By Kathryn Hughes

Johns Hopkins, 414 pages, \$29.95

BY ELIZABETH LOWRY

A BEARD, IT SEEMS, is never just a beard. In his 50s, Charles Darwin cultivated an untrimmed one, with lavish side whiskers, supposedly because his wife Emma wanted him to. Dickens sported a neat "doorknocker," as it was known at the time, which disguised his receding chin. Edward Lear's prolifically curly facial hair was meant to soften what he thought of as his extreme ugliness, while the aging Tennyson's notorious "dirty monk" look curtained his collapsed mouth.

In her wildly readable "Victorians Undone," British critic Kathryn Hughes combs these "beard-growing dramas" for what they can tell us about 19th-century attitudes to the body, and our history as human animals. Not just beards: stomachs, hands, mouths—all, she shows us, offer tactile clues to the period that has done so much to shape our own.

So why did Darwin cultivate that beard? The ground-breaking naturalist first considered the attractions, and hazards, of beard-wearing as a young researcher calling at Tierra del Fuego on the Beagle. While Darwin and his fellow European travelers felt, as he went on to write in "The Descent of Man," "the greatest pride in their beards," he was alarmed to find that the Fuegians thought facial hair so disgusting that they had promptly set about depilating the chin of the missionary sent to evangelize them by plucking out his whiskers one by one, using mussel shells as tweezers. Unlike Mrs. Darwin, their women folk remained unconverted pugnophobes. Could it be, Darwin speculated, that "our male ape-like progenitors acquired their beards as an ornament to charm or excite the opposite sex," and that rather than being ordained by God ("another enthusiastic beard-wearer," remarks Ms. Hughes) our ideas of beauty are culturally relative? Darwin later backed away from the provocative notion that the female of the species was in charge of the process of sexual selection and never came to a firm conclusion about the role beards played in the business of human desire, but Ms. Hughes suggests a more convincing reason for Emma Darwin's pogonophilia. Her husband suffered from severe facial eczema: Her demand that Charles should give his razor a rest was most likely driven by concern for his rash, rather than her libido.

BOOKS

'A cook in the kitchen is surrounded by generations of cooks past, the advice and menus of cooks present, the wisdom of cookbook writers.' —Laurie Colwin

Treating Life as a Feast

The Graham Kerr Cookbook

By Graham Kerr

Rizzoli, 319 pages, \$32.50

BY CHRISTOPHER KIMBALL

I MET GRAHAM KERR in the late 1980s. Tall, animated, bearded, kilted and ever-charming, Mr. Kerr told me the story of his conversion to healthier eating and a simpler lifestyle. He had been hired to cook on a luxury yacht in the Mediterranean and, in a lightning-strike moment, had reimagined his life, which he would now devote to helping others—including his wife, who had survived a heart attack. He referred to his new style of cooking as “minimax”—minimal animal fats and maximum flavor.

The reissue of his classic “The Graham Kerr Cookbook” predates his conversion to the vegetable kingdom; the book, originally published in 1966, is red in tooth and claw. And—let’s get this out of the way quickly—the recipes are time capsules, but not necessarily the type one exults in opening. Think tinned clams for spaghetti vongole, white sauces, shrimp cocktail made from store-bought cooked shrimp, suet pudding, silverbelly eels, lamb hearts, big roasts. He recommends whipping egg whites in stock to clarify them and using arrowroot for thickening. One hoary chestnut is a recipe for “Angels in Orbit”: sauté slices of salami until they curl into cups and fill them with raw oysters. Another curiosity is “Iced Rice Hawke’s Bay,” a rice pudding with halved gooseberries, filled with crème de menthe. The ingredient lists in this cookbook are themselves throwbacks: The author includes imperial measurements along with American and metric conversions.

Graham Kerr was born in London in 1934, but his first television gig was in New Zealand in 1959, with a show called “Entertaining With Kerr,” for which he dressed in military uniform. (At the time, Mr. Kerr was the catering adviser for the Royal New Zealand Air Force.) In 1964, he moved to Sydney and started a new show with the same name, which caught on quickly. He moved to Canada and launched “The Galloping Gourmet” with an American producer; this show ran from 1969 to 1971 and made him a household name. The moniker “The Galloping Gourmet” stemmed from a 1967 book that Mr. Kerr co-authored with wine expert Len Evans, titled “The Galloping Gourmets,” based on a 35-day world-wide trek to the planet’s best restaurants. The “Galloping Gourmet” television program was a huge hit, and in 1969 the first American edition of “The Graham Kerr Cookbook” was published.

BOOKS

'You could not spend your . . . life in thrall to the code of stuff. There was no code of stuff. Stuff was just stuff. You couldn't live by it or for it.' —John Lanchester

MYSTERIES: TOM NOLAN



Glaswegian Goons



SCOTTISH AUTHOR

Malcolm Mackay's terse, brutal novel *"For Those Who Know the Ending"* (*Mulholland*, 261 pages, \$26) takes place in the criminal underworld of Glasgow. Crime bosses run the show in this faction-ridden locale, where foot soldiers commit murders so that "someone else could make money."

Into this grim environment enters Martin Sivok, a 31-year-old Czech hood-for-hire with a shaved head and a case of culture shock. In his native land—which he's had to flee under police pressure—Sivok was a trusted professional, well-paid for doing "some very dirty jobs." But in Scotland, the fugitive expat perceives, "he was just a short man with a mean look and a funny accent."

He quickly teams up with a young Glasgow-born Pakistani, Usman Kassar. Together, the two rob a bookmaker's business used to store gang money, which puts them in the bad graces of the criminals they've stolen from. Lying low would seem to be their wisest strategy. But Kassar is impatient for more ill-gotten gains, and Sivok is anxious to pay his fair share in the relationship he's begun with his noncriminal landlady—a bookstore owner, of all things. Soon, against his better judgment, Sivok finds himself caught in a downward spiral: "More money, more risk, more violence."

Mr. Mackay is a shrewd observer of his chosen turf, and an unsparing yet empathetic chronicler of its denizens. His bracing narrative, told mostly through flashbacks, never loosens its grip. Its pace is relentless, and there are just enough surprises in store—even for those who (think they) know the ending.

Alan Parks's grisly debut novel, *"Bloody January"* (*World Noir*, 331 pages, \$17), is also set in Glasgow—in the first month of 1973. Though snow is blanketing the streets, it can't hide the corruption in a city where cops and criminals are often

forced to keep each other's secrets. "We use them, they use us," 30-year-old Det. Harry McCoy explains to his new partner, Wattie, a rookie cop from outside the city. "Easier for everyone."

But for McCoy, a "polis" with his own strict if unpredictable code of justice, there's no ignoring the grotesque crimes occurring this month. For starters, a 19-year-old waitress and sex worker is shot dead in broad daylight, after which her assailant kills himself. The "who" and "how" of these deaths are known. But what about the "why"?

In two Scottish thrillers the streets of Glasgow, high and low, are full of sex, money, risk and violence.

As additional murders take place in the city, McCoy and Wattie go searching for answers. McCoy is certain that the victims' deaths can be traced to the door of the richest family in Glasgow—whose ice-cold patriarch and his wastrel son are rumored to host orgies laced with drugs and sadism. But the detectives are hindered by superiors reluctant to anger such influential figures. Complicating matters further is the fact that McCoy has his own ties to a local criminal network—to which he's been beholden since childhood.

Defying their bosses, McCoy and Wattie traverse Glasgow high and low, going from prisons to homeless encampments, old-money mansions to pop-music emporiums. Their persistence yields a break in the form of a trove of incriminating photographs, with which the sleuths may be able to confront the privileged villains they've been warned to leave alone. More than likely McCoy will pay an eventual price for his extra-judicial doings—but the resourceful avenger figures: "He'd worry about the rest later."

FIVE BEST: A PERSONAL CHOICE

Lionel Shriver
on ownership

The Past

By Tessa Hadley (2016)

HOUSES ARE never just houses. Their owners lay claim to the past, and rare is the structure that recalls only happy times. In "The Past," four grown children and their families descend on the rambling, dilapidated home of deceased grandparents. It is perhaps their last idyll here if the children decide to sell, and a three-week summer holiday in the English countryside is more than long enough to revive old quarrels and generate new ones. Ms. Hadley is adept at managing her large, memorable cast, while deftly weaving the web of their relationships. A rare gift, she writes well from the perspective of children; the younger two are secretive, duplicitous, and drawn to darkness. The descriptions of landscape are so beautifully rendered that I actually wasn't inclined to skip them. The grandparents' bedrock marriage and strong community ties contrast with fragile, peripatetic lives: "What a compromised generation theirs was," thinks one sister. "Materially they had so much, and yet they were haunted by this sensation of existing in an aftermath, after the best had passed." A common sensation in Britain, alas.

The Lie of the Land

By Amanda Craig (2017)

LIN THIS RICH, wide-ranging novel, a couple split by the husband's infidelity cannot afford to sell their house in London; the proceeds would still not purchase two separate new homes. Instead they must rent out their three-dimensional savings account,

retreat to a cheaper countryside cottage and uncomfortably share the same digs. Yet leaving the London house is a divorce of sorts, for "here they have thrown lively parties, taken deep baths, filled large fridges, and returned from holidays with relief . . . The house had been the third party in a charmed union." The hectic vanities of urban living are set against humility of the far-from-bucolic rural England. Ms. Craig throws in a murder mystery, but her best material is subtler: "I got him to give up smoking; he could have given up spite." Some of her finest passages regard the grim nitty-gritty of raising sheep and working at a pie factory. Inevitably, romance by real estate works its distinctly modern charms.

Capital

By John Lanchester (2012)

JOHN LANCHESTER'S characters either work or live on a fictional Pepys Road in South London, an allusion to Samuel Pepys' famous 17th-century diary. But rather than plague and the Great Fire, "Capital" records the contemporary disaster—or so it seems to excluded renters and new immigrants—of the city's soaring property prices. These residences were built for the lower middle class in the 1800s, but now: "Having a house in Pepys Road was like being in a casino in which you were guaranteed to be a winner. If you already lived there, you were rich. If you wanted to move there, you had to be rich." Mr. Lanchester's ingenious plot device is a postcard, slipped through letter slots one by one. Customized with photographs of each mark's house, its anonymous message reads: "We Want What You Have." Thus is terror struck in the hearts of the haves in the face of all those resentful have-nots glaring through the lace curtains at unattainable safety and affluence. Sharp and panoramic, "Capital" was also made into a bang-up mini-series if you're feeling lazy.

The Devil I Know

By Claire Kilroy (2012)

STILL MORE real estate—eternal source of avarice and tragedy. During Ireland's crazed development binge, seemingly the whole country got caught up in buying and flipping properties—until the music stopped, and everyone was left with dumpy houses and worthless farmland. The narrator's alcoholism implies



GETTY IMAGES

CELTIC TIGER TAMED Ireland, 2012.

SARAH LEE
MS. SHRIVER is the author, most recently, of 'Property,' a collection of novellas and stories.

a parallel between the Celtic Tiger's gorging on property and addiction. When he finally takes a look at one of the "farms" for which his company paid through the nose, he finds "flat, featureless farmland. No rivers, no mountains, no coastline, no inhabitants, and not a whole lot of farming, either." On the map, "no X marks the spot to reveal the chest of gold. If this was what they had managed to sell us in our own backyard, God knows what we had purchased around the globe in our delirium." This is dark economic fiction, whose riches-to-rags rollercoaster is slightly sickening, but biting and funny along the way.

Safekeeping

By Jessamyn Hope (2014)

JESSAMYN HOPE'S protagonist is inanimate: a brooch of dazzling artistry from the 14th century, with "exquisite, handmade filigree" and "tiny pomegranates, that allusion to the Promised Land." The brooch was hidden during a Jewish pogrom stirred by the Black Death, regularly blamed on the Jews. In the present, the brooch has survived the Holocaust and landed in the hands of a heroin addict, whose family has owned it for 700 years. After assaulting a too-curious jeweler, he flees New York for a kibbutz in Israel, hoping to bestow the brooch on his cherished late grandfather's long lost love. I've done a stint in a kibbutz, and Hope's portrayal of the foreign volunteers and their motley motivations rings true. She's up on the divisions between younger and older kibbutzniks, and realistic about the movement's ultimately unworkable socialist purpose. Following the fate of the brooch is like watching a game of Old Maid; its possession confers as much curse as charm. A fine window on both present-day Israel and the country's more idealistic manifestation at its founding.

Best-Selling Books | Week Ended April 29

With data from NPD BookScan

Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Magnolia Table Joanna Gaines & Marah Stets/William Morrow & Company	1	New
A Higher Loyalty James Comey/Flatiron Books	2	1
I'll Be Gone in the Dark Michelle McNamara/Harper	3	—
12 Rules for Life Jordan B. Peterson/Random House Canada	4	3
War on Peace Ronan Farrow/W.W. Norton & Company	5	New

Nonfiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
I'll Be Gone in the Dark Michelle McNamara/HarperCollins Publishers	1	—
A Higher Loyalty James Comey/Flatiron Books	2	1
Alton Brown: EveryDayCook Alton Brown/Random House Publishing Group	3	—
Call the Midwife Jennifer Worth/Penguin Publishing Group	4	—
Brain on Fire Susannah Cahalan/Free Press	5	—
12 Rules for Life Jordan B. Peterson/Random House Canada	6	7
Suicide of the West Jonah Goldberg/The Crown Publishing Group	7	New
The Yoga Mind Rina Jakubowicz/Rina Jakubowicz	8	New
Educated Tara Westover/Random House Publishing Group	9	2
Under the Tuscan Sun Frances Mayes/Crown/Archetype	10	—

Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
A Day in the Life of Marlon Bundo Jill Twiss and Marlon Bundo/Chronicle Books	1	1
The Fallen David Baldacci/Grand Central Publishing	2	2
Twisted Prey John Sandford/G.P. Putnam's Sons	3	New
Oh, the Places You'll Go! Dr. Seuss/Random House Books For Young Readers	4	3
Dog Man and Cat Kid (Dog Man 4) Dav Pilkey/Graphix	5	4

Fiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Twisted Prey John Sandford/Penguin Publishing Group	1	New
The Fallen David Baldacci/Grand Central Publishing	2	1
Only a Millionaire J.S. Scott/Montlake Romance	3	New
Iron Princess Meghan March/Meghan March	4	New
Shattered Mirror Iris Johansen/St. Martin's Press	5	New
Wild In Love Bella Andre and Jennifer Skully/Bella Andre	6	New
Savor You Kristen Proby/HarperCollins Publishers	7	New
New York: The Novel Edward Rutherford/Random House Publishing Group	8	—
One Last Breath Lisa Jackson/Kensington	9	New
Killers of the Flower Moon David Grann/Vintage	8	5
Everybody, Always Bob Goff/Thomas Nelson	9	2
War on Peace Ronan Farrow/W.W. Norton & Company	10	New

Methodology

NPD BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation's book sales. Print-book data providers include all major booksellers (now inclusive of Walmart) and web retailers, and food stores. E-book data providers include all major e-book retailers. Free e-books and those sold for less than 99 cents are excluded. The fiction and nonfiction lists in all formats include adult, young adult, and juvenile titles; the business list includes only adult titles. The combined lists track sales by title across all print and e-book formats; audio books are excluded. Refer questions to Peter.Saenger@wsj.com.

Hardcover Business

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
StrengthsFinder 2.0 Tom Rath/Gallup Press	1	1
Emotional Intelligence 2.0 Travis Bradberry & Jean Greaves/TalentSmart	2	2
Extreme Ownership Jocko Willink/St. Martin's Press	3	4
The Five Dysfunctions of a Team Patrick Lencioni/Jossey-Bass	4	3
Total Money Makeover Dave Ramsey/Thomas Nelson	5	5
Principles: Life and Work Ray Dalio/Simon & Schuster	6	6
New Power Jeremy Heimans & Henry Timms/Doubleday Books	7	—
Radical Candor Kim Scott/St. Martin's Press	8	8
Together Is Better Simon Sinek/Portfolio	9	—
Who Moved My Cheese? Spencer Johnson/Penguin Putnam	10	—

REVIEW



ALLISON MICHAEL ORENSTEIN FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL: ALEXANDRA WOLFE

Ken Langone

WHEN HOME DEPOT co-founder Ken Langone saw Sen. Bernie Sanders's rallies on TV during the 2016 presidential campaign, he was shocked by the number of young people there. It troubled him that they were so enthusiastic for higher taxes and spending and an expanded government role in health care, child care and higher education. "If these kids are moving up in our system now, we're in trouble," he recalls thinking.

Mr. Langone decided that capitalism needed a full-throated defense. To make the case, he has written a book, part memoir and part free-market manifesto, called "I Love Capitalism."

Mr. Langone, 82, sees himself as a capitalist success story. The Long Island-born son of first-generation Italian-Americans, he co-founded Home Depot in 1978 and has sold other companies he helped to found for hundreds of millions of dollars, serving along the way on such high-profile corporate boards as General Electric and Yum Brands. Forbes estimates that his net worth is over \$3 billion.

"Show me where the silver spoon was in my mouth," he writes. "I've got to argue profoundly and passionately: I'm the American Dream."

His book recounts his rise from modest roots. His father was a plumber and his

The Home Depot co-founder's new book cheers capitalism

mother a cafeteria worker. Mr. Langone worked odd jobs during high school, caddying and digging ditches. With savings and his parents' help, he attended Bucknell University, where he majored in economics and political science.

After graduating, he sought work on Wall Street, but he says that his blue-collar Italian background prevented him from landing a job at the top firms. Instead he took an analyst job in the investment department at Equitable Life Insurance Society, an insurance firm, while serving in the Army and going to business school at night.

He held out hope of working on Wall

Street and eventually landed a sales job at a small firm called R.W. Pressprich. The first initial public offering he worked on was Ross Perot's Electronic Data Systems. He worked his way up to become president at R.W. Pressprich, then left in 1974 to start his own investment firm, Invemed Associates.

Through Invemed, he helped to finance and co-found Home Depot. It went public in 1981. Today it is one of the country's largest retailers, with over 400,000 employees and a market capitalization of over \$210 billion. He remains one of the company's largest shareholders.

Those successes have fueled his belief in capitalism. Private ownership incentivizes people to create businesses that then grow and create jobs for others, he argues. "When capitalism works the way it should, it works for everybody," he writes.

He worries that some young people think that the U.S. "should be headed toward something that, in my mind, resembles socialism: Guaranteed income. Free college tuition. Single-payer health care," he writes. "I disagree. Strongly." He argues that such policies discourage people from bettering themselves. "I disagree with socialism not (as you might believe) because I'm a rich guy trying to hold on to my money," he writes. "I disagree be-

cause socialism is based on the false notion that we should all be exactly equal in every single way."

He does believe that income inequality is a problem in the U.S., but he doesn't blame capitalism. "I do

don't have a magic solution," he says. While he's supported Home Depot's practice of paying above the minimum wage, he's not sure the law should raise it for all employers. "I do know that nobody can live on \$20,000 a year," he writes. "But I worry that mandating a higher minimum might hurt the people you want to try to help: the more you increase the costs of any factor of production, the more incentive you give owners to figure out a way to change that factor of production," and possibly automate it, cutting jobs.

And he welcomes at least some role for government. "You need cops, you need the military, and you need infrastructure," he says. He also believes that capitalism's beneficiaries should give back, and that it's a failing when they don't. He estimates that he spends 70% of his time on philanthropy now. New York University's Medical Center bears his and his wife's names after they gave it \$200 million in 2008.

His strong belief in capitalist rewards famously drew fire back in 2003 for his role while head of the New York Stock Exchange's compensation committee in awarding former NYSE chief Richard Grasso a \$140 million pay package. Then and now, Mr. Langone stands by his decision. "Dick Grasso, who'd begun as a unionized clerk, had the motivation to stay on and become president of the NYSE and in 1995 be elected chairman and CEO," he writes. "He was compensated appropriately, and his pension grew proportionally."

Today, Mr. Langone lives with his wife, Elaine, on Long Island and has homes in Manhattan, North Carolina and Florida. He spends his down time playing golf, reading and doing investment analysis, which he considers exciting enough to be a hobby.

He says he still enjoys simple pleasures—among his favorite foods are bagels, pasta and meatloaf—but acknowledges, "I like all the trappings of success absolutely."

"I have custom-made suits and airplanes, and I have businesses... and I have guys that make paintings for me," he says, pointing to a LeRoy Neiman painting of the New York Stock Exchange on his conference room's wall. "But I'd also like to think if it didn't happen, I'd still be OK."

MOVING TARGETS: JOE QUEENAN



You Gotta Serve Somebody Dylan's Whiskey

THIS MONTH Bob Dylan will enter the burgeoning celebrity liquor business with his line of Heaven's Door whiskeys. The name derives from Mr. Dylan's 1973 song, "Knockin' on Heaven's Door," about the death of Billy the Kid at the hands of his erstwhile friend, Pat Garrett.

It is not known whether Mr. Dylan considered other titles for the fledgling brew, though "You Ain't Goin' Nowhere" and "Don't Think Twice, It's All Right" may have been in the running as taglines.

Dyspeptic lefties and geriatric hippies will lament that Mr. Dylan is no longer the countercultural colossus he was a half-century ago. But the Nobel laureate shed that constricting, rabble-rousing skin ages ago, having already appeared in a memorable Super Bowl ad extolling the virtues of American-made cars. Also, sourpuss old-movement types don't drink quality whiskey, preferring weed.

So it's not like Mr. Dylan is going to lose any sales on the deal.

My own exhaustively thorough investigation reveals that over the past 50 years, Mr. Dylan has again and again turned down prospective partners seeking to benefit from his fame and genius. In the 1970s, he was contacted by a sleazy South Bronx ambulance-chasing law firm that wanted to plaster New York's subways with come-ons reading: If You Sue Her, Say Hello.

That didn't fly, nor did the St. Louis paternity testing service It Ain't Me, Babe. A prospective Greenwich Village boutique for cross-dressers called Just Like a Woman got the thumbs down, as did a proposed Beverly Hills-based chain of roadside psychiatric clinics called Forever Jung.

Mr. Dylan's foray into the high-end liquor business seems to be inspiring other rock stars of by-gone eras to launch similar ventures. Highly authoritative nostal-

Will Procol Harum release A Whiter Shade of Pale Ale?



gia sources, coaxed to spill the beans with stacks of pristine vinyl records, reported that the '60s legends Procol Harum may soon release A Whiter Shade of Pale Ale. The surviving members of Led Zeppelin are in talks to launch a quality malt liquor called Dazed and Confused, while Wild Thing malt liquors, inspired by the Troggs, and Good Vibrations cordials are also in some stage of development. Not to mention a beverage inspired by Jefferson Airplane's greatest album: Sur-realistic Pilsner.

Aging pop stars are not limiting their horizons to the notoriously hard-to-crack distilling industry. Waiflike Scottish tunesmith Donovan is preparing to introduce a line of condiments known as Seasonings of the Witch. Neil Young is backing a similar venture known as Cinnamon Girl. And the Roll-

ing Stones may license a line of artificial sweeteners under the rubric Brown Sugar.

Will such rock-star-studded ventures fly? I, for one, am not convinced that naming a line of whiskeys after a song about getting shot dead by your best friend is the ideal approach. It's as if the U.S. Postal Service licensed the '60s Dylan tune "Nothing Was Delivered," as if Amtrak ponied up for the rights to his '79 ditty "Slow Train."

As for those who persist in bad-mouthing the composer of such iconic countercultural anthems as "Masters of War" and "A Hard Rain's A-Gonna Fall," there is absolutely no truth to the rumor that Mr. Dylan has licensed the tagline: "Stuck Inside of T-Mobile With the Memphis Blues Again."

And there is no chance whatsoever, I have learned, that Heaven's Door whiskey will soon be followed by Desolation Rye.

REVIEW

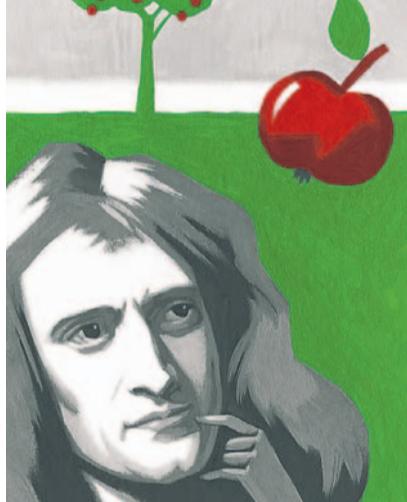
**HISTORICALLY
SPEAKING:**
AMANDA FOREMAN**Lucky Science
Is Often Born of
Years of Labor**

IF NECESSITY is the mother of invention, serendipity is often the mother of progress.

One recent example comes from an international scientific team studying the bacterium, *Ideonella sakaiensis* 201-F6, which makes an enzyme that breaks down the most commonly used form of plastic, thus allowing the bacterium to eat it. As reported last month in the Proceedings of the National Academy of Sciences, in the course of their research the scientists accidentally created an enzyme even better at dissolving the plastic. It's still early days, but we may have moved a step closer to solving the man-made scourge of plastics pollution.

The development illustrates a truth about seemingly serendipitous discoveries: The "serendipity" part is usually the result of years of experimentation—and failure. A new book by two business professors at Wharton and a biology professor, "Managing Discovery in the Life Sciences," argues that governments and pharmaceutical companies should adopt more flexible funding requirements—otherwise innovation and creativity could end up stifled by the drive for quick, concrete results. As one of the authors, Philip Rea, argues, serendipity means "getting answers to questions that were never posed."

So much depends on who has observed the accident, too. As Joseph Henry, the first head of the Smithsonian Institution, said, "The seeds of great discoveries are constantly floating around us, but they only take root in minds well prepared to receive them."

**The need to ask
the right questions.**

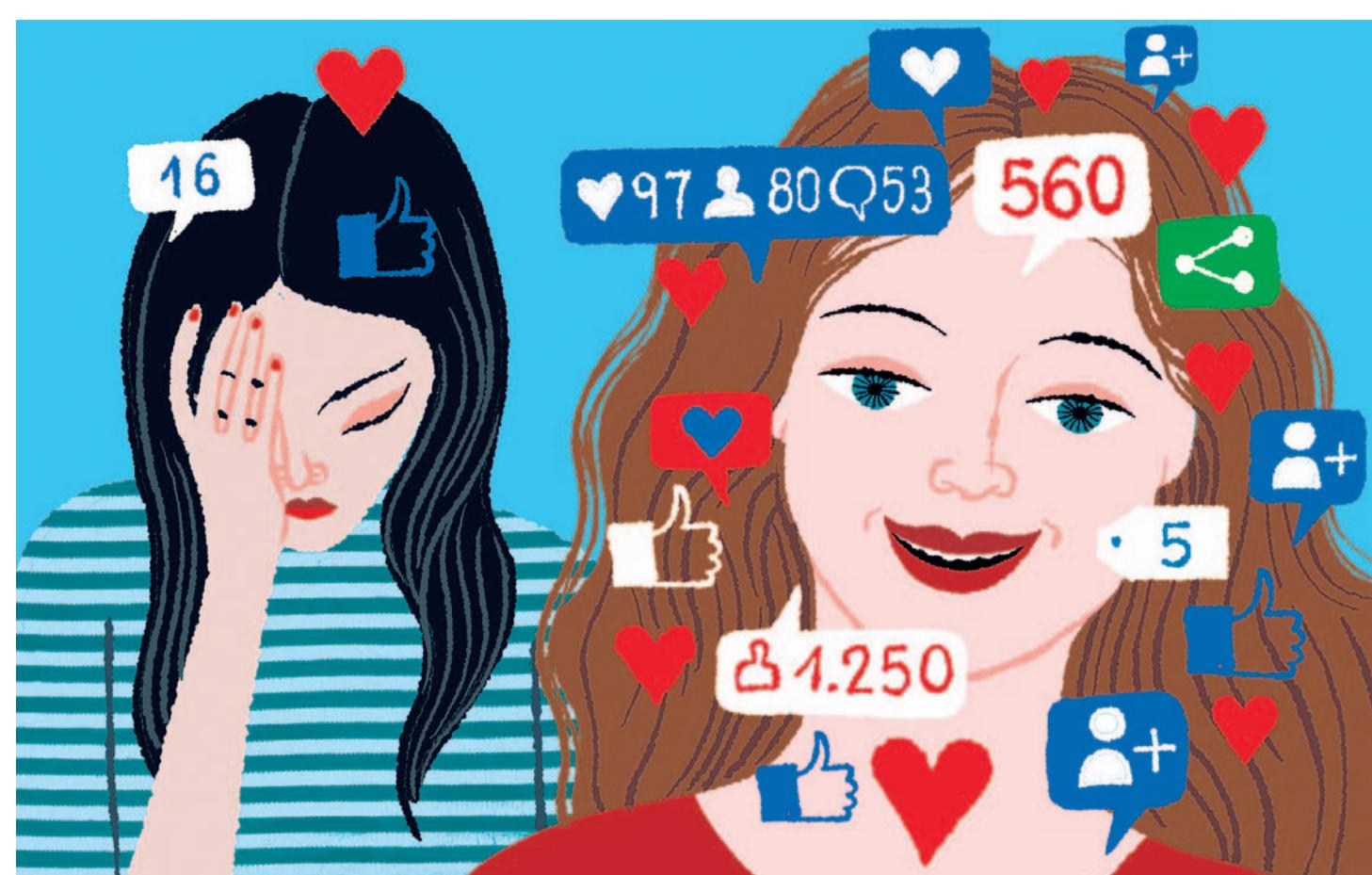
One famously lucky meeting of perception and conception happened in 1666, when Isaac Newton observed an apple fall from the tree. (The details remain hazy, but there's no evidence that the fruit actually hit him, as legend has it.) Newton had seen apples fall before, of course, but this time the sight inspired him to ask questions about gravity's relationship to the rules of motion that he was contemplating. Still, it took Newton another 20 years of work before he published his Law of Universal Gravitation.

Bad weather was the catalyst for another revelation, leading to physicist Henri Becquerel's discovery of radioactivity in 1896. Unable to continue his photographic X-ray experiments on the effect of sunlight on uranium salt, Becquerel put the plates in a drawer. They developed, incredibly, without light. Realizing that he had been pursuing the wrong question, Becquerel started again, this time focusing on uranium itself as a radiation emitter.

As for inventions, accident and inadvertence played a role in the development of Post-it Notes and microwave heating. During the 1990s, Viagra failed miserably in trials as a treatment for angina, but alert researchers at Pfizer realized that one of the side effects could have global appeal.

The most famous accidental medical discovery is antibiotics. The biologist Alexander Fleming discovered penicillin in 1928 after he went on vacation, leaving a petri dish of bacteria out in the laboratory. On his return, the dish had developed mold, with a clean area around it. Fleming realized that something in the mold must have killed off the bacteria.

That ability to ask the right questions can be more important than knowing the right answers. Funders of science should take note.



JOSE LUIS MERINO

The Teenage Social-Media Trap

Adolescents increasingly measure and manage social success online, and it may be taking a toll on their mental health

BY JENNIFER BREHENY WALLACE

TEENAGERS HAVE always worried about how they measure up: Am I popular? Attractive? Do I fit in?

Social media now answers those questions in a very public and quantifiable way. It's not just about the number of "likes" and online friends a young person has. The data on popularity can be even more granular: how many photos you're "tagged" in, the level of activity and comments on your posts, how long it takes to accumulate those status markers, and even the "follow ratio," that is, how many people you follow versus follow you.

Sites like Instagram, Snapchat and Facebook offer much more than a virtual place to hang out. New research shows that they play a key role in how teens measure and manage social success; it also finds that the overuse of social media may bring added risks to an adolescent's mental health.

For many teens, social media offers positive benefits, such as a deeper connection with friends and a low-stakes way to communicate with peers. For those on the social margins, online communities also can offer a sense of belonging and support.

But for others, it can be stressful to keep up with hundreds of online friends, maintain a perfectly curated digital profile and manage the onslaught of posts showing peers living seemingly better lives. "The hyper-vigilance that some adolescents feel forced to maintain online is anxiety-provoking and hijacks time away from more important things like homework and sleep," says Catherine Steiner-Adair, a clinical psychologist in Chestnut Hill, Mass., and the author of "The Big Disconnect." Before social media, she adds, home was a place where you could be a more relaxed, authentic version of yourself. Now some teens never get that break.

A study led by Jacqueline Nesi of the Uni-

versity of North Carolina at Chapel Hill, published in March in the Journal of Clinical Child & Adolescent Psychology, calls the quest for online popularity "digital status seeking."

The researchers followed 716 adolescents, ages 15 to 18, for one year. They found that adolescents who were more engaged in digital status seeking—frequent social-media users who employed status-seeking strategies and reported caring more about their online popularity—were more likely, a year later, to be engaged in risky behavior such as substance abuse and having an increased number of sexual partners. Ms. Nesi theorizes that this is perhaps because they "are more willing to engage in behaviors that will make them appear popular."

Adolescent girls can be especially susceptible. In a longitudinal study in the U.K. published in March in the journal BMC Public Health, researchers followed nearly 10,000 adolescents between the ages of 10 and 15 for five years. The study found that at age 10, 10% of girls and 7% of boys reported spending one to three hours a day on social media. By age 15, the figures increased to 43% of girls and 31% of boys. Girls who used social media for more than an hour a day at age 10 were found to have the highest risk for developing social and emotional problems at age 15.

The association may have to do with the tendency of girls to use social media to compare their lives to those of their peers, which can have a negative effect on self-esteem, the researchers say. The strong association between well-being and use of social media didn't hold for boys, perhaps because they spend more time playing online games and less making social comparisons, says lead researcher Cara Booker of the University of Essex.

Another recent study, published in the

Journal of Research on Adolescence, looked at the effort that goes into cultivating online identities. In a series of focus groups, many of the study's participants (27 females and 24 males, ages 12 to 18) talked about the need to appear "interesting and likable" online, but girls added the need to be "attractive." They were also found to be more strategic in building their social capital, by posting content at peak hours for traffic, for example, and enlisting friends to comment on and "like" posts to boost their popularity. Several of the girls described the process as a lot of "work," but none of the boys described it that way, nor did they expect close friends to "like" or comment on their posts.

Some adolescents even resort to paying for online validation. A pilot study of 110 Canadian teens, ages 13 to 17, presented this week at a conference in St. Catharines, Ontario, found that more than 70% engaged in one or more "deceptive like-seeking behaviors," such as purchasing 500 "likes" for \$6.99 through a website or using computer programs to give themselves a "digital nose job" before posting.

Lead researcher Tara Dumas of Huron University College in London, Ontario, calls the findings "concerning." She adds, "We know from previous research that social validation and belonging is so important for adolescents, but when you are getting 'likes' by buying them or based on an image of you that's not real, what is that doing to your self-esteem?"

"Too many young people, typically girls, conflate the attention they get on social media with their self-worth," says Rachel Simmons, a leadership development specialist at Smith College and the author of "Enough As She Is."

What can parents do? Pulling back the curtain on social media—exposing the tactics that are used to get us hooked—can help teens think more critically about how they're participating in a system that profits from their obsession with "likes," says Ms. Simmons.

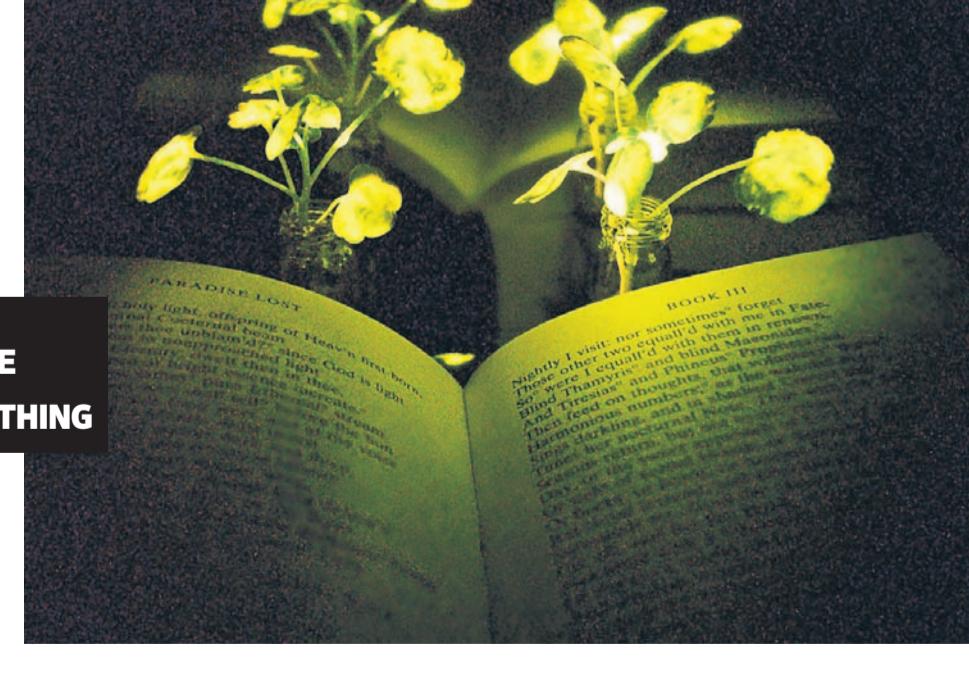
Dr. Steiner-Adair advises parents to check in daily about what's going on in their teen's online world and to stay approachable. "Parents need to start taking as much interest in their teen's online life as they do their real one," she says.

Ms. Wallace is a freelance writer in New York.

Turning Plants Into a Very Green Light Source

THE GLOW emanating from the leaves of this watercress is the result of plant nanobionics, in which live plants are given unusual characteristics through the introduction of microscopic nanoparticles. It's a new area of research pioneered by Michael Strano, the Carbon P. Dubbs Professor of Chemical Engineering at the Massachusetts Institute of Technology. To turn leaves into a light source, Strano uses luciferase, the enzyme responsible for a firefly's glow. A total of three compounds (luciferase, the light-emitting compound luciferin and another enzyme) are packaged in nanoparticles that enter the plant through pores called stomata. Currently, researchers are able to make plants such as spinach, kale and watercress emit a dim light for about 4 hours—up

**THE
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SEON-YOUNG KWAK

from 45 minutes when the project began in 2015. The goal is a topical solution that can transform a houseplant into a cordless, environmentally friendly lamp. "We think we'll be able to engineer a way for you to just spray it

onto a plant, wait an hour, and then that plant will be light-emitting for the duration of its lifetime," Strano says, adding that a luciferase inhibitor could act as an off-switch.

—Mark Ellwood

Official Sponsor of The Wall Street Journal's The Future of Everything

accenture



PLAY

NEWS QUIZ: Daniel Akst

From this week's
Wall Street Journal

1. Corpus Christi, Texas, is being outfitted to accommodate VLCCs. What in the world are they?

- A.** Very large crude carriers
- B.** Variably loud community centers
- C.** Veal and lamb centered chophouses
- D.** Virtually legal currency communities

2. Niloofar Rahmani, Afghanistan's first female pilot, has been granted asylum—in which country?

- A.** Saudi Arabia
- B.** Germany
- C.** Pakistan
- D.** The U.S.

3. Emmet Flood will take over as the top White House lawyer for President Trump in the special counsel's investigation. Whom will he replace?

- A.** Ty Cobb
- B.** Tris Speaker
- C.** Rogers Hornsby
- D.** The firm of Tinker, Evers & Chance

4. An investor group including Michael Lynton and Len Blavatnik are pursuing acquisitions in what surprising realm?

- A.** Dirigibles
- B.** Newspapers
- C.** Book publishers
- D.** Suburban shopping malls

5. Where did this year's Giro d'Italia, Italy's most famous

To see answers, please turn to page C4.

bicycle race, begin?

- A.** Florence
- B.** Padua
- C.** Naples
- D.** Jerusalem

6. What did the Pentagon order removed from shops on military bases world-wide?

- A.** Cigarettes
- B.** Booze
- C.** Huawei and ZTE phones
- D.** Sugary beverages

7. KKR, the big private-equity firm, is about to turn into something different. What?

- A.** A residential community pledged to poverty and service
- B.** A franchising concern
- C.** A bank holding company
- D.** A corporation

8. What happened for the first time in Major League Baseball?

- A.** A month with more strikeouts than hits
- B.** A month with more hits than strikeouts
- C.** A month with more home runs than strikeouts
- D.** A hitter who completed an at-bat without adjusting his gloves

9. Burdened by debt, guitar maker Gibson Brands filed for bankruptcy protection. Whom is its iconic guitar named for?

- A.** Eric Clapton
- B.** Les Paul
- C.** B.B. King
- D.** Andrés Segovia



VARSITY MATH

Numerical work and logical thinking are featured in the coach's latest offerings.



Provided by the National Museum of Mathematics

For previous weeks' puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzle.

Close to a Quart

You are at a river and have two empty containers capable of holding exactly π ($= 3.14159...$) and e ($= 2.7182818...$) quarts of water.

How many transfers of water will it take you to get water in one container that is within 1% of a quart?

Math Party

At an annual party for a group of math professors, a couple tells a guest, "We have been married 10 years. One year ago we gave Jones the sum and product of the ages of our three children, but Jones didn't get their ages right. Smith missed the problem earlier tonight, having heard the current sum and product of our children's ages." Assume all children's ages are whole numbers less than 10.

How old are the couple's children?

ILLUSTRATION BY LUCI GUTIÉRREZ

+ Learn more about the National Museum of Mathematics (MoMath) at momath.org

SOLUTIONS TO LAST WEEK'S PUZZLES

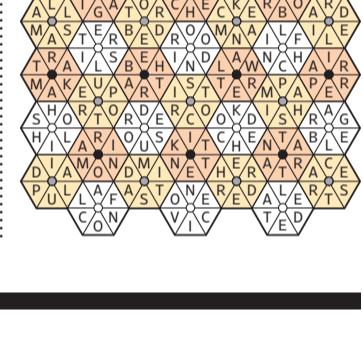
Varsity Math

In Room for One More, for $n = 164$, there is just enough room for 329 circles. For End Points, color the two ends of all diameters with different colors. There are an infinite number of ways to do this. Since the hypotenuse of any inscribed right triangle is always a diameter, those two vertices will have different colors.

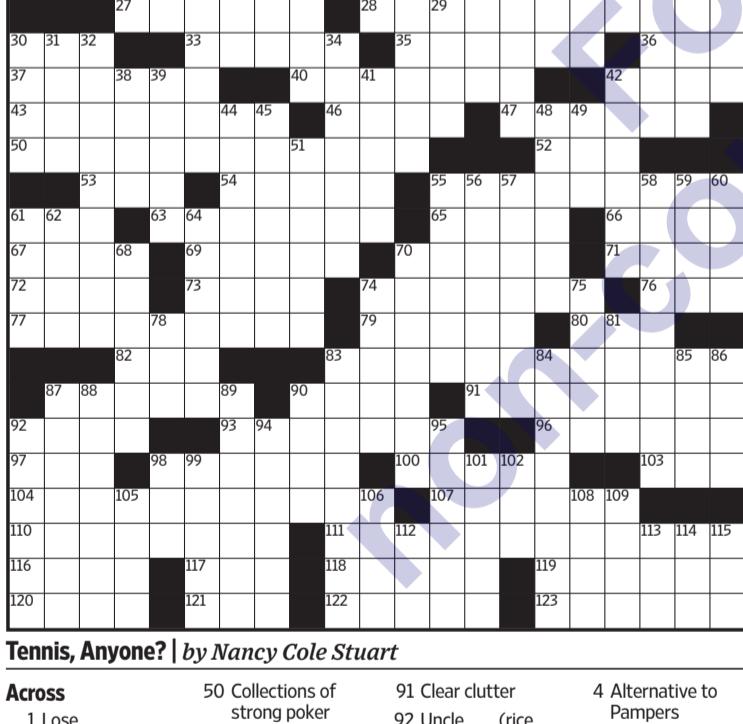
A Little Off the Top



Rows Garden

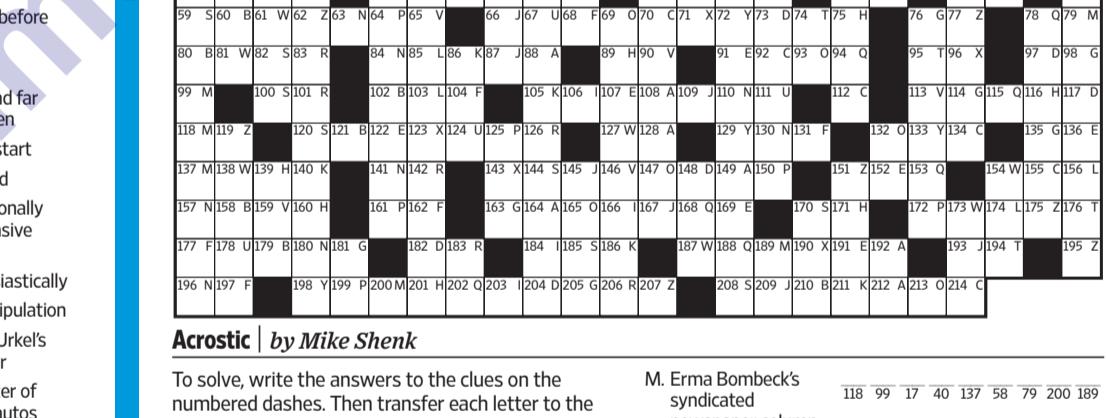


THE JOURNAL WEEKEND PUZZLES Edited by Mike Shenk



Tennis, Anyone? by Nancy Cole Stuart

Across	50 Collections of strong poker hands?	91 Clear clutter	4 Alternative to Pampers
1	Lose	92 Uncle ___ (rice brand)	5 Others, to Augustus
7	Letter projection	93 Discomfits	6 Admiral's Cup sport
12	Himalayan foot	96 Act the snitch	7 Buffalo icer
15	"Aw, heck!"	97 Stat for an ace	8 Activity for an intern
19	George of the Jungle's mate	98 Achieved success	9 Sturgeon yield
20	Bakery come-on	100 Tough plant fiber	10 High Sierra runner
21	Japan's prime minister	103 Hardly fresh	11 Complaint in many presidential tweets
22	Geometry calculation	104 Technician for a John Wayne movie?	12 York Peppermint
23	Shore leave?	107 College tennis tourney champ, e.g.	13 Side by side
25	Lose weight	110 Polling place no-show	14 Bizarro
27	Much of Mali	111 Extra-large cocktails?	15 Pedestal part
28	Where moderates are prosecuted?	116 Cornea backdrop	16 Kindles
30	Stand-up specialty	117 "Was ___ los?"	17 Request from an editor
33	Market analyst's determination	118 Dedicated of a Beethoven piece	18 Jules Verne's birthplace
35	Stream spirits	119 Dupe	19 Their unis are red, white and blue book
36	"Sprechen ___ Deutsch?"	120 Hold out	20 Female recruits beginning in 1948
37	Tennis star nicknamed "The Punisher"	121 Twisted letter	21 "Rhythm"
40	Takes out	122 Gill openings	22 Form of despair?
42	Dachshund docs	123 Autobiographical Günter Grass book	23 Poignant instrument
43	Events for masters of hounds	82 Where it is	24 Top number on many clocks
46	Does a summer chore	83 Job for a bartender?	25 High hit
47	Gibson of the "Transformers" movies	87 Depositor of Montezuma	26 Pretense
		90 Observe Ramadan	27 Kinsey topic
Down			
	1 Greek consonants	31 ___ Rhythm"	28 Cheapens
	2 Exasperated feeling	32 Form of despair?	29 Freud topic
	3 Ukr. or Lith. before the 1990s	33 Job for a bartender?	30 Like lords and ladies



Acrostic by Mike Shenk

To solve, write the answers to the clues on the numbered dashes. Then transfer each letter to the correspondingly numbered square in the grid to spell a quotation reading from left to right. Black squares separate words in the quotation. Work back and forth between the word list and the grid to complete the puzzle. When you're finished, the initial letters of the answers in the word list will spell the author's name and the source of the quotation.	M. Erma Bombeck's syndicated newspaper column (3 wds.)
A. "See you," south of the border (2 wds.)	118 99 17 40 137 58 79 200 189
B. Treatment for tetanus or diphtheria	63 110 84 196 180 130 157 43 141
C. South American shrub whose leaves are used to make a tealike beverage (2 wds.)	188 78 202 94 168 44 153 115 15
D. Deviating from a circular path, as an orbit	82 120 100 59 185 170 144 26 208
E. Star of the 1998 NBC miniseries "Merlin" (2 wds.)	16 194 176 50 2 95 35 74
F. It states that a gas's pressure is inversely proportional to its volume at constant temperature (2 wds.)	124 67 111 7 178 24
G. Banking facilitators	159 65 90 146 51 3 113 37
H. Pollster's category	187 127 61 33 173 154 138 81
I. Maserati logo	143 53 32 71 10 123 190 96
J. State symbolized by white and by lambs	22 133 9 129 47 72 198
K. Miss, in Monterrey	151 119 195 207 18 77 175 62 42
L. Like lords and ladies	151 119 195 207 18 77 175 62 42

► 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



THE 'SENSE OF PLACE' GALLERY at Seattle's Nordic Museum has a recreated birch forest, surrounded by a 27-foot-wide film screen displaying scenes from the region.

ICONS

More Northern Exposure

Birch trees, Viking jewelry and a Volvo seat belt appear in a Seattle museum's new home

BY ALEXANDRA WOLFE

SEATTLE'S FIRST Nordic Museum, celebrating the city's many immigrants from Scandinavia and nearby countries, opened in an old schoolhouse in 1980. The new one, by contrast, includes a soaring Fjord Hall with 20-foot-high glass-walled walkways. Any nerve-wracking reactions crossing them are intentional, as the walkways are intended to suggest the immigrant experience. "When you're going to leave your native land and go to a new land," says Nancy Zinn, the museum's curator for special projects, "there's a little trepidation."

The first Nordic Museum modestly displayed artifacts harking back to immigrants' journeys and traditions from 1880 to 1920. The new building, which opens today, has 57,000 square feet of space and aims to capture what it means to be Nordic in general.

The museum's location, the neighborhood of Ballard, has long been home to a large Nordic population. After the area became part of

Seattle in 1907, about 1 in 10 of the city's residents were Nordic, according to collections manager Fred Poyer IV. (Nordic countries include Iceland and Finland.) These immigrants had traveled to the Pacific Northwest because of its opportunities in work like logging and fishing, both of which they were familiar with, says the museum's chief executive, Eric Nelson.

The museum cost about \$50 million to build. As architects Mithun and Ralph Appelbaum Associates designed it, visitors first walk into a 34-foot-tall entry hall, intended to mimic the feel of a fjord, with a deep, long hallway and high, curved walls. The area serves as an orientation to the different cultures on display in the museum, including the indigenous Sami people, who inhabit the northern reaches of Norway, Sweden, Finland and Russia. This part of the museum also introduces a few concepts that are hard to define in English but important to Nordic culture, such as "sisu," a Finnish concept of resilience, determination and gutsiness, and "hygge," a Danish blend of coziness and conviviality.

A grand staircase leads to a "Sense of Place" gallery containing a re-created birch forest, partly surrounded by a 27-foot-wide film screen displaying various Nordic scenes, from Iceland's volcanoes to Norway's rugged

coastline. "It shows how the landscape developed the values and characteristics Nordic people have," says Ms. Zinn. "When you live in a very harsh climate like Iceland and you're far away from your neighbor, you really have to help each other."

Past that nature-focused area on the second floor stand two sets of galleries: one a chronological exhibition of the Nordic region's history, the other dedicated to Nordic immigration to America. The two sides are connected by glass walkways that gradually widen as history goes on, a metaphor for the growth in intercontinental traffic.

On the historical side, the exhibits range over seven millennia. Objects on display include scissors, a horse bit and a single-edged sword from a 9th-century Viking grave and a pair of oval brooches from Norway, circa 800-1050, which would have been used by a wealthy Viking woman to fasten the shoulder straps of her dress. A traditional log sauna built by Finnish immigrants in 1918, with a shingle roof and a chimney, sits in the museum's East Garden.

Across the first bridge to the south, the theme-focused Nordic America galleries hold

wagons, clothing and trunks used by the first wave of immigrants. Tools for carpentry and fishing were "passed down from father to son," says Mr. Poyer. "They were handmade and made to last."

Later exhibits highlight Nordic ingenuity of very different types. The museum nods to famed Scandinavian design with a 1958 chair by one of its highest-profile practitioners, Denmark's Arne Jacobsen (1902-1971). His blue, curvy "egg chair" has a molded shell. A year later, on the automotive side, Volvo pioneered the production of a three-point seat belt, which includes the now ubiquitous shoulder strap.

In recent years, there's been a strong high-tech connection between Seattle and Nordic countries—with a new

A strong high-tech link between Seattle and Nordic nations.

wave of Nordic immigrants arriving, partly as a result of hires and acquisitions. The museum notes that in 2011 Microsoft, based in nearby Redmond, bought Skype, founded by a Swede and a Dane. In 2014 Microsoft took control of the Swedish-developed videogame Minecraft. Merchandise related to famous Finnish-developed games like Clash of Clans and Angry Birds is on view as well.

WIQAN ANG FOR THE WALL STREET JOURNAL

MASTERPIECE: SAMANID MAUSOLEUM (943)

A FINAL RESTING PLACE, BOTH BEGUILING AND BEAUTIFUL

BY JUDITH H. DOBRZYNSKI

MARAUDING THROUGH Central Asia in the 13th century, Genghis Khan either failed to notice or ignored a small, squat structure in Bukhara, an ancient Silk Road city in what is now Uzbekistan. Even as he destroyed Bukhara, he left standing the little mausoleum built for the grave of Ismail Samani, a member of the Samanid dynasty (819-1005)—a Persian clan that made Bukhara a celebrated center of Islamic culture rivaling in glory the caliphate in Baghdad, from which it was largely independent.

From a distance, the Samanid mausoleum does seem underwhelming. Beige in color, it's a slightly tapered cube—a reference to the Kaaba at Mecca—measuring about 33

feet on each side and topped by a dome, which symbolizes the heavens. But up close the tomb's exquisite brickwork, both inside and out, is unusually beguiling.

The building, probably begun around 892 and completed by 943, breaks architectural and engineering ground, too; it's also a prototype for later Islamic tombs. And it is "the best surviving example of 10th century architecture in the whole Muslim world," Unesco says.

Luckily, in addition to surviving the Mongol invasions, the mausoleum withstood the area's numerous earthquakes. Over the centuries, it had gained protection from flooding and other shifts of nature that buried most of it in dirt and sand until 1934, when a Soviet archaeologist rediscovered it and began excavating.

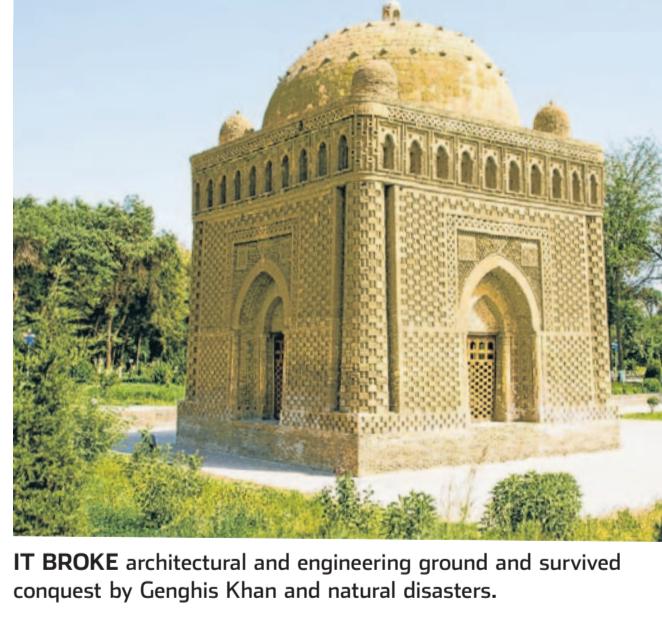
The walls of the symmetrical structure he unearthed, nearly identical on all four sides, are faced with a basket-weave pattern fashioned from baked brick—in contrast to the stucco sur-

faces that were prevalent at the time. The cube is surrounded at the top by a decorative (and therefore inaccessible) arcade of 10 arched niches per side, each one flanked by columns and set in a rectangular frame. The niches match in shape the large, recessed arches below, at ground level, that pierce each side of the mausoleum like doorways—though only one functions as an entryway to the inside. The small niches follow the design of the arches, but in a simplified version.

At each corner of the mausoleum is a three-quarter column, also covered in the basket-weave pattern and slightly tilted inward to act as a buttress. Above the gallery arcade, hugging the inset dome, are four little beehive-shaped cupolas, one near each corner.

The exterior walls are punctuated with decorative designs. Most notably, a row of brick circles frames the arched portion of the four recessed "doorways" and surrounds the top of the arcade. Scholars have suggested that they refer to the sun—a symbol common in Zoroastrianism, which was the religion practiced by much of the local population before the Arab conquest of Central Asia in the seventh and eighth centuries. For Zoroastrians, the sun was the visible manifestation of their highest god, fire was a symbol of purification, and paradise was a place of light. The circles thus may represent a weaving of two religious cultures—and perhaps a slightly subversive reference to earlier times.

Compared with the glittery insides of many later Islamic mausoleums, such as the Taj Mahal, the Samanid tomb's interior is restrained. The brickwork is patterned—plain basket-weave up to the top of the doorframe, then incorporat-



ALAMY STOCK PHOTO

IT BROKE architectural and engineering ground and survived conquest by Genghis Khan and natural disasters.

ing circular and diamond-shapes. But it's all cream: no color, gilt or inlays.

Yet this interior is noteworthy for its engineering and architectural features. This was the age of Al-Khwarizmi (c. 780-c. 850) and Al-Farabi (c. 870-c. 950), renowned Islamic mathematicians whose work helped to beget the first major school of mathematicians in the Islamic world. Their algebraic and geometric advances found practical applications in the work of contemporary engineers and architects.

Here, they used that knowledge to gradually transition from the cube space into the dome above. First, atop the cube sits an octagonal structure with arched squinches angled across each corner. From there, the structure grows upward with ever more sides until it

becomes a circle.

Brick squinches, here decorated with windows and patterns mimicking those below, are not unique to the Samanid mausoleum. But this form, with its fractured spaces, would later evolve into the often gloriously gilded or brightly painted, three-dimensional honeycomb building corners that are known as *mugarnas*. Sometimes called "stalactite vaults," *mugarnas* embellish many palaces, madrasas and mausoleums in the Muslim world and do seem to be unique to Islamic architecture.

Inside the mausoleum, Ismail Samani, who died in 907, is not alone in eternity—in fact, no documents have been found saying that his remains actually rest there. The tomb, which contains three unadorned graves, was possibly conceived initially for his father, Ahmad, and finished by his grandson, Nasr II. But Nasr's is the only body identified as being there, by a wooden plaque.

Today the mausoleum, spanning clean with no sign of its buried past, sits amid a park in Bukhara. It can't help but charm visitors (who remain scarce) with its harmony and grace.

Ms. Dobrzynski writes about culture for many publications and blogs at www.artsjournal.com/realcleararts.

Slip right into this enlightening history of the mule D2



OFF DUTY



Dan Neil on obese vehicles—and the death of the old-school sedan D11

EATING | DRINKING | STYLE | FASHION | DESIGN | DECORATING | ADVENTURE | TRAVEL | GEAR | GADGETS

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THE WALL STREET JOURNAL.

Saturday/Sunday, May 5 - 6, 2018 | D1

Do the Right Wines Win?



BY LETTIE TEAGUE

WHAT'S THE difference between a wine with a 94-point score and one awarded 98 points? A lot more than a mere four points. Jeffrey Sapara, a New Jersey-based wholesale sales representative for importer VOS Selections, recalled that when the 2010 Contino Gran Reserva Rioja was awarded 94 points by Robert Parker Wine Advocate, Vinous and Wine & Spirits, three well-respected wine publications, in previous years, a few retailers bought a case or two. But after wine critic James Suckling's website awarded the same wine 98 points in January 2018, Mr. Sapara was deluged with calls.

"All of a sudden there was a feeding frenzy. I didn't have enough wine

In the world of wine, a rating of 95-100 equals retail magic. But what do those points really mean? It depends on who's keeping score

to sell," Mr. Sapara recalled. The retailers who had only purchased a single case of the wine from his New York-based company suddenly wanted everything he had in stock. The 98-point score "quadrupled" the interest, he said.

The distance between points at the top of the scale may be greater today than ever before. Winemakers, wine buyers and retailers are all chasing big numbers, since a very high score from a wine critic versus a pretty good one can be the difference between a wine that sells reasonably well and one that pretty much sells itself. But do the wines that win the

big scores really deserve their big numbers? And do those big numbers all mean the same thing when they're awarded by different wine critics?

Not all retailers rely on this point system to sell wines. Steve Flynn of Manhattan's Amsterdam Wine Co. almost never posts scores in his store because he believes his knowledgeable staff can sell the wines better than a number can. But even he will use scores online and in emails to appeal to a national audience of buyers who can't talk to his staff.

For a critic, awarding a wine a big score can result in a boost in visibility. Many retailers cite the critic's

name next to the numerical score in shelf talkers, the notes describing a wine that stores post on shelves, websites or emails to customers.

At Gary's Wine & Marketplace in Wayne, N.J., a shelf talker informed me that wine critic Luca Maroni had awarded a 98-point score to the 2014 Montalbera Piemonte Rosso Fuori Catalogo (\$15). I'd never heard of Mr. Maroni, but, according to Montalbera spokesperson Daniela Gasparri, he is an Italian wine critic who is "little known by the large foreign public but highly appreciated by insiders (buyers)," as she wrote in an email. And he appeared to have helped sales at Gary's: It was one of their best-selling reds in that price range, according to salesperson Bill Brown.

With further sleuthing, I found that Rome-born Mr. Maroni is a self-described "sensory analyst" who

Please turn to page D10

[INSIDE]



NO SWEAT

New hybrid pants merge sweats and dress slacks—but is that really a good idea? D4



DASH AND DINE

A 35-minute chicken dish from the clever chefs at Los Angeles's Botanica D9



MOTHER'S TRAY

Even an inept breakfast in bed tastes fine when served on great design D7

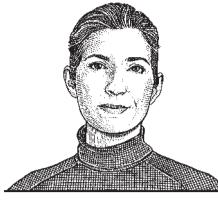


MY KIND OF CHINATOWN

The culinary renaissance of San Francisco's Asian enclave D6

STYLE & FASHION

FASHION WITH A PAST NANCY MACDONELL



Mules: How a Historic Shoe Blossomed Anew

CLICK-CLACK. Click-clack. Hear that? It's the sound of the mule, possibly the only shoe with its own audio signature, and it's making a big noise this spring.

Mules have been trending for a few seasons, but they've reached critical mass in the last few months, with everyone from Madewell to Manolo Blahnik, who's done more than any other designer to keep this style alive, offering a take. In fact, not since the early 1990s, when the supermodel Linda Evangelista owned Mr. Blahnik's Maysale mule in most colors, has this gussied-up slipper had such cultural currency. And in the everything-old-is-new-again way of contemporary fashion, the Maysale is riding high, showing up on influencers like Karlie Kloss, who wasn't even born when it made its 1991 debut on Isaac Mizrahi's runway.

"It's a very sexy shoe. The way you walk in it is insecure but not—very tempestuous," wrote Mr. Blahnik in an email, explaining in his idiosyncratic way why he's so enamored of this style.

What makes the mule so precarious, of course, is that it has no back quarters—in layman's terms, it has an open heel. An open-toed mule is not a mule but a slide, but we'll let that slide; many designers, in their current embrace of all shoes backless, have lumped the two together. They've also adapted pretty much every other footwear style to mule specifications, lopping the backs off sneakers and loafers to make them even easier to wear. And therein lies the reason for the mule's current modishness.

It began, as so many things in fashion do these days, with Gucci. In late February, 2015, Alessandro Michele showed his first women's collection as creative director of the Florentine house. Among the agenda-setting items he sent down the runway was a backless, fur-lined horse-bit loafer. A beguiling mashup of bourgeois status symbol, off-hand luxury, and comfy bedroom slipper, it was an instant hit with the professionally fashionable, becoming perhaps the year's



GROW A PAIR From Bottom: Sanayi 313 Ragno Slippers; Gucci Princetown Slippers; Ilissa's Vintage Lingerie Feather Marabou Mules (c. 1920s); Ilissa's Vintage Lingerie Spring-o-lator Mules (c. 1950s). Leaves from left: Manolo Blahnik Maysale Mule, Ilissa's Vintage Lingerie Slippers (c. 1930s); Paul Andrew Certosa Mules, Manolo Blahnik Maysale Mules; Paul Andrew Flavin Sequin Mules.

most Instagrammed shoe.

The lazy convenience of the furry Gucci mule was both a harbinger of things to come and a revival of the mule's original meaning.

For much of the 20th century, the mule had been a heeled, hyper-sexy shoe, its precariousness and frivolousness

thought of as stereotypically feminine. It wasn't always so.

Mules have been worn for centuries but had their first big fashion moment in the 17th century, when they appeared in the then-new genre of domestic portrait paintings, often in velvet or brocade, and worn by both sexes.

"The mule was something you wore among intimate friends, a kind of elegant undress," said Elizabeth Semmelhack, a

senior curator at the Bata Shoe Museum in Toronto.

Although Ms. Semmelhack

is not referring to sexual intimacy, the mule connotes that, too—in constant danger of slipping off entirely, the mule exposes part of the foot, a body part with a strong tradition of erotic fixation.

This aspect of the shoe is more evident in the era with which

it's most often associated, the 18th century. As depicted in paintings such as "The Swing" by Jean-Honoré Fragonard or "La Toilette" by François Boucher, mules function as potent symbols of a sophisticated sexual culture.

Mules appeared in a simili-

larly wink-wink guise in the 1930s, when Hollywood stars such as Jean Harlow and

Joan Crawford were pictured in mules and matching satin lingerie. At this point, the mule was still what it had always been: a shoe to be worn at home. By 1956, it was increasingly worn in public, and shoe designer Beth Levine created the Spring-O-Lator mule, which had an elastic at the arch that created tension, preventing the shoe from sliding off. The mule has remained a public figure ever since, waxing and waning in stylishness, generally defined by its heel and its flirtatious demeanor.

Both flat and cozy, the Gucci mule reverted to the style's origins as a house slipper, albeit one intended for outdoor use. Along with stretchy jeans and oversize tops, the mule fulfills our desire to feel like we're in our pajamas while appearing au courant. Tellingly, it's this quality that designers reference more often than sexiness.

The mule fulfills our desire to feel like we're in our pajamas.

"The ease of it—you just put it on and with the right toe shape and heel, you can wear it with anything from jeans to an evening gown and feel well-dressed," said shoe designer Paul Andrew, whose pointy-toed Certosa mule is his best-seller.

"It's like we've seen the light into this world where we can wear beautiful things and still be comfortable," said Jessie Randall of accessories brand Loeffler Randall.

The reason designers are so focused on providing a shoe that is both elegant and comfortable is what Roy Luwolt, a co-founder of shoe brand Malone Souliers calls "the big fight that every luxury shoe brand has to fight every day," that is, the battle to hold their ground against sneakers. In giving customers a shoe that feels like a slipper but looks far more polished, designers are attempting to satisfy women who want it all. Or, as Mr. Luwolt put it, mules are "instant gratification, in a luxurious way."

Which is a neat summary of why they're everywhere.

Ash-Blond on Delivery

BY KARI MOLVAR

Does she or doesn't she? Only her UPS man will know for sure. A new wave of superior at-home hair color brands is tempting even salon loyalists



FOR MOST WOMEN, coloring their hair at home sounds like a mild form of torture. Between the anxiety of picking the right shade, the toxic reek of the formulas and the mess of the dye, not to mention the potential for regrettable results, it's not a tempting project. But salons eat up both money and time—committing to regular coloring can leave you feeling like you took out a second mortgage and started a second, very tedious job.

There may be a better way: A new breed of progressive, at-home hair-color systems promises to improve on the average drugstore kit, with strategies ranging from botanical formulas to fuss-free application tools to the use of chatbots or photo-recognition technology to help you select the ideal shade. Some are available for home delivery via a website, others can be found at your local drugstore. Sounds good, but are these intelligent kits really worth a try?

Dark-haired ladies with grays should consider Hairprint, a green-science California company. Its True Color Restorer (\$39, myhairprint.com) contains a blend of nontoxic, natural ingredients to deposit eumelanin, a pigment that returns black and brown hair to its natural color. The eco fix only works on darker hues, though (sorry, blonds and redheads).

For all shades, technology can help with color matching. If you visit eSalon's site (esalon.com), you'll be asked to answer a series of questions. An algorithm then spits out the best shade for you from more than 165,000 options; eSalon will deliver a bespoke kit (\$10-25) to you within a week (it also offers a

starter kit at CVS that helps you choose your color online). Madison Reed (madisonreed.com) employs a chatbot ("Madi") to help: After you upload a photo, Madi analyzes primary and secondary tones (just like a salon colorist) and ships you a custom-picked dye, plus visual application instructions (unlike the usual text pamphlet in most drugstore kits that Madison Reed CEO and founder Amy Errett concluded "no one even reads," having videotaped 50 women in their bathrooms).

The convenience factor convinced Elizabeth Arancio, a quality control director in her 40s, to ditch the salon. "I spent a minimum of 2½ hours at the salon, plus an hour to get back and forth every four weeks," she said. Tired of losing the time and money, she tried Madison Reed on a whim last year, and hasn't looked back. "I've had no mishaps, the instructions are very detailed and easy to follow," she said. The finished amber shade always "looks like I just left the salon." Others like Julie Macklowe, the founder of Vbeauté skin care, would rather leave coloring to the experts, especially when it comes to highlights (which require precise placement). "There's a reason a pilot flies a plane—leave it to the professionals," she insisted.

For the best of both worlds, consider a hybrid: offline salons in which eSalon and Madison Reed are investing. In these quickie spots, a professional applies the brand's at-home formula, and teaches you how to do it (prices range from \$35 to \$85). Ms. Errett has already opened Madison Reed bars in New York City and San Francisco, with more to come. "Now your colorist isn't keeping it a secret what he's using on your hair," she said. Instead, you're armed with that intel, and "a little bit of pampering in half the time."

STYLE & FASHION

MOTHER'S DAY GIFT GUIDE

Beyond the Macaroni Necklace

Channel your inner adoring child and give Mom an elevated version of the hideous finger paintings, artsy pinch pots and other craft-project gifts of your youth. Even the most loyal mother, after all, would prefer pearl earrings to ones made of pipe cleaners

BY LAUREN INGRAM

1. The Art Must Go On That Sharpie mural on mom's kitchen wall is a surprise best left unpeeled. A superior take on that overenthusiastic scribble: Gucci's limited-edition sweatshirts printed with surrealist work by Spanish artist Ignasi Monreal. *Sweatshirt, \$1,400, gucci.com*

2. Family Tie Mom dutifully wore that childish, stunted attempt at a knitted scarf in public, but she'd rather have more chic neckwear, such as this bandana stamped with an iconic print of Dennis Hopper by Andy Warhol. *Calvin Klein 205W39NYC Bandana, \$140, calvinklein.com*

3. Work the Dangles The strands of freshwater pearls and gold beads that hang from these mobile earrings can be adjusted to create mom's own personalized sculpture. She's quite good at balancing things. *Earrings, \$250 each, mounser.com*

4. Clear Winners Just because she's a mother doesn't mean she has to drink from a lumpy handmade cup painted with an unidentifiable creature. She'll welcome these tumblers made by the Murano masters at NasonMoretti. *Glasses, \$86 each, nasonmoretti.it*

5. Stroke Improvement Illustrator Tanya Ling's charming prints for her swimwear collaboration with Araks will remind mom of her kids' slightly less finessed artwork. *Swimsuit, \$310, araks.com*

6. Arm Candy This delicately crafted Bilum bag by the Row,

with its collage of colors and array of knotting techniques, will delight women who have spent years acquiring a taste for the messy abstraction of motherhood. *The Row Bag, \$1,990, matchesfashion.com*

7. To Have and To Fold Few gifts are best bestowed unfinished, but in the case of this luxurious, double-sided origami paper, mom will surely give you a pass. This is one crafting activity mom will want to do herself, especially if she recalls how do the swan. *Origami Paper \$90, hermes.com*

8. Gleam Club Moms are constantly cleaning tiny hands covered in grime and glue, so thank her for her efforts with a thoughtful manicure moment. With names like Eames and Blue Nudes, J.Hannah's nail polishes are inspired by the hues of an artist's palette. *Nail polish, \$19, jhannahjewelry.com*

9. Vintage Find Although the frazzled mom with a giant glass of red is a sad old meme, you probably know a mother with a passion for both art and wine who would love this book, a collection of Dalí's surrealist works about winemaking. *"Dalí. The Wines of Gala" by Salvador Dalí, \$60, taschen.com*

10. Serving Suggestions The swirling colors of these deep, one-of-a-kind resin bowls evoke the ever-influential 64-count box of Crayolas. *Small Dish, \$75, Medium Bowl, \$90, Large Bowl, \$190, dinosaurdesigns.com*



PRESENTS, ACCOUNTED FOR // THREE DISCERNING Matriarchs opine on gift-giving

Cass Bird

Photographer

Winning Gift A tiny ceramic mug that says "World's Greatest Mom" that [my wife] Ali Bird found at a flea market. I can't manage to remember any other Mother's Day gifts—does that make me a bad person?

Losing Gift Since Ali and I are both moms, somehow it cancels out. So the default is to make the expectation of pampering low

since we both want to be the recipient.

Wish List Breakfast in bed, handmade notes, art from my daughter and for my son to let me beat him at chess.

STYLE & FASHION

Trousers Without Borders

Work-from-anywhere lifestyles have inspired pants that crossbreed sweats and dress slacks. One man tests their limits



BY JACOB GALLAGHER

ARE YOU wearing pajamas?" asked my friend at a bar last Sunday. "They're...wool sweatpants," I said uncertainly. I didn't actually know what to call the Barena pants I had on. With an elastic waist and fine wool fabric, they weren't sweatpants, but they weren't *not* sweatpants. They were the pant version of a Labradoodle, a status mutt. They were also the most comfortable pants I'd ever worn.

The world of men's trousers has been, as the Silicon Valley folks say, "disrupted." Designers are playing Dr. Frankenstein, combining elements of classic dress slacks with athleisure comfort to make unfamiliar styles. This luxury lounge wear reflects our flexible times, with work-from-homers forcing menswear codes to evolve. If you're a kitchen-table entrepreneur used to putting together a pitch deck in your boxers, clothes like a sportcoat and wool slacks can feel as natural as hazmat gear. Yet sweatpants seem too slovenly for everyday wear. The look of these new trans-

former pants would suit both you and a more on-the-go guy whose typical day includes a harried school drop-off, a session at the local WeWork and a drinks meeting.

"It lightens the load, it's easier, it's more comfortable," said Kevin Carney, the co-owner and chief of Mohawk General Store, a Los Angeles boutique. Mr. Carney estimates that 80% of the trousers he's stocking this season, including pieces from Japanese designer Junya Wa-

striks sweatpants slumbering to Sunday nights on the couch as I binge-watch old episodes of "Oz," I'm not the target demo for mashup trousers. Yet their promise of covert comfort is hard to pooh-pooh. So, I sampled four iterations over one weekend. Two pairs, one from New York label Aimé Leon Dore and the other from yoga brand Lululemon came from the sporty end of the spectrum. Their ample ankle cuffs and tapered fits gave them a sleek

wool and cotton, respectively, options from Italy's Barena Venezia and Japan's Nanamica were what I'd call sartorial sweats. The gray wool Barena Venezia pants were gathered at the ankle like sweatpants but tailored with crisp seams. I was most satisfied with Nanamica's pair, which had a straight, nonelastic hem. They were the same shape as the trousers I normally wear to work, but the pliable cotton material made for a cozy feel.

But the inherent casualness of even these more structured pairs left me struggling to look "presentable." Heading to some art galleries on Saturday, I tried to balance Nanamica's marled-grey jersey with leather loafers. In that get-up, I feared I looked like a hung over frat boy. The next day I wore a cardigan atop Barena's pseudo-sweats, but that slightly geriatric combo made me look like I'd wandered out of a retirement home. By weekend's end, I'd discovered that presentability and comfort do not make easy bedfellows. The safest styling approach? Bypass your usual Sunday sweatshirt and grab a neat denim or Harrington jacket. Something crisp and classic up top will balance the couch-potato vibes below.

Heading to an art gallery, I tried to balance the sartorial sweats with leather loafers. But in that get-up, I feared I looked like a hung over frat boy.

tanabe and Italian house Eidos, trade a traditional belt-looped waist for a drawstring or elastic one.

"You can be really comfortable and still look sharp, and that's what we're trying to do," said David Muller, the owner of Save Khaki United, a New York brand that has made a elastic-waisted cotton poplin pant for the past three years.

As someone who mostly wears dress pants to the office and re-

look, not unlike a trim pair of chinos. Yet I almost felt obliged to hit a spin class or otherwise exert myself, particularly in the navy Lululemon pair, which is made from a techy polyester. For a coffee run each morning, they were fine, but their athletic informality convinced me I couldn't wear them to lunch anywhere except a juice bar.

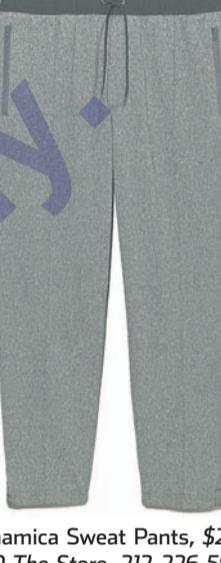
The other two pairs I sampled were more dressed-up. Cut from

Sweat Equity

Three pairs of elevated lounge pants to consider wearing well outside the gym



Joggers, \$128, lululemon.com



Nanamica Sweat Pants, \$270, [180 The Store](http://180thestore.com), 212-226-5506



Barena Venezia Joggers, \$365, m5shop.nyc

THE HE-MANICURE

For the guy who'd rather take matters into his own hands than skulk into a salon, a primer on at-home nail care

NAIL GROOMING is a lesson parents generally impart to their kids as a terse one-liner about looking unembarrassing: "Clip those gnarly-looking nails, now!" Sticking to the bare minimum—a hasty, resentful clipping—may suffice for a youngster, but when you're an adult, it can leave you with "Edward Scissorhands" points and raggedy cuticles that signal a laissez-faire attitude about hygiene.

"Someone once told me, 'Your hands are your greeters: When you meet someone, they look into your eyes, then down at your hands for a handshake,'" said Deborah Lippmann, founder and creative director of an eponymous nail care company. If you're concerned about the kind of impression your hands are making, nailing the right techniques and tools is key. Here's the basic at-home strategy for the ultimate manly manicure.

Get Kitted

Spiffy manicure sets (just like Gramps had) by tony companies like Czech & Speake, Pankhurst London and Exemplaire hold all the steely implements you'll need for your routine, and are portable to boot. Perhaps investing in one of these old-school sets will motivate you to actually take care of those claws.

Clip Reasonably

A common mistake is to cut nails

down to the nub, which can make fingers look stubby. Aim for a relatively short, rounded and natural look. Leave an eighth of an inch at the tip, then use a nail file to even nails out. Take a buffer (a tool that smooths nail surfaces) and lightly "dust the top of each nail to exfoliate the dead cells and smooth nails," said Ms. Lippmann. Rub cuticle oil wherever the skin meets the nail, then use a nail pusher to push back the skin around the nail to get rid of the dead skin that can morph into a hangnail.

Soften Up

Don't overlook the rest of your hands: Rough patches on the palms can be remedied using a callosity softener like Deborah Lippmann's Get Off, which uses lactic acid to break down hyperkeratosis (thickening of the skin).

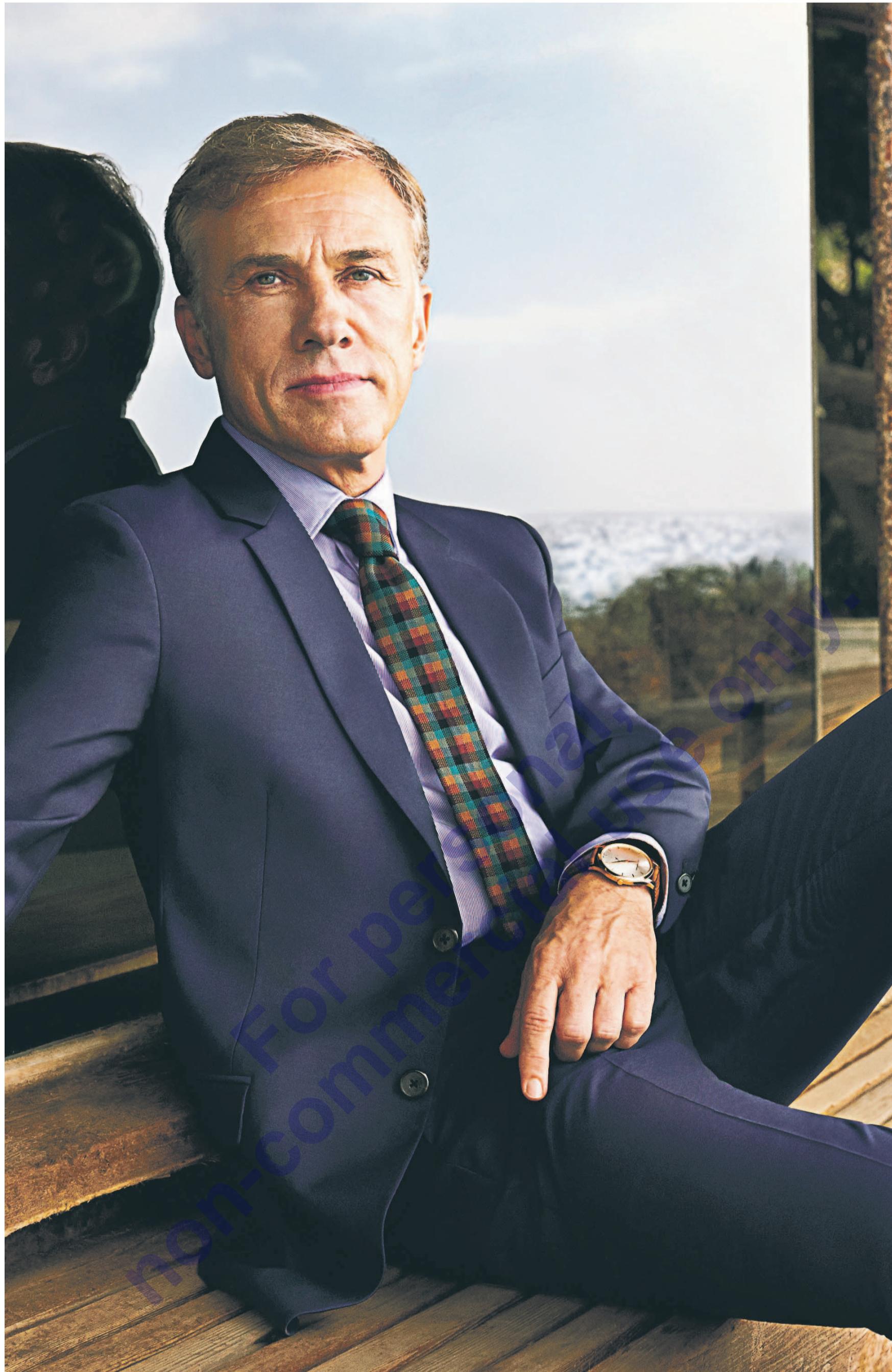
End with...Polish?

For men with soft nails that tend to tear, a coat of clear polish provides a layer of protection. Alternatively, for the varnish-averse, Jin Soon Choi, founder of JINsoon salons in New York, suggests buffing might be enough for "a natural shine and a more finished, healthy look." Or, go completely au naturel like the unsocialized gorilla that you are.

—Donna Bulseco



CLIP SERVICE High-quality tools can be highly motivating. Manicure Set, \$689, czechandspeake.com



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ADVENTURE & TRAVEL



FEAST FORWARD Mr. Jiu's, a modern Chinese restaurant from chef Brandon Jew, occupies a former Cantonese banquet hall.

ALANNA HALE FOR THE WALL STREET JOURNAL, ILLUSTRATION BY LIVI GOSLING

Undoing the Time Warp

In San Francisco, the country's oldest Chinatown—long dismissed as a touristy relic—is stirring up a culinary revival

BY JAY CHESHES

ON A RECENT Friday night, China Live, the new food and drink complex on the edge of San Francisco's Chinatown, throbbed with diners. "We have eight different cooking stations, four distinct cooking types," said founder George Chen, leading a tour past open kitchens surrounding a dining room sparkling with luxurious materials—river rock, marble, a cityscape mural in blue and white tile.

In the adjoining room, shoppers browsed a marketplace stocked with fancy cookware and gourmet ingredients (extra virgin tea oil, housemade XO sauce with Cognac). Upstairs hid a plush speakeasy bar and another restaurant, serving \$225 tasting menus to just eight tables a night. "The perception of Chinese food has to change," said Mr. Chen. "Americans have to get over that mystery brown sauce in a white box cliché."

To get his message across, this veteran restaurateur bet big on one of San Francisco's most perpetually troubled neighborhoods, launching his 30,000-square-foot, \$20 million Chinese version of Eataly, as he describes it, along a strip of cheap takeout restaurants and cluttered souvenir shops.

The country's oldest and largest Chinatown suffered through years of economic decline, plagued by graffiti, petty crime and shuttered storefronts, with whole stretches looking increasingly like abandoned movie sets and little life left behind their historic facades. But while the district's central thoroughfare, Grant Avenue, lined with sleepy gift shops, remains frozen in a tourist-trap time-warp, new signs of life were stirring in the area even before China Live opened last spring.

In recent years, other newcomers



have begun tiptoeing into the district's restaurant scene, while young heirs to iconic establishments have started re-energizing their parents' and grandparents' businesses. Community leaders, meanwhile, spurred by a long overdue subway station project slated to finally open next year, have been working to bring traffic back to the neighborhood with improved lighting and beautification schemes.

A maze of bright murals has sprung up in recent years, a result, mostly, of landlords replacing tagged walls with commissioned street art. Terracotta warriors climb the walls of one building on Grant Avenue, while around the corner a somber piece depicts alleyway gambling in the late 19th century. Both murals are by Francisco Aquino, a local artist who signs his work Twick—and has enough street cred to keep vandals at bay. Betty Louie, a local property owner, commissioned both pieces. Ms. Louie has also been working to attract new food ventures to the area. A new fast-casual dim sum parlor from Bay Area restaurateur Chris Yeo will soon fill one of Ms. Louie's historic restaurant spaces, the pagoda-topped former home of Cathay House on California Street. "We



HOT PROPERTY Clockwise from above left: A chile-rich fish fillet at Z&Y; the scene on Grant Avenue; bartender Sacred Mitchell at Cold Drinks Bar at China Live.

hope...we can draw maybe a different population to Chinatown," she said. "Not only the tourists, but maybe the locals will come back."

Another neighborhood booster, Albert Cheng—who works with San Francisco's Friends of Roots organization, which brings Chinese Americans to China in search of their ancestral homes—points out that Chinatown's food is becoming much more diverse: "This area used to be all Cantonese, now you see a blend of Hong Kong, Shanghai, Hunan, Chongqing." He's been eating here since the 1960s, when glamorous supper clubs and banquet halls drew the city's smart set. "The old places were absolutely stunning," said Mr. Cheng. The Empress of China, the last of those opulent eating palaces, shut down a few years ago, and its landmark building's fate remains in limbo. Here, a brief guide to the neighborhood's newer dining and drinking establishments.

China Live Market Restaurant

The anchor restaurant at China Live serves a market-driven menu of Chinatown classics—juicy pork dumplings, Cantonese roast meats, rice casseroles in clay pots—subtly upgraded with top-shelf ingredients (including produce grown for the restaurant on its own farm plot in

Sometimes Old Fashioned includes duck fat-washed 10-year-old Speyburn and a very big cube of ice. 644 Broadway, chinalivesf.com

Lai Hong Lounge

The best dim sum house in Chinatown, an offshoot of the popular Hong Kong Lounge that opened a few years back in the city's Richmond district, is hidden behind a barely marked facade on the neighborhood's edge. Instead of the usual rumbling carts, you tick boxes on a vast illustrated menu to order. The steamed and fried dumplings come in a bewildering array of shapes and fillings, from crispy swans filled with durian custard to bundles of purple yam and chive. The waits can be very long on weekends. 1416 Powell St., lhlounge.com

Mister Jiu's

Growing up Chinese-American in San Francisco, Brandon Jew knew the Four Seas restaurant well, an iconic banquet hall where he celebrated big family occasions. In 2016, Mr. Jew, a veteran of top restaurants in the city, took the helm of the extensively renovated space and turned a classic dining destination into one of the city's most contemporary. His creative riffs on traditional Chinese dishes—chicken feet terrine with chile and lime, rice noodles with sea urchin, Wagyu beef and tuna heart fried rice—pack the house every night. A cocktail lounge will soon open upstairs. 28 Waverly Pl., misterjius.com

Red Blossom Tea Company

Alice Luong took over her parents' venerable herb and tea shop, a mainstay on Grant Avenue, a few years back, updating the space and launching a thriving online business. Ms. Luong, who sources the teas direct from farms across China and Taiwan, offers guided tastings on site, explaining the difference between a vintage pu-erh, say, and a bug-bitten oolong. She also sells an assortment of delicate ceramic sipping and steeping vessels. 831 Grant Ave., redblossomtea.com

Z&Y

Li Jun Han, a former state chef for two Chinese presidents, is a master of *ma la*, the tingly-hot heart of Sichuan cooking. His Chinatown flagship—he owns a second restaurant across town—specializes in foods showered in hot oil and buried under dry and fresh chilies. (President Obama once picked up takeout there.) His offal dishes are particular standouts—try the tendons, kidneys or tripe. Mr. Han, an unofficial ambassador of Chinese culture, recently brought in a tea master who dances through the dining room pouring tea from a long-spouted brass pot. An offshoot, Z&Y Bistro, focused on skewered meats, will open this summer across the street. 655 Jackson St., zandyrestaurant.com



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DESIGN & DECORATING

An Eloquent Breakfast in Bed

Nothing tells Mom she's appreciated like an elegantly served, if slightly burned, Mother's Day meal

BY MIEKE TEN HAVE

MOTHER'S DAY breakfasts in bed, as prepared by children, are often rather basic or charmingly inept. "It was usually as simple as cornflakes and milk," entertaining expert Cathy B. Graham remembered of the annual ritual when her kids were young, adding that she'd jump back in the sack to play along with the surprise.

"It's so nice to indulge in just staying in bed," said New York and Chicago interior designer Alessandra Branca, whose husband brings her warm lemon juice and coffee each morning. "It is a tradition we ought to return to," she added of the largely horizontal meal.

A large cloth napkin comes in handy during this potentially precarious repast.

There's a big difference, however, between a bowl of soggy cereal, luke-warm coffee and paper napkins hastily assembled on a wobbly tray and the real, spoil-the-matriarch deal. With a little help from Dad—and good design—the morning's repast can be a polished presentation, though he may still want the kids to sweat over their endearing jalopy pancakes or unwittingly crunchy scrambled eggs. For those looking to truly surprise, here's how to do it.

First, the foundation. The tray must stably hold the whole tableau, unfolding before the recipient like she's queen for a day. For a thoroughly mod-

ern mom, Kaymet's tray (below right) might work, though Ms. Branca prefers a throwback. "A traditional tray on stands, preferably with slots for newspapers and magazines, is elemental," she said. She included such a tray, a vintage rattan version, in the sumptuous bedroom she designed for the Kips Bay Decorator Show House, currently welcoming visitors in New York. She topped it with linens of her own design and a white lettuce-ware teapot by Dodie Thayer with its attendant cup and saucer.

Manners authority Emily Post was delightfully stringent about particulars such as matching china. "Nothing looks more 'down at heel' than odd crockery," she wrote in "Etiquette," first published in 1922. "It is as bad as unmatched shoes," she added damningly. Nearly a century later, Ms. Graham, author of "Second Bloom: Cathy Graham's Art of the Table," agreed, explaining, "You only need one of everything: egg cup, plate, coffee pot, cup and saucer, creamer," she said. While most companies don't sell ready-made breakfast sets anymore, it's easy to buy single pieces of the same suite from classic china manufacturers such as Royal Copenhagen and Gien.

"If you can't drum up matching china," said Ms. Graham, "make sure the linens match." And need we say that cloth napkins, even if you forgo every other upgrade here, elevate the meal, with their whiff of room-service indulgence? Besides, a large dinner napkin comes in handy during this potentially precarious meal. One or two seasonal flowers in a petite bud vase, small enough so as not to crowd the tray, will serve as the final tray-top flourish.

RICH FOOD With a sufficiently pretty tray, Mom might feel as regal as Baroness Fiona Thyssen-Bornemisza and her daughter in 1963



GETTY IMAGES (TOP); F. MARTIN RAMIN/THE WALL STREET JOURNAL STYLING BY ANNE CARDENAS (VASE, LINENS)



Alessandra Branca Linens, from \$76 for 2 place mats, branca.com

FRESH PICKS

BATHING BEAUTY
India Mahdavi's new fixture collection for Bisazza, in strawberry



THE FIXTURES Splashes of Color

Though nervy aesthetes have recently been investing in exuberantly patterned and colored bathroom tiles, the actual sinks, toilets and tubs have remained unrelentingly neutral for at least the last 30 years.

At April's Salone del Mobile in Milan, India Mahdavi—the designer behind Sketch, a very pink London restaurant—

staged a no-less courageous protest against boring bathroom design.

The Paris-based designer's eponymous bathroom line for Italian luxury brand Bisazza includes a bathtub, mirror and wash basin available in three colors: strawberry, pistachio, and blueberry. "It's a contemporary interpretation of our childhood bathroom

memories," said the self-identifying chromatic "polyglot" in an email, adding that she deploys color specifically to elicit joy. "They're like human-scale toys for a sensitive and sensorial experience," Ms. Mahdavi said of the fixtures, "a purification through color." The Mahdavi Collection, from about \$563 for wash basin, bisazza.it.

THE WALLPAPER Music to Your Eyes

Revered by music nerds as a pioneer of ambient music, a genre more meditative than melodic, Brian Eno has designed a similarly atmospheric new collection of wallpaper with the British company Graham & Brown. After approaching Mr. Eno, Graham & Brown introduced the artist, musician and music producer to its 40,000-piece design archive, which he used as a jumping-off point for his creations. Said Paula Taylor, the company's lead design stylist, "He took those original repeat files and actually began mixing them together and blending them digitally, as one would blend oils or pastiche papers over one another." The result: "The Mask Series," consisting of "Flower Mask Jade" (shown) and the slightly less dense "Flower Mask Blue." Said Ms. Taylor, "Wallpaper is effectively 'ambient' art." Brian Eno Flower Mask Jade Wallpaper, \$120 per roll, grahambrown.com —Eleanore Park

◀ Wallpaper designed by artist Brian Eno.



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Pictured:

Stand Up To Cancer Ambassador, **Bradley Cooper**, along with American Airlines team members currently fighting, surviving and co-surviving cancer.



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DESIGN & DECORATING



JOHANNA KESSELS

MICHELLE SLATALLA A MATTER OF LIFE AND DÉCOR



Stuck in Minimalism Hell, I Finally Saw the Light

I AM A RECOVERING minimalist. Like a lot of people seduced by the bare-is-better aesthetic, for the past decade I believed that emptiness is next to godliness. When I moved across the country (twice), I got rid of coffee tables, lamps, my bed frame, more than 100 boxes of books and even my husband's favorite green wingback chair.

But I realized I'd gone too far the other day when I found myself sitting quietly in a bare room with raindrops slithering down a curtainless window pane. "Do you think we could get a space heater?" asked my husband, shivering on an IKEA knockoff of an Alvar Aalto stool.

Had I gone wrong by mistaking minimalism as a virtue when in fact it's just a decorating style? There had to be a happier way to live, a comfort zone somewhere between recherché reductivism and A&E's "Hoarders." For advice, I called Julie Irwin, a business professor at the University of Texas at Austin who studies the relationship between buying things and happiness.

"It's unrealistic to expect people to live completely in empty boxes and to think living that way makes us more pure," Prof. Irwin said. "Some people like to express themselves through their things."

I told her that after years of obsessively preventing objects from entering my home, I was afraid if I let my guard down I'd turn into a binge buyer. But before I could wrestle with the design question, I

had to find philosophical peace: Doesn't research suggest that materialism makes people unhappy?

"Actually, no," said Prof. Irwin, who confessed to her own weakness for well-made black T-shirts from Everlane. "You might be unhappy if you try to substitute things for people but not less happy if you just happen to like things."

That sounded reasonable and I felt better about myself because while I like things, I definitely prefer my husband to the IKEA stool

the mattress store threw in for free. How does a recovering minimalist get the courage to start?

"Get away from the fear," said designer David Alhadeff, founder of the Future Perfect shops in New York and California. With his clients, he sometimes finds himself in the position of being a shopping therapist to people who fear that buying a sofa or a table lamp is a lifetime commitment. He offers counterintuitive advice: "Don't strive for success. Strive for failure."

Had I gone wrong by mistaking minimalism as a virtue when in fact it's just a decorating style? There had to be a happier way to live.

(most of the time). But I also was ready to admit that I like material possessions—very much—for the sensory pleasures they impart. I like the way a comfortable chair folds you up in its cushions. I like the old-library smell of books. And I like how framed photos reflect the light and turn it into a thousand shades of sun.

So now I needed to figure out where to start to create a warmer and more personal home. The goal was what interior designers call a layered-and-collected look, with slipcovers and curtains, family photos on the piano—and a bed frame to replace the flimsy metal platform

"Why would I do that?" I asked.

"When it doesn't work out is when you'll learn something," he said. "If you buy a table lamp and don't like it later, it'll have secondhand market value. You can resell it."

Comforting to know. But I'd still rather avoid mistakes—and buy only furnishings that look right in my house.

The architectural style and size of a home dictates how much furniture can fit comfortably, Jessica Helgerson, a Portland, Ore., interior designer told me. For instance, low-ceilinged rooms look cluttered faster than lofty, prewar apartments with grand moldings.

"Let the space you live in tell you what it wants," she said.

In clients' homes, Ms. Helgerson has a two-pronged approach: "I start with space planning, to figure out how everything is going to be laid out, and simultaneously I develop a palette of materials based on architectural style."

For space planning, interior designers follow standard guidelines described in the industry's widely used reference book, "Time-Saver Standards for Interior Design and Space Planning." For instance, a comfortable amount of space between a coffee table and a sofa is 18 inches (to prevent bruised knees). In a dining room, there should be 42 inches of clearance around a table. And in a bedroom, choose a mattress size that allows 40 inches of clearance on the three sides of a bed not against a wall.

Before she pulls out the measuring tape, Ms. Helgerson settles on a few materials—like a specific stone or wood to complement a home's architectural details—to repeat in every room "from the attic to the basement, even if it is an 8,000-square-foot house," she said. The result is a unified and restrained backdrop for personal collections and clients' favorite furnishings.

"You can't be judgmental about the things you own, just make sure they are the things that make you happy," said Ms. Helgerson, who keeps a little Mexican felt pig and a silver egg cup decorated with Cupid

on her own desk.

As for avoiding clutter, "Gather things in some places to create collections, and in other spots create open spaces where the eye can rest," she said. "That's helpful."

And if you're still not ready for the commitment of owning more things?

"You can borrow and share things instead of buying them," said Tim Kasser, a psychology professor at Knox College whose most recent book is "Hypercapitalism: The Modern Economy, Its Values, and How to Change Them." "There are lending libraries where you can check out things like tools and seeds and even toys."

Prof. Kasser sent me a list of some of his favorites, including Local Tools (localtools.org) and USA Toy Library (usatola.org), both of which have locations nationwide. Unfortunately, there are no lending libraries for bed frames (yet).

Luckily, however, it didn't take me long to find the one I realize I've been craving: a queen-size bed with a low wooden base and a caned headboard. It will be ready to ship this month, the manufacturer says, and after it arrives I also may buy a reading chair (wingback) for the bedroom. The IKEA stool will make a perfect side table.

Ms. Slatalla is an editor for remodista.com which, like The Wall Street Journal, is owned by News Corp.

FLOWER SCHOOL

SPRING TO ATTENTION

Floral designer Lindsey Taylor captures the reawakening hue of a color-field work

MAY IS AN INSISTENTLY colorful time, with flowers popping open on what seems an hourly basis, erasing the lingering gray of the winter landscape. This month, I wanted to work with a palette saturated in yellow, the color that animates the northeast in early spring: Daffodils, forsythia, witch-hazel and Cornus mas, or cornelian cherry,

happily punctuate the woods and open hillsides, and even stony New York City neighborhoods. I found the ideal palette in the minimalist color-field work of American artist Anne Truitt (1921-2004)—known for her refined, decisive approach to sculpture, painting and drawing—and selected one of her works, "Truitt '91" (1991, acrylic on paper), for its yellow and white freshness. This artist approached creating as a daily ritual, an act that seems very much in line with creating and nurturing a garden.

A round white modern ceramic vessel with a large opening would host my profusion of flowers. I pulled together yellow and white daffodils and pumped up the gold quotient by "cheating" with mimosa from the flower market. Though certainly not a spring flower native to the northeast, from a distance, mimosa resembles the blooms of Cornus mas. I arranged the two bunches of yellow flowers so the left side was more weighted than the right, as in the painting. I tucked white daffodils into the center of the arrangement, slashing them through the yellow in a line as irregular as Truitt's.

Fresh and clear, this simple two-toned bouquet is like a visual cleanse, rebooting the system after months of hibernation.

Vessel, designer's own

Daffodils and mimosa stand in for the spirited yellow of Anne Truitt's 'Truitt, '91,' while white daffodils slash through the block of color.

THE INSPIRATION

Stephen Kent Johnson for THE WALL STREET JOURNAL, FLORAL STYLING BY LINDSEY TAYLOR, PROP STYLING BY CARLA GONZALEZ-HART (ARRANGEMENT); ANNE TRUITT, 'TRUITT '91,' 1991 © ESTATE OF ANNE TRUITT, COURTESY MATTHEW MARKS GALLERY (INSPIRATION)



THE ARRANGEMENT

EATING & DRINKING

IN MY KITCHEN

Kamin Mohammadi

The author and Italophile talks fava beans, facing down Italian dinner guests and the art of making do with what you have

I LIVE IN THE HILLS that breathe," said Kamin Mohammadi, at home in the breezy countryside northeast of Florence. Ten years ago, she was a magazine editor, living at breakneck speed amid the crowded chaos of London. She relocated to Tuscany to write—not about Italy, but about her native Iran. Published in 2011, her memoir "The Cypress Tree" follows three generations of her family, their exile in the U.K. and her own return home to reckon with her history. In her follow-up, arriving stateside next week, she writes about another kind of homecoming.

Moving to Italy changed her perspective on life. "Bella Figura: How to Live, Love, And Eat The Italian Way" (Knopf) chronicles her first year in Florence. For Ms. Mohammadi, *bella figura*—which translates loosely as "good impression"—is "about bringing out the beauty of everything...[It] encompasses joy, it encompasses being kind, it encompasses politeness. You'll choose to say things with a smile; you'll choose more pleasant words." This ethos applies to food, too. "It doesn't need to be fancy," she writes. "It's a sort of honoring everything, including the ritual of eating—honoring that radish, that tomato, the person who grew it, the sunshine that filled it with taste." She continues to spend a lot of time in London, where her mother still resides. But we caught her in Tuscany, where she lives and cooks with her husband, Bernardo Conti.

My cooking mentor was: my mom, who was always like, "A handful of this and a cupful of that, I just judge it by eye." Later, in Florence, I learned by being in the market and looking at the produce and being told, "Just do it like this..." Then there were weird things that happened, like the plumber coming over to cook. The mother of my friend Antonella was wonderful and let me ask loads of questions. And the boyfriends—the Italian men, certainly, taught me. Once Bernardo was in my life, he showed me you can make something really delicious with whatever's around right now.

My Tuscan pantry is always stocked with: the Iranian stuff I have to have, like dried limes and pomegranate molasses. And my saffron, obviously. It comes from Iran, beautiful saffron. Bernardo can't do anything without chile flakes or dried chile peppers. Anchovies—I use them so much in cooking. You can't identify it; it just gives you a wonderful flavor. Sicilian capers, a nice sea salt, balsamic vinegar, honey. Oh my God, the honey! There's a woman, Francesca, who keeps beehives outside the gates of our house, in the woods.

A pan I'm always reaching for is: our grill pan. This is how attached we are: We bought a new one two or three years ago and my husband still uses the old one, the one that's impossible to clean. I tried buying decent pots and pans once, and Bernardo got bent out of shape.

The ingredient I'm most excited about right now is: coconut milk.

We've recently been to Indonesia. Sometimes I make a rice pudding with a mixture of black and white rice, just cooked up with coconut milk. I think they use cane sugar [in Indonesia]; I use the honey from here. I have some yummy cinnamon sticks that happen to come from Iran, so I'll put in a little cinnamon. It's not that sweet. I also do a soup with coconut milk, a little bit of lemongrass and zucchini.

The worst feature of my kitchen is: that here in Tuscany we run everything on gas canisters. So, for your stove, you have to buy the gas. One Christmas my husband hadn't been particularly organized, and we ran out of gas. We were about to have the ex-wives, all the children, everyone over.

We have another, tiny stove in the corner called a Sovrana. It's really great for us out here in the country. In the winter you put it on and it acts as a heater. You don't need gas, electricity, nothing—just wood. It's got a hot plate on top and a little oven. Our little Sovrana completely saved us.

When we entertain: Bernardo makes rostinciana [braised spare ribs]. Or I might do a lemon and saffron chicken. It's really simple. If it's a roast chicken, then you just put a little saffron on top and stuff it with lemon. If it's legs or breasts or whatever, you marinate them before and just do them on the grill. I might do that with some rice. Bernardo also will do his peperonata. You can make so much and it can stay in the fridge, and it just gets better and better and better. I do lots of farro salads. Sometimes I soak my dried apricots



BLOOM WHERE YOU'RE PLANTED
Clockwise from above: Kamin Mohammadi in her Tuscan kitchen; view of the Apennine foothills; her extra-large Lofra stove with five burners.



eat them—you know, how you do with zucchini flowers? You can go out and pluck them and dip them lightly in batter and fry them, and they're gorgeous.

At this time of year, my favorite thing to eat is: fava beans. This was an ingredient very key to Iranian cooking when I was growing up. They call them fava in Italian, but in Florentine they're baccelli. And in Farsi they're baghali. So it's another moment where I'm like, Oh look, we're the same! When they appear in the market, we will come home with a kilo, put them on the table. After school, the kids will sit with us and have a chat and eat baccelli. They're like spring in your mouth.

On weekends, I like to: visit the market. On Saturday, we go with my step-daughters, in the morning. We see the cheese guys, and we have a political conversation with them. It always ends with, "Just have some Parmigiano," which is probably the answer to life.

—Edited from an interview by Charlotte Druckman

SLOW FOOD FAST SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Chicken Paillards With Salsa Verde and Red Cabbage



The Chefs
Emily Fiffer and
Heather Sperling

Their Restaurant
Botanica,
in Los Angeles

What They're Known For
Warm hospitality that extends from pretty, produce-packed plates to a sun-drenched space, open all day and built for lingering

A DOLLOP OF BRIGHT and herby salsa verde can make any dish seem special. "Paired with something savory and simple, it's magical," said Heather Sperling, co-owner, with Emily Fiffer, of Botanica in Los Angeles.

The chefs' third Slow Food Fast contribution matches the zesty herb-caper sauce with chicken paillards pounded thin for quick cooking. A red-cabbage sauté dotted with currants has a subtle sweetness that

makes a nice counterpoint.

Shallots macerated in a little Sherry vinegar bring depth to the salsa verde. "The vinegar mellows and softens the shallots," Ms. Sperling said. "And you get a really nice pop of acidity."

This sauce certainly has some punch, but don't hesitate to apply it liberally. "Spoon it all around," Ms. Sperling said. "We want everything to feel like a feast."

—Kitty Greenwald

TOTAL TIME: 35 minutes SERVES: 4

- | | |
|--|---|
| 1 large shallot, minced | sprigs to garnish |
| 3½ tablespoons Sherry vinegar | 2 tablespoons capers |
| 1 clove garlic | Zest and juice of 1 lemon |
| 1 bunch parsley, thick stems discarded, plus sprigs to garnish | ½ cup dried currants |
| 1 bunch cilantro, thick stems discarded, plus | ½ cup plus 5 tablespoons olive oil |
| | Kosher salt and freshly ground black pepper |
| | 4 boneless, skinless |

1. Make salsa verde: Combine shallots and 1½ tablespoons Sherry vinegar in a small, microwaveable bowl and soak 15 minutes. Meanwhile, in a food processor, combine garlic, parsley, cilantro, capers and lemon zest, and pulse to mince. Transfer to a medium bowl. Drain shallots, reserving vinegar. Stir shallots and lemon juice into salsa verde. Stir in ½ cup olive oil and season with salt.
2. Place currants in bowl with reserved vinegar, and add remaining vinegar and enough water to submerge. Microwave until currants plump, 30 seconds. Drain, reserving vinegar.
3. Season chicken with salt and pepper. In a

- | |
|---|
| chicken breasts, pounded to ¼-inch thick |
| ½ small head red cabbage, shredded |
| 1 tablespoon cumin seeds |
| 12 scallions, white and light green parts only, thinly sliced |

- large, heavy pan, heat 4 tablespoons olive oil over medium-high heat. Add chicken and sear on one side until almost cooked through, 8–10 minutes. Flip and sear until chicken just cooks through, 3 minutes more. Transfer to a plate.
4. In same pan used for cooking chicken, heat remaining oil with cumin over medium-high heat. Add cabbage, scallions and plumped currants, and sauté until cabbage softens but retains some bite, about 3 minutes. Season with reserved vinegar and salt to taste.
 5. Distribute cabbage among 4 plates, set chicken breasts on top or alongside, and drizzle salsa verde all around. Garnish with herbs.



WATCH THIS SPICE A dash of fragrant cumin plays well with the sweetness of the red-cabbage sauté.

EATING & DRINKING

SELLING WINE—IT'S A NUMBERS GAME

Continued from page D1

founded the Rome-based Taster of Wine magazine and rates wines according to a "pleasantness index" that factors in a wine's "consistency, balance and integrity," with a possible score of up to 33 points awarded to each characteristic. He states his scoring method in a theorem: PI=C+B+I.

Mr. Maroni is one of many wine critics whose numerical scores help retailers move wines off the shelves—though certain publications and critics are considered more reliable than others, according to retailers I spoke with. The three publications whose names were cited most frequently are Wine Spectator, Vinous and Robert Parker Wine Advocate, aka "Parker," after the newsletter's founder, Robert M. Parker, Jr., who sold a majority stake to investors in 2012 and remains a minority shareholder today. Mr. Parker is no longer actively reviewing wines, but most of the retailers I talked with still refer to the publication's scores as "Parker points."

Mr. Parker and Wine Spectator are most often credited with popularizing the 100-point scoring scale, modeled after the 100-point grading system used in American schools. Many, many other publications, critics and wine professionals have adopted this system, including JamesSuckling.com, Wine Enthusiast, Burghound, James Halliday, Tastings and Decanter, an English magazine that switched from awarding stars (a maximum of five) in 2012. As Decanter managing editor Amy Wislocki explained in an email, the publication moved to the 100-point scale "so our scores would get more air time."

I found points from all these sources cited in stores on a recent search for high scoring wines in and around New York, and retailers told me they understood some critics to be more generous than others. For example, Daniel Schmude, a regional manager at Bottle King in New Jersey, thought Mr. Suckling's scores tended to be higher than some. When I reached Mr. Suckling in France and asked for his reaction, he said there's been an "incredible" improvement in winemaking since he began rating wine in 1981, and quality was much higher overall. (See "Who's Keeping Score" at right for a summary of Mr. Suckling's judging criteria as well as those of the other leading wine critics and publications.)

Mr. Suckling noted that he had rated some 10% of the more than 17,000 wines he and his associates tasted last year as worthy of 95 points or more, which he defined as wines that made him want to "drink the entire bottle," he said. Mr. Suckling's percentage was double that of the team of reviewers at Vinous, who rated only 5% of the roughly 23,000 wines they tasted in the past year 96 points and higher. (The top point category of Vinous is 96-100; at most other publications, 95-100 represents the top of the scale.)

At Wine Spectator, tasters are even tougher: Only about 3% of the 16,000 wines its editors tasted last year rated 95 points or more, according to executive editor Thomas Matthews. He added, "I am certain we are the most conservative of the major critics."

Wine Spectator and Vinous are two of the publications that Tracy Maxon, wine buyer at Varmax Liquor Pantry in Port Chester, N.Y., trusts the most. She posts their scores in her store, along with an occasional score by Mr. Suckling if his number is particularly high. "But we taste all the wines too," she said.

Wines with big numbers tend to cost a lot, sometimes hundreds of dollars. They also tend to be red.

Ms. Maxon's was one of half a dozen stores I visited while shopping for wines with big scores. I was looking for wines rated 95 points or more and priced less than \$50 a bottle, since wines in that price range are what most drinkers are likely to encounter. This proved no easy task: Wines with big numbers tend to cost quite a lot, sometimes hundreds of dollars. They also tend to be red. Very few whites were rated 95 points or more, and I couldn't find a single high-scoring rosé or Champagne. When I mentioned this to Ms. Maxon, she noted that Champagne is perhaps the only wine that is "immune" to wine scores. People tend to choose Champagne by brands, not numbers, she said.

I ended with a diverse group of 14 wines costing \$15-\$49 a bottle, all of which earned between 95 and 98 points. (Alas, there were no perfect 100s in my price range.) I purchased three whites and 11 reds to taste with a group of point-minded friends.

This group pays attention to numbers, especially if the wine is an unfamiliar one or "if it's a gift for a friend," said my friend Michelle. A wine with a score of 95 or higher always got my friends' attention, and a high score plus a low price would almost always compel them to make a purchase. They reported that they don't pay much attention to who's awarding the number.

The wines I purchased came with high scores from various sources: Wine Spectator, Vinous, Robert Parker Wine Advocate, JamesSuckling.com and Mr. Maroni—whose 98-point 2014 Montalbera Piemonte Rosso Fuori Catalogo (\$15) proved to be the only one our group considered truly unworthy of its big number. It was a weirdly confectioned-tasting and also sharply tannic. My friend Alan "generously" gave it an 87-point score and nobody finished a glass, let alone a bottle (Mr. Suck-



OENOFILE

TOP OF THE CLASS

5 high-scoring and genuinely excellent wines under \$50

1

2015 Bodegas Chacra Cincuenta y Cinco Pinot Noir (\$49)

Italian nobleman Piero Incisa della Rocchetta founded his Patagonian estate in 2004 and set about producing single-vineyard Pinot Noirs. This lithe, lovely red, awarded 95 points by the Wine Advocate, comes from a vineyard planted in 1955. It's marked by notes of bright red cherry and spice.

2

2016 Sigalas Santorini Assyrtiko (\$21)

This lively, bracingly mineral Greek white, awarded 95 points by Robert Parker Wine Advocate, is produced from the native Assyrtiko grape. Though the wine always sells well, according to its distributor, the high score has likely helped "expose it to a broader range of customers."

3

2016 Château Doisy-Daëne White Bordeaux Sec (\$26)

I bought this wine based on an inflated score erroneously posted in a wine store. Scoring aside, this lovely dry white is delicious. It was made by the "Pope" of white wine, the late, great Denis Dubourdieu, who was the consultant for many top Bordeaux estates including Château d'Yquem.

4

2014 Tapiz "Alta Collection" Cabernet Mendoza (\$15)

This wine won plaudits from our group of tasters for its outstanding price-quality ratio. Awarded 96 points by JamesSuckling.com, the dense, lush red from a high-altitude vineyard in Mendoza, Argentina, is marked by soft tannins and a bright acidity.

5

2015 Château Puech-Haut Pic Saint Loup "La Closerie du Pic" (\$30)

Robert Parker Wine Advocate awarded this red from the Languedoc region of France 96 points and called it one of the "gems" of the 2015 vintage. Produced with superstar Rhône-based winemaking consultant Philippe Cambie, it's a voluptuous, downright decadent Grenache-Syrah blend.

**Who's Keeping Score**

Wineries spend a great deal of money and time getting wines in front of critics. But what are the odds of earning a high score from one of the "big four"? Here, a breakdown of the number of 95-plus ratings awarded by each publication, and the different ways they define top-rated wines.

ROBERT PARKER WINE ADVOCATE

Created by Robert M. Parker, Jr. (who sold a majority stake in 2012 and remains a minority shareholder), Robert Parker Wine Advocate was once a solo act. Mr. Parker was the great popularizer of the 100-point system. While the publication's scores are sometimes still called "Parker points," its creator is no longer actively reviewing. The team tasted over 28,000 wines last year and rated 2,203, or 7%, between 95 and 100. Wines at these numbers are considered "extraordinary wines of profound and complex character."

WINE SPECTATOR

According to executive editor Thomas Matthews, this magazine is the most conserva-

tive when it comes to awarding big points. Wine Spectator's critics tasted some 16,000 wines last year and rated just 3% of them between 95 and 100. To earn such a grade, the wines should be both "classic" and "great."

VINOUS

Founded by former Robert Parker Wine Advocate star critic Antonio Galloni, the Vinous team now includes Stephen Tanzer, who ran his own newsletter, among others. They rated about 5% of 23,000 wines tasted in the last 12 months between 96 and 100, said Mr. Galloni. Wines in this range should be "exceptional—profound and moving wines."

JAMESUCKLING.COM

Former Wine Spectator critic James Suckling founded his own Hong Kong-based company in 2010. He and his team tasted over 17,000 wines last year and rated just over 10% between 95 and 100. Wines in this range have to offer "more than fantastic quality," said Mr. Suckling. "They have to bring emotion, talk to you and show you their beauty."

The other wines ranged from the crisp and excellent 2016 Sigalas Santorini Assyrtiko (\$18) to the silky and seductive 2015 Bodegas Chacra Cincuenta y Cinco Pinot Noir (\$49), both 95-point bottlings. The 2014 Ferrer Bolet (\$45) from the Priorat that Mr. Suckling awarded 95 points was well made, with a warm berry-infused nose, but was deemed "nothing great." While the 2014 Tapiz "Alta Collection" Cabernet from Argentina, awarded 96 points by JamesSuckling.com, was delicious and eminently drinkable—not to mention a great find for \$15—no one thought it deserved its score.

The ripe, dense 2015 Château Puech Haut Pic Saint Loup "La Closerie du Pic" (\$30) from the Languedoc that the Wine Advocate gave 96 points was also delicious, though not profound. "I don't think that the point scale is valid for lower priced wines," my friend Alan observed. He thought that wine rated 95 points and above should have an additional dimension beyond mere deliciousness.

I had purchased the 2016 Château Doisy-Daëne White Bordeaux Sec (\$26)—quite good, with a vivid floral aroma—based on a shelf talker in a Total Wine store stating that it was awarded 95 points by Wine Spectator, only to learn later that it actually received a score of 89-92 from that publication. As Mr. Matthews of Wine Spectator noted, the number posted in the store was inflated. This is sadly not an uncommon occurrence and something buyers should beware when shopping by points. "It's infuriating to us," said Mr. Matthews. When reached for comment, David Trone, co-owner and co-founder of Total Wine, speculated that it could have been a mix-up in signage, confusing one vintage for another. (When brought to their attention the shelf talker was promptly corrected.) But all points aside, this wine was delicious and a good buy.

The majority of the wines we tasted were good—with exceptions, such as the confected 2014 Montalbera and a deeply unpleasant 2012 Chateau Malbec Bordeaux that Decanter unaccountably gave 95 points. Our favorites delivered pleasure, not to mention bang for the buck. If they hadn't come with those scores, we might have overlooked the Patagonian Pinot Noir, the cheap Chilean Cabernet and an obscure wine from the Languedoc.

Perhaps the high scores accomplished exactly what retailers, critics and winemakers hoped that they would: They compelled me to buy the wines. But a high score can only inspire a single purchase. The quality of what's in the bottle, not the number bestowed on it, is what will compel me to buy a wine again.

GEAR & GADGETS



STATUS MONSTER

Seen in this spy photo in a prerelease camouflage paint job, the 2019 Rolls-Royce Cullinan is estimated at more than 6 feet tall and 17 feet long.

ROLLS-ROYCE MOTOR CARS/SUBARU OF AMERICA, INC.; MERCEDES-BENZ USA; FORD MOTOR COMPANY ARCHIVES

RUMBLE SEAT DAN NEIL



Mass Appeal: So Long, Normal-Size Sedans

IT'S NOT THAT you're getting smaller. It's that automobiles are getting bigger.

Last week Ford announced that it would wind down U.S. production/sales of passenger cars—excepting its Mustang and the sort-of-sedan Focus Active—in favor of more popular and profitable trucks, SUVs and crossovers. By 2020, 90% of Ford's North American sales will consist of larger vehicles with lower fuel economy, because nothing bad ever comes of that.

Ford noted the accelerating shift in consumer preference from cars (sedans, hatchbacks, coupes) to beefy vehicles. And how. Sales of car-based models fell nearly 11% in 2017 (AutoData); while sales of pickups, SUVs, crossovers and vans rose 4.3%, to 10.9 million. That was about 60% of all light-vehicle sales.

Isn't it lucky that Ford's most profitable vehicles are also its most popular? Later on I'll propose a more direct through-line.

Someone in the WSJ office said it was the end of an era. It's more like the beginning of the 1990s, when Ford, outsmarting federal fuel economy standards, built and marketed the hell out of the Ford Explorer, which as a light truck was subject to lower standards.

The average new vehicle on the road is longer, wider and taller than the vehicle it replaces. And more profitable.

The Explorer set off the SUV craze and a decade-long size spiral in vehicle design, culminating in such absurdities as GM's Hummer H2 and Ford's own Excursion SUV. That party ended with the oil price spike of 2000s, but I guess Ford CEO and president Jim Hackett is too young to remember.

Now, as then, Ford and others are exploiting a well-crafted loophole in fuel economy regulations that makes bigger more profitable. In 2011, the industry won a change in the EPA's calculation of Corpo-



BIG GULP With 153.5 cubic feet of space for up to eight passengers—and 19 cup holders in case they all get really thirsty—the 2019 Subaru Ascent is being touted as the brand's biggest SUV ever.

rate Average Fuel Economy (CAFE). The “footprint rule”—which refers to the area within the perimeter of the four wheels—calculates a vehicle's fuel economy as a function of its size. The rule change effectively incentivizes building larger vehicles by holding them to progressively easier standards. As a result, the largest and most profitable vehicles also enjoy the lowest relative costs of compliance. The rule change also constituted a backdoor tariff on more efficient imports, but that's another story.

Exactly one vehicle-design generation later, the footprint rule has rippled through the auto market like a displacement wave. The average new vehicle on the American road is longer, wider and taller than the vehicle it replaces. And correspondingly more profitable.

Because vehicle size and fuel consumption are highly correlated, this trend is reliably captured in average fleet fuel economy. After years of improvement, the average EPA mileage of vehicles sold in the U.S. has stagnated around 25 mpg starting in 2015, according to the University of Michigan Transportation Research Institute.

While on an individual basis most models are at least as fuel efficient as their predecessors, the shifting weight of consumers moving into larger crossover and SUVs has negated those gains.

Perhaps you've noticed, in parking decks, how bulky SUVs seem to hang out of both sides of a parking space? Or in city traffic where your only hope of seeing the traffic signal is if the driver of the pickup ahead of you slides open his rear window?

Check the growth charts of any familiar name plate: A 2008 Ford Explorer XLT measured 193.4 inches long and 73.7 inches wide. The 2018 model is 4.9 inches longer and a whopping 5.2 inches wider. The 2019 Ram 1500 Crew Cab is 3.9 inches longer than the previous model on a 4.1-inch longer wheelbase. The 2019 Chevy Silverado pickup is 1.6 inches longer than before on 3.9-inch longer wheelbase. All of these truck platforms are available with SUV top-hats.

Vehicles classified as light trucks are already subject to lower standards than cars. And for CAFE purposes a crossover with all-wheel-drive qualifies as a light truck. The combined effect of these rules helps produce a vehicle like the Subaru Ascent: a large crossover (about 5 inches longer than Toyota Highlander), 260 hp, and a relatively light regulatory burden. EPA combined fuel economy: 23 mpg.

I don't mean to suggest the footprint rule is the only growth stimulant. A half-decade of moderate fuel prices is the prevailing cause. Big feels good. It's cheap value-added

for the car makers; and because margins are higher, per inch, they can afford to juice sales deals and spend more on marketing.

The footprint rule just makes the automakers' size profiteering a tiny bit sweeter.

There are also the inflationary effects of global hyperwealth/the death of shame. May I direct your awe to the Vision Mercedes-Maybach Ultimate Luxury Concept, which debuted at the auto show in Beijing last week? Two weeks ago I got a behind-the-curtain look at the Rolls-Royce Cullinan SUV: a royal elephant of an auto estimated at 5.3 meters long and 1.9 meters high.

In my view, Ford's announcement last week was about the weather in Washington, D.C. Management has calculated that it will no longer need the mileage offsets from sales of smaller, less-profitable vehicle

lines to meet its CAFE obligations. Last month Environmental Protection Agency Administrator Scott Pruitt announced an effort to roll back the 2025 standards hammered out by the agency and automakers during the Obama administration. It is also widely expected that Mr. Pruitt will go after California's waiver under the Clean Air Act allowing it (and 11 other states) to set its own tailpipe rules.

Both CEO Hackett and executive chair William Clay Ford Jr. have tried to distance the company from Mr. Pruitt's "rollback" and have said they would prefer compromise to confrontation with the California Air Resources Board. Somebody should tell their D.C. lobbyists.

In his congressional testimony last week Mr. Pruitt said the softening of standards was necessary due to "consumer demand" for larger and more capable vehicles.

Really? Are hills steeper now? Are boats harder to tow? Are families larger, or pieces of 4x8 plywood? The latest generation of supersize vehicles offers little in the way of real-world advantages over its predecessors. In many cases it's just more unused capacity. A 2017 survey conducted by the University of Michigan reported that light-truck owners use their vehicle predominantly for transportation (68.9%) and commuting (65.4%).

Automakers always say they just aim to give the customer what they want, but they never mention the billions in advertising and marketing spent convincing customers what they want. Just like in the 1990s, the industry is pushing larger vehicles precisely because they are profitable.



HIGH ROLLER The massive Mercedes-Maybach concept blends a sedan and an SUV, with the design of the former and the ride height of the latter.

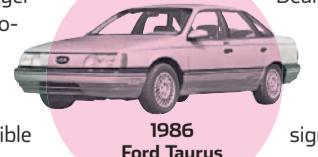
HAVE YOU DRIVEN A FORD LATELY? // A CENTURY OF THE BRAND'S MOST INFLUENTIAL CARS



The assembly line brought the Ford Motor Company's Model T to the masses. It could be topped with any number of body styles, from roadster to closed sedan.



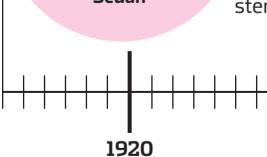
The 1960 Edsel Ranger, based on a Ford Ranger two-door, was produced in the final year of the Edsel brand's short life, as coupe, sedan, convertible and station wagon.



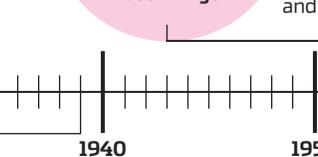
This top-selling sedan was Dearborn's answer to Japanese import competition, and it was a good one. The Taurus's aerodynamic design earned it the nickname "jelly bean."



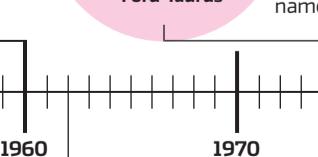
The Town Car was a durable, premium sedan that was favored by the livery trade until it was discontinued in 2011. In Los Angeles they are still called "studio cars."



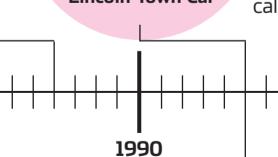
The Lincoln-Zephyr Continental Cabriolet started life as a design for Edsel Ford's personal car, based on a Lincoln-Zephyr, but much lower.



HBO's "Entourage" showed off the Lincoln Continental's charismatic rear suicide doors in the last shot of its opening credits.



Ford's immortal full-size service sedan, platform mate of the Lincoln Town Car, was the backbone of American police and taxi fleets.



The 2013 Green Car of the Year was a hood ornament of the One Ford philosophy: a global car, built for the Americas in Mexico but sold all over the world.

1914 Model T Sedan
1939 Lincoln-Zephyr Continental Cabriolet
1960 Edsel Ranger
1962 Lincoln Continental Four-Door Convertible
1986 Ford Taurus
1995 Lincoln Town Car
1995 Ford Crown Victoria
2006 Ford Fusion



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