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What's News

Business & Finance

American shale drillers, which defied expectations and upended traditional oil markets by increasing production in the face of lower prices, are finally showing signs of slowing down. **A1**

◆ Whirlpool won crucial backing from a government panel in its bid to limit competition from foreign washing-machine makers. **B1**

◆ Deripaska's EN+ Group said it expects to raise about \$1.5 billion through an IPO in November. **B3**

◆ Police raided Vivendi's Paris headquarters in connection with a probe into alleged market abuse when it bought a stake in Mediaset. **B3**

◆ Google unveiled a second generation of its hardware devices as it seeks to compete with rivals Apple, Samsung and Amazon. **B4**

◆ Boeing said it plans to acquire Aurora Flight Sciences in a move it said could pave the way for fleets of small flying taxis. **B4**

◆ U.S. senators questioning Equifax's former chief attacked the business model of the credit-reporting industry. **B5**

◆ Apple issued a software update it said addresses some cellular-connectivity issues that have affected its newest smartwatch. **B4**

◆ Saudi Arabia and OPEC are lobbying Russia to stay on board with their efforts to raise oil prices. **B1**

World-Wide

◆ The U.S. reached an agreement with holdout France to increase NATO funding for counterterrorism programs. **A1**

◆ The girlfriend of the Las Vegas shooter told police she never witnessed anything that led her to believe Paddock was preparing an attack that has resulted in 58 fatalities. **A5**

◆ Iraqi's Abadi declared victory over Islamic State in the city of Hawija. **A4**

◆ Israeli police questioned Hollywood producer Milchan, about whether he gave Netanyahu gifts in return for favors. **A4**

◆ The U.S. Justice Department said it would "reinvigorate" a program to reduce violent crime through partnerships with state and local law enforcement. **A5**

◆ Federal Reserve governor Powell said government authorities need to be nimble in how they apply financial rules. **A6**

◆ A group backed by the Koch brothers launched a \$4.5 million campaign urging three Democratic senators to support the Republican tax overhaul. **A5**

◆ Brazilian police ordered the arrest of the head of the country's Olympic committee as a part of a bribery investigation. **A3**

◆ British novelist Kazuo Ishiguro won the 2017 Nobel Prize in literature. **A4**

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Brunei Celebrates as Sultan Marks 50 Years on the Throne



GOLDEN JUBILEE: Sultan Hassanal Bolkiah and Queen Saleha ride in a royal chariot Thursday during festivities that included a 21-gun salute and a palace ceremony.

Illegal Paths to U.S. Narrow

Trump's hard line, longer-term trends make sneaking over border riskier and rarer

BY ALICIA A. CALDWELL

SAN YSIDRO, Calif.—The final few hundred yards of the journey into the U.S. for a group of 23 Chinese immigrants was a crawl through a cramped tunnel from Mexico. They emerged in the U.S. in late August from a two-foot-wide, weed-obscured hole, just beyond a U.S. border fence in this southern part of San Diego.

There the trip came to an abrupt end.

U.S. Border Patrol agents arrested the 21 men and two women, along with seven others from Mexico, and they now face deportation after being turned over to U.S. Immigration and Customs Enforcement.

Though would-be immigrants from all over the world have long been caught trying to illegally cross the U.S. border, migrants are now making riskier journeys. The Chinese group's use of a transborder tunnel, for instance, was unusual, border officials said, with such labor-intensive conduits previously reserved for

high-profit drug loads.

President Donald Trump has made cracking down on illegal immigration a priority of his administration. He has promised to arrest and quickly deport people trying to sneak into or living illegally in the U.S., build a wall at the Mexican border and hire at least 5,000 new Border Patrol agents.

Though many of those measures have yet to materialize or even get funding, the number of people caught crossing the border since Mr. Trump took office has plummeted in comparison to past years, according to U.S. Bor-

der Patrol statistics.

While that falloff may reflect the deterrent effect of the new administration's hard-line approach, there has also been a longer-term shift in the pattern of illegal migration to the U.S.

Douglas Massey, a sociology professor and co-director of the Mexican Migration Project at Princeton University, said the demographics of illegal border crossers has changed in the last decade, with most of those trying to sneak into the U.S. now coming from countries other than Mexico. As recently as 2014, Mexicans

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NATO To Boost Antiterror Funding

BY JULIAN E. BARNES

BRUSSELS — The U.S. reached an agreement with holdout France to increase NATO funding for counterterrorism programs, clearing a significant obstacle to the Trump administration's agenda for the alliance.

Under the deal, allied diplomats said, the North Atlantic Treaty Organization will spend an additional \$12 million to \$24 million on counterterrorism programs next year. The overall NATO budget of roughly \$1.6 billion will rise modestly to encompass the new spending.

The French have been forcefully opposed to increasing common funding in recent years, particularly for counterterrorism initiatives, and have expressed concerns about how the money is spent.

Many members don't see counterterrorism as the alliance's core mission, but at a NATO meeting of leaders in May there was broad agreement to expand training.

President Donald Trump has pushed NATO to focus more on counterterrorism. NATO has taken some steps to get more involved in training, including asking members to

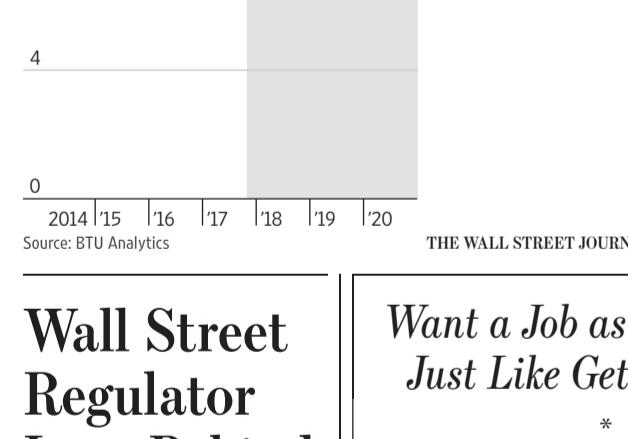
Please see NATO page A3

An Oil Juggernaut Is Losing Steam

Less Cash, Less Growth

U.S. oil production is set to plateau if companies keep their promises to hold back spending.

12 million barrels a day



BY BRADLEY OLSON AND LYNN COOK

American shale drillers, which defied expectations and upended traditional oil markets by increasing production in the face of lower prices, are showing signs of slowing down.

The number of rigs currently drilling for oil in the U.S., typically viewed as a proxy for activity in the sector, grew 6% in the third quarter—a marked deceleration from the previous four quarters, when it rose more than 20% on average. Last month, the U.S. Energy Information Administration cut its forecast for U.S. oil production, saying it now expects the industry to end the year at 9.69 million barrels a

day, down from 9.82 million.

U.S. oil output remains robust and may still surpass the record annual average of 9.6 million barrels a day, set in 1970. But companies, confronting technological, operational and financial obstacles, are starting to ease up on drilling.

The pace of innovation that allowed shale drillers to maintain production even as prices fell appears to be slowing, experts say. The cost of labor and services, meanwhile, is rising in the most popular oil fields, driving up drilling expenses. And companies are facing a backlash from investors, who have grown weary of drillers focusing on growth over profit and are insisting they live

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Wall Street Regulator Lags Behind As Investor

BY DAVE MICHAELS

WASHINGTON—The Financial Industry Regulatory Authority is more than just a Wall Street regulator.

Rare among regulators and little known to many industry participants, Finra is also an investor—and one whose subpar returns are compounding its members' financial challenges, say some of the brokers that pay its fees.

From its inception in 2004 through the end of 2016, Finra's \$1.6 billion investment portfolio has brought in \$440 million less than what a balanced mix of global stocks and U.S. bonds would have yielded, according to Wall Street Journal calculations. Some brokerages are starting to question how it uses the stockpile.

Please see FINRA page A2

Want a Job as a Dog Walker? It's Just Like Getting Into Harvard

Applicants in many U.S. cities face tests, quizzes, interviews, background checks

BY LAINE HIGGINS

Alec Gracia, a 23-year-old Starbucks barista looking for a fun, easy way to supplement his income, applied for a part-time job as a dog walker.

He was rejected. The bad news was delivered via email from Wag!, a San Diego-based on-demand dog-walking app. The company said he could reapply in 30 days but, meantime, urged Mr. Gracia to "brush up on proper pet safety techniques by volunteering at a local animal shelter or rescue."

When Mr. Gracia's co-workers in Seattle heard he couldn't cut the mustard as a dog walker, they showed no mercy in their teasing. "It felt a little ridiculous," he says. "I never thought this was something I needed experience for."

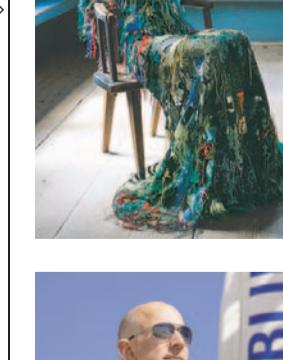
In many American cities, though, landing a job as a dog walker is tougher than earning entrance to an elite university. Wag!, which serves 298 U.S. cities, the acceptance rate is 5%. In New York's Manhattan, which employs more dog walkers than the rest of America combined, the acceptance rate is slimmer still.

Ethan Judelson, 21, a film student at Emerson College, applied to walk for Wag! in New York City last year. He passed the initial screening questionnaire, but he was abruptly dismissed during a phone interview.

A Wag! representative asked Mr. Judelson whether

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INSIDE



FALL STYLE
WSJ.
MAGAZINE



THE AMAZON CEO'S PRIME PROPERTIES
MANSION, W9



BIG DATA'S NEW FRONTIER IS FITNESS
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WORLD NEWS

Dear Reader,



When we published the first edition of The Asian Wall Street Journal on Sept. 1, 1976, we wrote that our goal was to produce accurate, unbiased news of the world's most dynamic region.

Today, as we print our last copy of this newspaper, that mission hasn't changed.

Asia remains a region of vital interest to The Wall Street Journal and our readers. It is

home to the world's fastest-growing large economies, the most dynamic tech companies outside Silicon Valley, and numerous foreign-policy challenges.

We will continue to cover these developments with vigor and depth, drawing on a staff of 200 journalists across more than a dozen countries from Japan to Australia to Afghanistan. Our team includes some of the region's most experienced reporters, highly skilled video journalists, visuals developers who are handy with

software, social-media experts and an editing desk that completes the Journal's 24-hour global operation.

The decision to publish a newspaper in Asia 41 years ago was a gamble on the future of a region just emerging from the chaos of the Vietnam War and the Cultural Revolution. It was also a venture at the leading edge of the industry's technology. That bet was a good one. And while technology has moved on, it also has given us new means to reach an even

wider pool of readers with even more timely reporting.

If you haven't yet downloaded our WSJ app or checked out our coverage online at WSJ.com, I urge you to do so. You will find new tools for following your favorite authors, saving the stories that you want to read later, and signing up for newsletters that will keep you effortlessly informed. We are excited about what we can bring to Asia over the next decades.

—Andrew Dowell
Editor, Asia



JAMES DURBIN/ASSOCIATED PRESS

U.S. shale companies are starting to tap the brakes on drilling.

Central Asia Bridges Divisions



MIDDLE EAST CROSSROADS

By Yaroslav Trofimov

TASHKENT, Uzbekistan—Post-Soviet Central Asia, a patchwork of often hostile nations separated by seesawing frontiers, is moving to put old disputes aside and embrace a level of cooperation unseen in decades.

At the heart of this change is a new policy pursued by

heavyweight Uzbekistan, which accounts for 45% of the region's population and whose isolationist stance had affected all of its neighbors.

The country's new president, Shavkat Mirziyoyev, assumed power a year ago and has dramatically improved relations with all of Uzbekistan's neighbors.

"A peaceful and prosperous Central Asia is our main goal and key task," Mr. Mirziyoyev said in a speech at the United Nations in New York last month. "We are ready for sensible compromises with Central Asian nations on all issues without exception."

Given the pivotal role that Uzbekistan, a Muslim nation of more than 30 million people, plays in the region, such an outreach has the potential to boost all Central Asian economies. It could also temper the ethnic strife that had given rise to violent extremism in the past.

In recent years, thousands of Central Asians flocked to join Islamic State and other militant groups in Syria and Iraq. Central Asians were involved in several recent terrorist attacks in Russia, Turkey and Western Europe.

Militants from Uzbekistan have also long been active in neighboring Afghanistan.

In recent weeks, Mr. Mirziyoyev signed landmark border demarcation agreements on a visit to Kyrgyzstan—the first such trip by an Uzbek leader in 17 years. The deal was followed by the reopening of border crossings.

That is a huge milestone considering that Uzbek and Kyrgyz border guards were clashing just a few years ago and that, in 2010, ethnic strife between Uzbeks and Kyrgyz claimed the lives of several hundred people in Kyrgyzstan's southern city of Osh.

Uzbek ties with another neighbor, Tajikistan, have improved, too, despite continuing friction over Tajikistan's plan to construct a giant hydropower station that could affect the flow of the Amu Darya river—a critical water source for Uzbek agriculture.

In April, direct flights resumed between the two nations for the first time in 25 years. This month, Uzbekistan—where Tajik is the lingua franca in major cities such as Samarkand and Bukhara—is hosting performers and other cultural figures from Tajikistan for the first such festival in two decades.

"We must have friendly

and predictable relations with our neighbors. Without that, we cannot ensure either security or stable development for ourselves," Uzbek Foreign Minister Abdulaziz Kamilov said in an interview.

"We are not aiming to play any special, leading or key role in the region," he added. "For us in the region, there is no big or small country, no older or younger brother."

While trade between Uzbekistan and its neighbors has grown in recent months, there are limits to regional integration. Uzbekistan still refuses to join the economic union that binds Kazakhstan and Kyrgyzstan to Russia, or a Russian-led security pact that also includes Tajikistan. It also maintains protectionist restrictions on imports.

"The other countries of Central Asia see Uzbekistan's intentions as encouraging, but so far Uzbekistan hasn't achieved anything irreversible. Many problems remain," said Rustam Burnashev, a regional expert at the Kazakh German University in Almaty.

The most progress so far has been made between Uzbekistan and Kyrgyzstan, which have had frosty relations since the Soviet Union's

collapse in 1991, with festering disputes over frontiers, water allocation and minority rights. The Soviet-drawn border has left two fully isolated Uzbek enclaves in Kyrgyzstan and a small Kyrgyz enclave in Uzbekistan.

Uzbekistan's now-deceased founding president, Islam Karimov, was suspicious of Kyrgyzstan's relatively liberal environment and feared the country could become a conduit for Islamist contagion. Travel between the nations was restricted by Uzbekistan following the 2005 Islamist-inspired uprising in the Uzbek section of the Fergana valley, near the Kyrgyz frontier. Such travel became virtually impossible after 2010.

Last month, jubilant crowds gathered as Uzbek-Kyrgyz border checkpoints in the valley fully reopened, allowing people on both sides to visit relatives and friends. Cross-border trade followed suit.

Already, the price of melons in Osh has halved thanks to the influx of cheaper Uzbek produce, said Husanbay Saliev, a local human-rights lawyer.

"The population is extremely happy," he said. "The fact that the border was reopened has made life so much easier for the peoples of the two states."



People walking through a checkpoint at the Kyrgyz-Uzbek border in May.

tors, which normally invest their cash in short-term securities—dates to a windfall that it reaped over several years starting in 2001 after its predecessor, the National Association of Securities Dealers, sold its interest in the Nasdaq Stock Market.

Finra decided in November 2003 to mimic the investment strategies of university endowments, such as those at Harvard and Yale. It didn't widely publicize the decision, which was opposed by some smaller brokerages that wanted Finra to distribute the Nasdaq payout to member firms.

"Finra's investment portfolio is governed by a policy based on best practices of endowment funds," it wrote in its 2007 annual report.

At first, that meant embracing alternative strategies such as investing in hedge funds. In 2008, Finra's board debated whether to reduce its holdings of less-liquid investments because the regulator's expenses were increasing faster than revenue, but ultimately didn't make substantive changes, according to an internal report that examined the history of its performance. Finra officials say they spend about 3% of the portfolio each year to pay operating costs.

After losing \$576 million in the 2008 downturn, triple its worst-case estimates, Finra piled much of its portfolio into bonds, missing much of the subsequent stock-market rally.

"It's pretty drastic underperformance that would typically result in a change of who their consultants or underlying managers are," said Brad Alford, founder of Alpha Capital Management, an Atlanta firm that helps clients identify investment advisers. "They are underperforming a fairly conservative benchmark."

Over the past 10 years, Finra's portfolio netted an average annualized return of 1.9%, according to Journal calculations. That compares with a 5.7% return for endowments with assets over \$1 billion, ac-

hieve "lower-risk returns that preserve principal."

Finra officials also disputed the Journal's estimated \$440 million shortfall because the calculation doesn't use the precise dates of cash flows into and out of the portfolio. That information isn't provided in Finra's annual reports, and the regulator declined to supply it.

Finra tripled the share of its portfolio parked in bonds and cash in 2009, and yanked money from hedge funds and stocks, a decision that hurt its performance as riskier assets rebounded that year. The organization since then has kept about 12% in cash, according to Finra officials, which also hurts returns.

Finra's returns since 2009 have met a custom benchmark that Finra executives use to judge whether their outside money managers beat lower-cost alternatives, Ms. Condon said. But Finra's annual reports don't disclose the benchmark's performance or report how it is calculated.

Since 2009, Finra's portfolio has notched an annualized return of 5.3%, compared with 7.6% for a 50/50 balanced portfolio, according to the Journal's analysis.

Finra officials say they seek greater diversification than a simple basket of stocks and bonds. "We pursued a much more conservative approach than a 50/50 benchmark," said Nancy Condon, a Finra spokeswoman. "Judging risk in hindsight in this manner is meaningless." The portfolio tries to

cording to the National Association of College and University Business Officers. Finra discloses returns on a calendar year basis, while colleges and universities report performance over a fiscal year that runs from July to June.

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OIL

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producing more oil and gas than they did a year ago, largely due to techniques such as drilling longer wells and injecting more sand into fractured rock to allow more oil and gas to flow out. But if that production is measured based on the length of a well, or barrels pumped per foot of well length, it appears operators aren't improving as much as expected. Adjusted for length, new wells in key regions of the Permian basin haven't been significantly more productive since 2014, according to Tudor Pickering Holt & Co.

"All these factors are pointing to slower, more methodical development," said David Purcell, managing director at Tudor Pickering Holt, an energy investment bank.

Critics have long complained that a tie between company leaders' pay and production growth has led to a "drill at any cost" mentality. Invesco Ltd., which has more than \$900 billion in assets under management, sent letters to board members of several shale companies in recent months urging them to link executive pay to return on capital rather than production growth.

"There are no new shale plays that have come forward," said Mark Papa, chief executive of Centennial Resource Development Inc. and former CEO of EOG Resources Inc. "Their ability to spew forth infinite streams of oil is really just a myth."

Though the EIA has revised its forecast for oil production, which has averaged roughly 9.16 million barrels a day so far this year, its estimate is still too high, according to Harold Hamm, CEO of Continental Resources Inc. "The EIA's phantom forecast needs huge growth to catch up to projections," said Mr. Hamm, one of the pioneers of North Dakota's Bakken Shale formation.

An EIA spokesman defended the agency's forecasts and said it continues to see month-on-month increases in U.S. production, particularly in the Permian basin.

Oil prices, which plunged from over \$100 in 2014, bounced back in September to over \$50 a barrel. Still, chief executives of three major U.S. producers said last month they wouldn't necessarily spend more on drilling even if prices rise to \$60.

Pioneer Natural Resources Co. CEO Tim Dove said at a conference in Oklahoma City a "thundering herd" of investors has asked the company to focus on returns, not growth.

The company stunned shareholders in August when Mr. Dove said some recently drilled wells in the Permian basin—a region in Texas and New Mexico that has become the hottest drilling spot in the world—were a "train wreck." Underground pressure problems stymied output and delayed drilling for months, he said.

The company says the problem has been solved, but the solution added about \$400,000 to the cost of each well. Now, Pioneer is having to chip away elsewhere to make up the difference.

Delays for fracking and related services are also becoming problematic for producers. Permian producers Parsley Energy, Callon Petroleum Co. and QEP Resources Inc. recently reduced production estimates, citing delayed fracking services and other challenges.

Many new Permian wells are

producing more oil and gas than they did a year ago, largely due to techniques such as drilling longer wells and injecting more sand into fractured rock to allow more oil and gas to flow out. But if that production is measured based on the length of a well, or barrels pumped per foot of well length, it appears operators aren't improving as much as expected. Adjusted for length, new wells in key regions of the Permian basin haven't been significantly more productive since 2014, according to Tudor Pickering Holt & Co.

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WORLD NEWS

Brazil Moves to Combat Campaign Graft

Congress votes to create \$541 million fund for candidates to spend on next year's elections

By SAMANTHA PEARSON
AND PAULO TREVISANI

SÃO PAULO—Brazil's Congress approved a controversial new bill that would introduce public campaign financing in the country after corporate donations were banned in the wake of a vast corruption scandal.

Lawmakers voted to create a \$541 million fund for candidates to spend on next year's general elections, in addition to the existing \$261 million year-round fund for political parties.

Critics of the new fund say it risks putting public money in the hands of corrupt politicians, while little is being done to improve governance or reduce campaign costs that are among the highest in the world.

But without public funding, Brazilian politicians would remain hostage to the interests of powerful corporations, its advocates say, skewing policies in favor of the wealthy and deepening the country's stark social divides.

"There is a financial cost to having a democratic country, to being able to give people the possibility to vote for all those who want to be candidates," said Congressman Celso Pansera during the tense session that finished around 3 a.m. local time Thursday.

Previously, politicians could rely on companies to fund a huge chunk of their campaign expenses. In September 2015, however, the Supreme Court banned corporate donations to election campaigns after the sprawling Car Wash graft probe found that much of private funds paid to several parties were thinly veiled bribes.

Vem Pra Rua, one of Brazil's



Lawmakers said a fund they approved for candidates to spend on campaigns helps free politicians from dependency on financing from powerful corporations.

largest protest groups, has called on Brazilians to take to the streets to oppose the new law, arguing the money should be spent on cash-strapped public hospitals instead.

"These politicians are just bloodsuckers who don't have the intellectual capacity or good enough proposals to win over voters," Brynner Brito, one of the group's supporters, wrote on Facebook after the vote.

Public trust in politicians in Brazil is now the lowest in the world, according to the World Economic Forum's latest global competitiveness report, which was released last month and surveyed business people in 137 countries.

Campaign financing is a

particular challenge in Brazil, which has some of the most expensive elections in the world. Eurasia Group said the last general elections in 2014 likely cost about \$4.8 billion, including an estimate of undeclared—and potentially illegal—spending by candidates, equivalent to about \$23 for every Brazilian citizen.

In the U.S., campaign-finance watchdog OpenSecrets.org estimates the 2016 presidential and congressional elections cost nearly \$6.5 billion combined, equivalent to about \$20 per U.S. inhabitant.

"It really is remarkable how much Brazilian politicians must still spend per vote in order to be competitive," said David Samuels, a political sci-

entist at the University of Minnesota who has studied Brazilian political campaigns. But he said it was difficult to directly compare the costs of the countries' markedly different electoral systems.

Even with Brazil's new fund, politicians may have up to 80% less money to spend on campaigns next year compared with 2014, which could pave the way for a fairer contest, said Filipe Gruppelli Carvalho, a researcher at Eurasia.

"The dearth of funding for 2018 campaigns will be felt strongly and should on balance level the playing field for candidates in both legislative and executive contests," he said, adding that the new rules will benefit outsider candi-

dates such as TV celebrities who are already well-known by voters.

In August, Congress had proposed a bigger \$1.1 billion campaign fund, but public opposition spurred lawmakers to settle for less. President Michel Temer, who is facing corruption-related charges himself, is expected to sign the bill this week. Mr. Temer has denied any wrongdoing.

The campaign fund law had originally been part of a broader plan earlier this year to overhaul the political system.

The centerpiece of the reform package was a proposal to substitute Brazil's open list proportional representation system, which is blamed for

making campaigns expensive as well as allowing scores of little-known candidates to get elected. Different rules could make politicians more accountable to voters, proponents said.

But any changes to the electoral system had to be approved before this weekend—a year before the 2018 elections—and as the deadline has drawn closer lawmakers ditched more ambitious proposals in favor of securing financing.

The only other changes that have been passed so far were new rules approved Tuesday to restrict coalitions and make it harder in the future for smaller parties to get a slice of the \$261 million party fund.



An Italian soldier from NATO's Resolute Support Mission, second from left, trains Afghans near Herat.

NATO

Continued from Page One
increase their contributions to its mission in Afghanistan.

Many NATO initiatives, including the deployment of military forces to Poland and the Baltic States, aren't covered by the common budget and are funded based on voluntary national contributions of personnel or military equipment to missions. But NATO officials and diplomats said common funding is important to promote the training missions.

Adam Thomson, the director of the European Leadership Network and the former U.K. ambassador to NATO, said both the amount of money for counterterrorism, and the overall NATO training effort remains small.

"The significance of this step is more political," Mr. Thomson said. "It signals a willingness to put alliance money where its mouth is on" counterterrorism.

NATO's North Atlantic Council of ambassadors failed to agree on expansion of the common funding until late last month, when France stopped its block on funding. The new U.S. ambassador to NATO, Kay Bailey Hutchison, said increasing common funding was important to help the alliance get more involved in counterterrorism programs.

Counterterrorism is very

much a priority set by the council and common funding is essential for that to really move forward," Mrs. Hutchinson said in a recent interview.

Allied diplomats said the full slate of counterterrorism initiatives being funded is still being discussed and NATO defense ministers may discuss options at their meeting next month.

Some officials want the alliance to use common funding to increase training efforts in Iraq, but a number of countries remain skeptical that the NATO effort there should grow dramatically, diplomats said.

Mr. Trump in May spoke at NATO headquarters about terror attacks in Europe, but few if any of the initiatives being considered by NATO involve directly fighting European terror networks. Most European countries view that as a job for the U.S.-led anti-Islamic State coalition or national law-enforcement agencies.

U.S. military officials, including Chairman of the Joint Chiefs of Staff Joe Dunford, have said NATO's strength is in training other nation's militaries, rather than getting involved in combating terror networks in Europe or conducting strikes in the Middle East or North Africa.

NATO is also working to finalize the number of additional troops it will contribute to an expanded mission in Afghanistan, which the U.S. and allied diplomats have argued is part

of the counterterrorism effort. The U.S. is seeking roughly 1,000 more allied troops for the mission, Mrs. Hutchinson said in a meeting with reporters. She said the U.S. was approaching individual allies and will be making specific requests for capabilities.

"The goal is for very quickly, in the next two weeks or so, to have specific asks for what we need," she said.

The total common budget is

made up of NATO's €1.29 billion (\$1.5 billion) common military budget—which funds the alliance's multiple command posts, its 16 surveillance planes, some missions and other items—and the smaller civil budget of €234 million, which funds the headquarters and its civilian staff.

The U.S. contributes about 22% of the alliance's budget, which is only about half of what it would contribute if it paid based on the size of its economy. But the U.S. spends far more on its military than other countries and makes a disproportionate contribution to NATO's military might.

This year, France is the third-largest contributor, after the U.S. and Germany. But next year, because of shifting economic growth, the U.K. will become the third-largest contributor.

French officials have been pushing for expanded audits of NATO spending and an overhaul of how the alliance spends its money.

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WORLD NEWS

Iraq Drives ISIS From Stronghold

Prime Minister Abadi declares victory in Hawija, leaving terror group with one haven

Iraqi Prime Minister Haider al-Abadi declared victory over Islamic State in the city of Hawija, one of the militant group's two remaining strongholds in the country.

By Isabel Coles
in Tikrit, Iraq,
and Ghassan Adnan
in Baghdad

Islamic State has used Hawija as a platform to threaten both Iraq's oil-rich northern city Kirkuk and its semiautonomous Kurdish region. A concurrent operation against the extremists is under way in Anbar province, as Iraq battles to drive the militants from the few areas of the country they still control.

Mr. Abadi "announced the liberation of Hawija, congratulating Iraqis and the world on this victory, which was achieved with the heroic acts of Iraqis," his office said on Thursday.

Only one area of Iraq's border with Syria remains under Islamic State control, it added.

Military operations in Hawija displaced some 9,000 people, said Jassem al-Attiya, Iraq's deputy minister for displacement. Of those, 3,000 were taken to a separate site to be investigated for suspected ties to Islamic State, he added.

More than 1,000 Islamic State fighters surrendered in the battle for the city, the U.S. coalition fighting the extremists in Iraq and Syria said. It congratulated the Iraqi armed forces on their "swift and decisive" victory.



Iraqi forces and pro-government militia fighters advance through Hawija on Thursday, after retaking the city from Islamic State.

AHMAD AL-RUBAYE/AGENCE FRANCE PRESSE/GT

Iraqi forces cleared the center of Hawija and one remaining neighborhood on Thursday, the military said. By the afternoon, they were fighting for control of just several outlying villages.

"Our forces now are cleansing the city of improvised explosive devices," said Staff Gen. Qassim Nazzal, commander of a unit fighting in Hawija. "The city was completely void of civilians when our forces broke in."

Iraqi forces will need one or two days to clear the remaining areas around Hawija and finally stamp out Islamic State.

Iraqi forces held one-

State's territorial presence in northern Iraq, he said.

Mr. Abadi's announcement came as he met in Paris with French President Emmanuel Macron. French forces joined the fight against Islamic State in 2015.

"Iraq is a success story and we want to preserve the unity and sovereignty of our country and continue cooperation between our two countries in confronting Daesh and the establishment of security and peace," Mr. Abadi said, using an Arabic acronym for Islamic State.

Iraqi forces held one-

third of Iraq at its peak after a 2014 blitz, but has since been beaten back by the U.S.-backed Iraqi army and allied forces.

Islamic State is currently facing an assault from Syrian and Kurdish forces in the Syrian city of Raqqa, its operational center.

When the Hawija operation was launched two weeks ago, Iraqi and coalition officials estimated there were at least 800 militants left in the city and surrounding areas. But commanders on Thursday said they had faced little resistance since breaking through Islamic State's main defensive line, a mountain ridge to the west of the city.

"When the enemy lost [the] Makhoul mountains, they lost initiative and began to withdraw," Mr. Nazzal said.

Advancing Iraqi forces faced roadside bombs and small groups of Islamic State fighters. The group also set crude oil ablaze to slow down Iraqi forces, creating a smokescreen that hid their fighters from the view of the helicopters and warplanes that buzzed overhead, Mr. Nazzal said.

—Ali A. Nabhan contributed to this article.

Novelist Known for 'Remains' Wins Nobel

STOCKHOLM—British novelist Kazuo Ishiguro, whose genre-straddling works such as "The Remains of the Day" and "Never Let Me Go" share a restrained but stylistically inventive voice, has won the 2017 Nobel Prize in literature.

By David Gauthier-Villars, Paul Hannon and Jenny Gross

The works of the 62-year-old author—who was born in Nagasaki, Japan, and moved to Britain at the age of 5—have been translated into more than 40 languages and been best-sellers around the world.

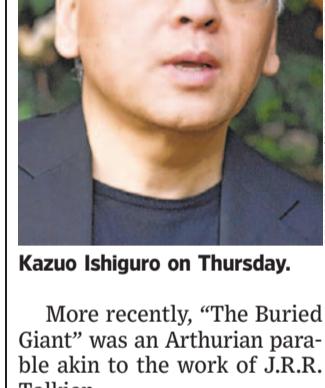
Mr. Ishiguro, "in novels of great emotional force, has uncovered the abyss beneath our illusory sense of connection with the world," the Swedish Academy said on Thursday when announcing the award.

Since publishing his first novel in 1982, he has explored the nature of memory and touched on political themes that reflected contemporary concerns. Mr. Ishiguro's style echoes a range of accomplished writers, Sara Danius, permanent secretary of the Swedish Academy, said on Thursday.

"If you mix Jane Austen and Franz Kafka, then you have Kazuo Ishiguro in a nutshell," she said. "But you have to add a little bit of Marcel Proust into the mix. And then you stir, but not too much, and then you have his writings."

"The Remains of the Day," an English country-house novel published in 1989, was an international best seller and won the Booker Prize before being adapted into a movie starring Anthony Hopkins and Emma Thompson.

His unsettling, dystopian science-fiction novel "Never Let Me Go" was later adapted into a movie featuring Keira Knightley, Carey Mulligan and Andrew Garfield.



Kazuo Ishiguro on Thursday.

More recently, "The Buried Giant" was an Arthurian parable akin to the work of J.R.R. Tolkien.

Speaking to reporters in the back garden of his brick house in North London, Mr. Ishiguro said he was writing an email in his kitchen when his agent called him to tell him he had won.

"I thought it was a hoax," he said, thinking he would have first found out from the Nobel Committee. He only really believed he had won when he got a call from the British Broadcasting Corp. for an interview.

"This is amazing and totally unexpected news for me," he said. "It comes at a time when the world is uncertain about its values, its leadership and its safety. I just hope that my receiving this honor will even in a small way encourage the forces for goodwill and peace."

Netanyahu Probe Puts Film Producer in Focus

BY RORY JONES

Public Perceptions

A poll showed how Israelis view Prime Minister Benjamin Netanyahu and the corruption probes against him. Mr. Netanyahu has denied wrongdoing.

How do you rate Benjamin Netanyahu as prime minister?

GOOD 49% 46% BAD

Do you believe prime minister's claim that there isn't a basis for suspicions against him?

YES 34% 54% NO

If prosecutors indict the prime minister, should he resign?

NO 29% 63% YES

Source: Yedioth Ahronoth poll of 533 adults conducted week of Sept. 17; margin of error +/- 4.3 percentage points

Iggor Lieberman once pitched the movie producer a film script, Mr. Lieberman's spokesman said.

"He's a guy who has many friends [in Israel] and he's highly respected," another senior Israeli politician said.

According to Israeli media reports, Mr. Milchan allegedly gave Mr. Netanyahu cigars and sparkling wine valued at tens of thousands of dollars.

Police are investigating whether Mr. Netanyahu in return lobbied former U.S. Secretary of State John Kerry for a visa for Mr. Milchan, Israeli media reported.

According to former U.S. officials, Mr. Netanyahu asked U.S. officials in 2014 to intervene at the State Department to renew a visa for Mr. Milchan.

Mr. Milchan's past as an Israeli intelligence official had raised red flags at the State Department, causing it to issue a visa for one year rather than 10 years, the former U.S. officials said.

An official in the prime minister's office confirmed Mr. Netanyahu inquired about the visa as he "understood that the renewal of Mr. Milchan's

10-year visa was held up because of his reported past assistance to Israel's security."

A spokesman for Mr. Kerry said it is "not uncommon for foreign counterparts to raise such issues with [State] Department officials, including the secretary." The 10-year visa was later issued, the former U.S. officials said.

Police also have said they are separately investigating Mr. Netanyahu about whether he tried to negotiate favorable coverage in an Israeli newspaper in return for weakening the influence of another daily.

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U.S. NEWS

Mystery of Shooter's Motive Grows

Girlfriend of Las Vegas gunman says she had no warning, will cooperate in inquiry

The girlfriend of the Las Vegas shooter said she would cooperate with investigators, who see her as the key to understanding the motives behind one of the deadliest mass shootings in U.S. history.

By Kate King,
Alexandra Berzon
and Cameron
McWhirter

Marilou Danley said through her lawyer that she returned to the U.S. voluntarily to help with the investigation, but she never witnessed anything that led her to believe that Stephen Paddock was preparing an attack that so far has resulted in 59 fatalities, including his own.

"I knew Stephen Paddock as a kind, caring, quiet man," Ms. Danley said in a statement read by Matthew Lombard, her lawyer. She added: "He never said anything to me or took any action that I was aware of that I understood in any way to be a warning that something horrible like this was going to happen."

Investigators questioned Ms. Danley, 62 years old, on Wednesday, a law-enforcement official said.

More details emerged about how quickly Paddock was able to build an arsenal, some of which he used to shoot into a large crowd attending a country-music festival on the Las Vegas Strip Sunday night.

The attack injured 489 people, Sheriff Joseph Lombardo of the Las Vegas Metropolitan Police Department said, correcting prior estimates of injuries topping 500. He said there had been some double-counting.

Paddock bought 33 of 47 weapons found in his hotel

and homes since October 2016, according to the Bureau of Alcohol, Tobacco, Firearms and Explosives.

He purchased the weapons at gun stores in Nevada, Arizona, Utah and Texas, according to another law-enforcement official. It doesn't appear that he purchased the weapons illegally, several officials said.

Ms. Danley was working as a casino hostess catering to high rollers at a resort in Reno, Nev., when she met Paddock sometime between 2010 and 2013, according to former colleagues of Ms. Danley's at the resort. Paddock was a casino VIP whose game of choice was video poker, these people said.

The reclusive gambler fell for the outgoing Filipina, according to his younger brother, Eric Paddock. "He loved her," the brother said. "He doted on her."

Several years later, the pair—who both had been previously married—were living together outside Las Vegas.

Several weeks ago, Ms. Danley left their home for Asia. Paddock told her that he found a cheap ticket to the Philippines for her to travel to see her family, Ms. Danley said in her statement. Ms. Danley had been traveling throughout Asia for weeks before the shooting.

A spokeswoman for the Philippine Bureau of Immigration said Ms. Danley on Sept. 15 arrived in Manila from Tokyo. She then left Manila for Hong Kong on Sept. 22 and returned to Manila again on Sept. 25, the spokeswoman said.

Paddock wired tens of thousands of dollars to Ms. Danley in the Philippines, according to a law-enforcement official. It made sense that Paddock would send his girlfriend money, his brother said.

"Steve would've wanted to take care of Marilou," said Eric Paddock, adding that no one in his family has talked to Ms. Danley since the shooting.



FBI investigators continued work on Wednesday in Las Vegas, the site of one of the worst mass shootings in U.S. history.

GOP Lawmakers Consider Measure On Gun Control

Some Republicans said they were willing to consider bills banning a device that allows a semiautomatic rifle to mimic a fully automatic weapon.

Republicans traditionally have resisted restrictions around gun sales. But senior GOP lawmakers in both chambers said this week that they wanted to look at legislation introduced Wednesday by Sen. Dianne Feinstein (D, Calif.) that would ban the sale, transfer, manufacture or possession of

"bump stocks" and other accessories that accelerate a semiautomatic weapon's rate of firing.

Law-enforcement officials have said the Las Vegas gunman appears to have used at least one rifle outfitted with a bump stock, allowing him to fire hundreds of rounds a minute from the windows of his hotel room in Sunday night's attack on a music festival.

"If somebody can essentially convert a semiautomatic to an automatic weapon by buying one of these and utilizing it and cause the kind of mayhem and mass casualties that we saw in Las Vegas, that's something of obvious concern that we ought to explore," Senate Majority Whip

John Cornyn (R, Texas) said.

At least one Senate Republican, Ron Johnson of Wisconsin, said he supported banning bump stocks, noting he viewed them in the same category as automatic weapons.

A bump stock replaces the ordinary stock of a semiautomatic rifle, the end of the gun that is held against the shoulder. The device allows the firearm to slide back and forth rapidly, as the shooter leans into it, harnessing the energy in the recoil. The National Rifle Association didn't return a request to comment on Ms. Feinstein's legislation.

—Kristina Peterson
and Peter Nicholas

Eric Paddock said he doubted Ms. Danley was involved in any way in the shooting.

Eric Paddock said the couple traveled multiple times to the Philippines, including once when Stephen Paddock surprised her by showing up while she was there visiting family.

Ms. Danley worked from 2010 to 2013 as a casino hostess catering to high-spending players at the Atlantis Casino Resort Spa in Reno, according to

her LinkedIn page. Monarch Casino & Resort Inc., which owns Atlantis, said she left the company several years ago.

Ms. Danley's job at the Atlantis put her in regular contact with some of the casino's most lucrative customers. Paddock was a heavy presence in the room, sometimes gambling for hours on end at the high-limit video-poker machines, according to a former employee and colleague of Ms. Danley's.

Paddock was known as one of the casino's very top slot customers, the former employee said. His visits to the casino, which the former Atlantis employee estimated was every couple months, would cause a buzz among staff who would hover over him while he gambled to fill out a tax form or pay out a jackpot, the former colleague said.

Ms. Danley's job was to get the high rollers whatever they desired including food, drinks

or cigarettes. She was known around the casino as a friendly woman and part of a tightknit Reno Filipino community, the former colleague said. "That was her job, her job was to be friendly," he said.

Others recall tense moments in the relationship when the two were in public together. An employee at the Cosmopolitan of Las Vegas, a luxury casino-hotel, remembered Paddock often scolding Ms. Danley and ordering her to leave the high-limit slots area when he started to lose money. "She would have to stand outside of the room," the employee said. "We all knew that she was not to be there."

Ms. Danley had been living with Paddock for years in Nevada, at homes in retirement communities in Mesquite, Nev., and Reno. Neighbors described Ms. Danley as friendly, while Paddock was more reserved.

Larry Colletti, a 67-year-old resident of Mesquite said he would frequently see Paddock and Ms. Danley around town, most recently about two weeks ago. "He was just a cold loner fish who stayed to himself," he said. "A little bit weird, but not psychotic."

—Sara Randazzo, Chris Kirkham and Valerie Bauerlein contributed to this article.

Justice Department to Form Partnerships to Cut Crime

By ARUNA VISWANATHA

The Justice Department said Thursday that it will reinvigorate a program to reduce violent crime through partnerships with state and local law enforcement and targeted prosecutions.

Attorney General Jeff Sessions told all U.S. attorneys to "implement an enhanced violent-crime reduction program" akin to a 2001 Justice Department program called Project Safe Neighborhoods, which had lost some funding in recent years.

The memo, dated Wednesday and released Thursday, instructs all U.S. attorneys to develop programs to work more closely with local police,



Attorney General Jeff Sessions steps up effort to fight violent crime.

state prosecutors and others to "identify the most significant violent-crime problems facing the district and develop

a coordinated plan of attack."

The Justice Department said it would allocate 40 new prosecutors to 20 U.S. attorney

offices to "focus on violent crime reduction."

The effort comes as violent crime and homicide rates have trended upward. Last month the Federal Bureau of Investigation released data that showed an uptick in the U.S. in 2016 for the second consecutive year, driven in part by a jump in homicides in large cities. Violent-crime rates remain well below their peak in the early 1990s.

Last year, violent crime rose nationally by 4.1% to 386 per 100,000 residents, and homicides increased by 8.6%, the FBI reported.

Chicago in particular faced a sharp rise in deadly violence, recording 287 more homicides last year than in 2015.

Houston, Denver and San Antonio also saw increases in their violent-crime and homicide rates.

Mr. Sessions has made reversing that trend a priority, saying: "We cannot accept this as the new normal." Before 2015, violent crime had shown a long and mostly steady decline over the previous two decades.

The new efforts are built on programs that date to the 1990s, including Project Exile, developed by former FBI Director James Comey when he was a prosecutor in Richmond, Va., to strategically target gun crimes. Deputy Attorney General Rod Rosenstein also ran a similar effort called Baltimore Exile when he was

the U.S. attorney in Maryland.

Justice Department officials said the new efforts will similarly entail determining which neighborhoods are the most violent, which offenders are driving that violence, and targeting those individuals for prosecution. They said it would also require prosecutors to work with community groups and prevention programs.

In one notable change, the Bureau of Alcohol, Tobacco, Firearms and Explosives will determine the first retail purchaser of a firearm linked to a shooting incident within 24 hours, instead of the five to six business days it currently takes, the Justice Department said.

Koch Group's Ads Pressure Democrats to Back Tax Plan

By REBECCA BALLHAUS

WASHINGTON—A group backed by billionaire industrialists Charles and David Koch launched a \$4.5 million advertising campaign urging three vulnerable Democratic senators to support the Republican effort to overhaul the U.S. tax code.

Americans for Prosperity, one of the Koch network's largest political advocacy groups, will air ads in Missouri, Wisconsin and Indiana encouraging those states' Democratic senators—Claire McCaskill, Tammy Baldwin and Joe Donnelly, respectively—to back the tax proposal unveiled by President Donald Trump and GOP leaders last week.

An Americans for Prosperity official said the ads mark a "new phase" for the group's push for a tax overhaul, in which it plans to directly tar-

get lawmakers. Sens. McCaskill, Baldwin and Donnelly are up for re-election in 2018 and are seen as vulnerable in states Mr. Trump won by substantial margins in the 2016 election.

Mr. Trump already has personally targeted Mr. Donnelly, who joined the president last week in Indianapolis for his unveiling of the tax plan. In that speech, Mr. Trump thanked the senator for joining him but warned him to support the plan. "If Sen. Donnelly doesn't approve it, because you know he's on the other side, we will come here," Mr. Trump said. "We will campaign against him like you wouldn't believe."

The ad campaign by Americans for Prosperity, a nonprofit, marks one of the most substantial financial investments into Republicans' latest push to overhaul the tax code.

The proposal sketches out a

range of tax changes—including lower taxes on corporate profits, incentives for business investment, fewer and lower individual income tax brackets and the end of estate taxes—that Republicans say will boost economic growth and benefit middle-income families. Administration officials in recent days have pushed back against criticism that the plan would provide its biggest benefits to the wealthy.

Other conservative groups also have launched major ad campaigns for a tax overhaul in recent months. American Action Network, a group linked to House Speaker Paul Ryan (R, Wis.) in August launched a \$500,000 digital ad campaign and said it expected to spend \$20 million on the effort this fall. The U.S. Chamber of Commerce launched a seven-figure ad campaign last month, targeting Republican members of the House who



Ashley Klingensmith, right, Pennsylvania field director for Americans for Prosperity, last month went door-to-door in Wormleysburg, Pa., to discuss overhauling the tax code.

have been shaky on their support for a tax overhaul.

Opponents of the tax proposal also have opened their wallets in recent months, with the progressive group Not One Penny launching a series of ad campaigns targeting Republi-

cans.

The Koch network, which didn't support Mr. Trump during the 2016 election, has sought to bolster its ties to the administration in recent months. Americans for Prosperity President Tim Phillips

last week attended a dinner at the White House with the president. Next week, Vice President Mike Pence is set to deliver the keynote speech at a retreat in New York City hosted by the network for its top donors.

U.S. NEWS

Fed Governor's Speech Draws Attention

Jerome Powell met with Trump a week ago to discuss the central bank's top job

BY MICHAEL S. DERBY

Federal Reserve governor Jerome Powell said government authorities need to be nimble in how they apply financial rules, reflecting his openness to taking a lighter touch to regulation as President Donald Trump considers him as a candidate to lead the U.S. central bank.

"There is certainly a role for regulation, but regulation should always take into account the impact that it has on markets—a balance that must be constantly weighed," Mr. Powell said Thursday at an event at the New York Fed. "More regulation is not the best answer to every problem."

Mr. Powell's comments largely echoed his previous remarks on financial regulation, but drew more attention coming a week after he met with Mr. Trump to discuss the top Fed job.

If nominated and confirmed by the Senate, Mr. Powell would succeed Janet Yellen, whose term as Fed chairwoman expires in early February. Mr. Trump, a Republican, also interviewed former Fed governor Kevin Warsh for the job last week and said in July he was considering his top economic adviser Gary Cohn. Other names said to be in contention for the top Fed post include Stanford University economist John Taylor and John Allison, the former BB&T Bank chief executive, according to people familiar with the process.

Mr. Powell didn't comment on the economic or monetary policy outlook in his remarks. He was speaking before the New York Fed's Treasury Market Practices Group Best Practices conference. The TMPG is an industry-led group that works to solve issues in the bond market.

During his five years at the Fed, Mr. Powell has been a reliable ally of Ms. Yellen, who has led the Fed to lift short-term interest rates cautiously and gradually since late 2015, and indicate more rate rises



Jerome Powell is a candidate for the top job at the Federal Reserve.

officials to tinkering with aspects of the postcrisis financial regulations, which Mr. Trump's administration is eager to roll back.

Ms. Yellen has defended much of the postcrisis regulatory regime, but also expressed willingness to adjust some. In a speech Wednesday, she voiced support for making sure bank rules aren't unduly burdensome. She said there is some scope to cut back on some of the red-tape banks face, especially among smaller firms that weren't responsible for causing the financial crisis.

Mr. Trump's administration is set to gain more influence over financial regulation as it fills numerous open positions at the Fed and other agencies.

The Senate confirmed on Thursday the president's nominee Randal Quarles, a former Treasury official in the GOP administration of former President George W. Bush, to join the Fed's board of governors. Mr. Quarles is likely to take an industry-friendly regulatory path.

Mr. Powell didn't have any public comments Thursday on

current efforts in Washington to overhaul the postcrisis regulatory landscape. But he did have praise for the government bond market.

The officials said the Treasury market, which remains large and liquid, is an important source of collateral for Wall Street trading.

"This last role has become all the more critical in recent years as regulations have required banks to hold larger amounts of high-quality liquid assets so that they can safely meet their potential liquidity needs," Mr. Powell said.

In his speech, Mr. Powell heralded the existence of the group. "My only regret about the TMPG is that we didn't think of creating something like it earlier," he said. "As regulators, we fully support your work, and will continue to make sure that our own rules support these markets."

He was scheduled to take audience questions after his remarks Thursday but, somewhat unusually, didn't.

Mr. Trump has said he would announce his nominee for Fed leader in the coming weeks.

U.S. WATCH

CONGRESS

House Advances Budget Resolution

The House passed a 2018 budget resolution on Thursday, a first step down the path toward a major tax bill. The chamber voted 219-206 to adopt its version of the budget. All Democrats and 18 Republicans voted against it. The Senate Budget Committee is heading toward a vote on its alternative later Thursday.

"This is the most conservative budget in 20 years," said Rep. Diane Black (R., Tenn.), who chairs the House Budget Committee. "The vision in there, if we were to follow it, really could change the trajectory of this country."

The budget is particularly important this year because it is the prerequisite to using reconciliation for a major tax bill. That fast-track procedure will enable the Senate to pass a subsequent tax bill on a simple-majority vote rather than needing 60 votes, which would require at least some Democrats voting for the bill.

—Richard Rubin
and Siobhan Hughes

ECONOMY

Trade Gap Narrowed 2.7% in August

The U.S. trade deficit narrowed in August, reflecting an increase in exports and a downturn in imports as Hurricane Harvey disrupted shipping along the Gulf Coast. The foreign-trade gap in goods and services narrowed 2.7% from the prior month to a seasonally adjusted \$42.395 billion in August, the Commerce Department said Thursday. Economists surveyed by The Wall Street Journal had expected a trade deficit of \$42.7 billion.

—Sarah Chaney



A Border Patrol officer escorting immigrants away after their group was found in a tractor-trailer in Edinburg, Texas, in August.

In Texas, Border Patrol agents found dozens of people this summer hidden inside tractor-trailers trying to sneak through highway checkpoints. Ten people died in a smuggling effort inside a sweltering trailer found parked in a San Antonio Wal-Mart in July.

More than 300 people died trying to cross the border with Mexico during the 12 months through September 2016, the most recently available Border Patrol statistics. According to the United Nations' migration agency, migrant fatalities at the U.S.-Mexico border jumped by 17% to 239 in the first seven months of 2017, compared with 204 deaths during the same period in 2016.

Last month two more truck-

borne smuggling efforts were discovered at a highway checkpoint in a rural stretch of the Rio Grande Valley in Texas. Manuel Padilla, the chief patrol agent in the Border Patrol's Rio Grande Valley office, said more than 600 immigrants have been found being smuggled in big rigs through late September of this year, compared with about 350 in all of 2016.

The uptick, Mr. Padilla said, is likely a combination of more immigrants trying to evade border security measures and intensified efforts to find people concealed in the cargo trailers since the July deaths.

When border agents focus on one area, however, human

smugglers shift elsewhere.

"If we are locking down on land," smugglers "are going to look toward tunnels and...out to the water," said the Border Patrol's Ms. Michael. "They just change tactics when we change our tactics. It's kind of back and forth."

Federal officials say the Mexican and Chinese migrants who came through the tunnel near San Diego have been detained since late August, but declined to say where they are or the status of their deportation cases. Immigration and Customs Enforcement doesn't release the names of people arrested trying to cross the border illegally, citing federal privacy rules.

The Border Patrol reported

about 281,000 arrests at the Mexican border between October 2016 and the end of August. During the 12 preceding months, the agency recorded more than 408,000 arrests, compared with more than one million in 2006.

The Border Patrol has gotten better at catching border crossers in recent years, according to last month's report from the Department of Homeland Security's Office of Immigration Statistics.

About a decade ago, agents were thought to have caught only about 69% of people trying to cross the border. By 2016, according to the government report, about 83% of border crossers were being caught.

WALK

Continued from Page One
he would look a dog in the eye if the animal was hesitant to leave for the walk. "I said, 'Yes,' and they said, 'We can no longer go on with this process,'" he says. "They never gave me the right answer."

TURNS OUT A DOG MAY PERCEIVE LOOKING INTO ITS EYES AS A THREAT, ACCORDING TO YURUANI OLGUIN, A CERTIFIED PROFESSIONAL DOG TRAINER IN NEW YORK. EVEN SO, SHE SAYS, THE QUESTION ASKED MR. JUDELSON DURING THE INTERVIEW WAS "SO GENERAL, IT WOULD BE HARD TO GIVE A ONE-SIZE-FITS-ALL RESPONSE."

A spokeswoman for Wag! says, "If an applicant fails a question on our test, he or she does not make the cut."

By one measure, there is no better time to be a dog walker. U.S. pet ownership is at an all-time high, with pets residing in 65% of homes across the country, according to IBIS-World, a market research firm based in California. That includes about 160 million pet cats and dogs.

The uptick has buoyed the dog-walking industry, which has seen its annual revenue

grow 3.7% over the past five years to \$1 billion, the report says. It has become so competitive in places like New York City that firms offer specialized services. Fido has never had it so good.

Brooklyn, N.Y.-based Canine Running Co., one of the Big Apple's 312 brick-and-mortar dog-walking companies listed on Yellow Pages, offers one-on-one runs—not walks—for its furry clients.

To give anxious owners real-time updates, several dog-walking services boast live GPS tracking. Wag! and Rover's walkers flag the exact location of potty breaks and send post-walk photos.

Swift, which operates only in New York City, promises the same services as its national competitors, but with the refined expertise of local New Yorkers.

Proving expertise isn't easy. Wag! receives "many tens of thousands of applications" a month, says chief executive and co-founder, Joshua Viner. When weeding out applicants, some executives say their companies give an edge to applicants who say their love of dogs outweighs their need for money.

Seattle resident Natalie Lockwood, 40, spent a little

over a week in May applying to walk for Rover. She filled out a biographical questionnaire and agreed to a background check. Next, she recorded herself for an automated video interview.

She took an online safety course that included such quiz questions as what to do when confronted by an aggressive dog on the walk.

Ms. Lockwood was hired after a successful training session with a Rover instructor.

Wag!'s initial application steps are similar to Rover's, but aspiring walkers also must get a perfect score on the company's safety test, which is a doozy. Applicants must identify several types of harnesses,

as well as say what they would do in such worst-case scenarios as a dog that slips its leash and runs.

Meg Oliphant, 22, moved to Brooklyn for a part-time internship in September and applied at Wag! She fits the typical profile of an aspiring dog walker, who are usually canine-loving students or part-time workers who miss their family dogs or can't afford a four-legged pet of their own.

Most dog walking gigs provide a supplementary income.

For some, including Ms. Oli-

phant, "It's like getting paid for therapy," she says.

Getting hired isn't easy but neither is navigating on-demand apps. They operate like Uber, with dog walkers filling requests. Dog owners can request specific walkers, but usually the matches are random.

"A lot of the time it's not very much advance notice," says 20-year-old Willow Quillen, a Pratt Institute student. She says playing with dogs for money is "amazing," but most of her cli-

ents are 3 to 4 miles away and she must arrive within 30 minutes. That is tough without a car.

Other walkers say such commutes make it hard to justify the \$15-to-\$25 pay for a 30-minute walk. "By and large you are often beholden to a schedule that neither pays a living wage nor is particularly manageable," says Los Angeles resident Andrew Gerngross, 56, who started walking dogs for Wag! in June while between writing gigs.

For each candidate elated to learn of their approved application, there are thousands more coping with rejection.

Jack Lyons, 20, a dog lover and UCLA student, took to Twitter after getting rejected by Wag! over the summer. "I was shocked," he says.

Mr. Lyons says he was derailed by the multiple-choice safety test, despite consulting Google for answers.

"I'm still going to reapply," he says, "because, obviously, I want the money."



Willow Quillen, a dog walker and Pratt Institute student, with Midnight the dog in Brooklyn, N.Y.

AUTUMN BOOKS

'The only way of discovering the limits of the possible is to venture a little way past them into the impossible.' —Arthur C. Clarke

The Four Horsemen of Big Tech

The Four

By Scott Galloway
Portfolio, 310 pages, \$28

BY RANDALL STROSS

TECH IS THE business story of our time. Apple is the most valuable company based in the United States. Google's parent, Alphabet, is the second most valuable, and Facebook and Amazon are fourth and fifth, respectively.

But tech is not merely a business story. As more and more of life has become digital, the giants in tech have become a political story, too, wielding power that our regulatory apparatus, assembled in an earlier era, is ill-suited to oversee. In 2006, when the first, second, fourth and fifth places in the most-valuable list were occupied by ExxonMobil, GE, Citigroup and Bank of America, none of these companies' products or services had been used by a foreign power to disseminate misinformation in the preceding presidential election.

A spate of recent books—including Jonathan Taplin's "Move Fast and Break Things" and Franklin Foer's "World Without Mind," both published earlier this year—have called attention to the dark side of tech's ascendancy. Scott Galloway's "The Four: The Hidden DNA of Amazon, Apple, Facebook, and Google" sits apart.

Mr. Galloway is an experienced entrepreneur and a clinical professor of marketing at NYU's Stern School of Business. He is not unaware of the disturbing power of big tech and is concerned about the small number of employees that these companies need to achieve their outsize valuations. But he is mostly concerned with telling compact stories about how "the Four Horsemen," as he calls them—Apple, Alphabet, Facebook and Amazon—became so successful. He emphasizes the way they have built their brands and the way we consumers are complicit in their acquiring unbounded power, having willingly invited them "into the most intimate areas of our lives."

In the book's introduction, Mr. Galloway makes much of the rapid increase in the market capitalization of the four companies, noting that their aggregate value rose in just four years—from early 2013 to early 2017—by approximately \$1.3 trillion, which is equivalent to the GDP of Russia.

If market cap is the starting point, however, it would make more sense to speak of "the Five" and include Microsoft. But at a conference in 2011, Eric Schmidt, then Google's chief executive, wrote Microsoft out of the picture by speaking of "the Gang of Four." Mr. Galloway accepts this number, omitting the fully paid-up member of big tech that just happens to be the third most valuable company in America. Microsoft's market cap has



LIGHTING UP THE SKY Apple's flagship store in Shanghai, China, with the Oriental Pearl Tower and the Bank of China Tower visible to the left and right.

increased more than \$250 billion in the past 3½ years, thanks to a turnaround led by Satya Nadella, its CEO.

Amazon is the first company that Mr. Galloway profiles. He covers its shrewd storytelling, which has persuaded its shareholders to be eternally patient; its investment in offline stores, allowing it to provide multi-channel distribution; and its nascent deployment of voice-ordering via Alexa, a service that may well move customers from rival-branded merchandise to Amazon-branded products. He also ticks off its accumulation of artificial-intelligence expertise; its build-out of warehouses that are within 20 miles of 45% of the U.S. population; and its acquisition of Whole Foods' 460 stores. At the time the book went to press, Amazon was America's fourth most valuable company (today it is fifth), but Mr. Galloway predicts that it will pass the others and become the first company to achieve a market capitalization of \$1 trillion.

As Amazon continues to expand its scope, many industry sectors will be negatively affected. Mr. Galloway chooses the transitive verb "molest" to describe how Amazon will act on the retail ecosystem. This word choice brings out a problem that shows up early in the book: discordant language. Amazon's assets are described in one place with a term composed of a vulgar word for excrement and "loads." When Marc Lore, the founder of the e-commerce company Quidsi, left Amazon two years after joining it (as part of Amazon's \$545 million acquisition of Quidsi), he turned around and started Jet.com. Of the move, Mr. Galloway writes: "This must have felt like a half-a-billion-dollar divorce settle-

ment to your husband, who then moves into the house next door and starts—" and here he uses a well-known slang verb for intercourse. What may be the perfectly piquant phrase for David Mamet on stage does not play so well on the printed page.

Less coarsely, Mr. Galloway puts his understanding of retail to good use in his treatment of Apple. He shows the brilliance of Steve Jobs's decision to vertically integrate the company in the form of stores, a decision that did not look brilliant at the time. Mr. Galloway calls our attention to the way Apple prepared for the

Amazon, Apple, Facebook and Google—and how they got that way.

move, recruiting to its board in 1999—two years before it opened its first store—Mickey Drexler, the man who had made Gap Inc. the outstanding retail story of the 1980s. Having its own stores—and thus the power to insert itself on Fifth Avenue and the Champs-Élysées among Vuitton, Cartier and Hermès—established Apple as a luxury brand. The company's enviable high margins come from what Mr. Galloway describes as a unique combination: "the premium-priced product, and the low-cost producer."

The transformation of Apple into a luxury brand is a good story. But Mr. Galloway often mixes the insightful with the ridiculous, sketching a cartoonish version of evolutionary psychology: "Since men are wired to

procreate aggressively, the caveman in us hungers for that Rolex, or Lamborghini—or Apple. And the caveman, thinking with his genitals, will sacrifice a lot (pay an irrational price) for the chance to impress." There are many such references to hunter-gatherers and to genitals—and one reference in particular, to Tiger Woods's, that is so offensive that upon reading it one rubs one's eyes in disbelief.

When Mr. Galloway takes up Alphabet, he is interested only in the Google division, but his ability to say much about Google, or Facebook, is limited by the absence of physical stores in their histories. "The Four" is limited in another way as well: It is based almost entirely on accounts written not by principals in the companies but by reporters. Near-complete reliance on secondary sources is forgivable, but misreading them is not.

Mr. Galloway refers to "the most famous 'theft' in tech history," the visit that Steve Jobs made to Xerox's research lab in Palo Alto, Calif., in 1979. It was during this visit that Jobs saw a personal computer with a graphical interface, windows and mouse—the essential things that, once glimpsed, supposedly made the Macintosh possible. But many other lab visitors saw these things, too. At the time, they were merely proofs-of-concept. Much invention and problem-solving had to follow to make the concepts into a commercial product.

The "theft" myth was debunked long ago. A full chapter was devoted to dismantling it in a book published in 1993: "Steve Jobs and the NeXT Big Thing." (I can recall this only because I am the book's author.) Mr. Galloway cites a more recent source to back up

his "theft" claim, an article published in the New Yorker in 2011, but that article, in fact, is devoted to showing that the story is a myth. Five pages later, in the same context, he cites the article again.

When Mr. Galloway completes his survey of the Four Horseman, he throws in a chapter of career advice for young adults that is filled with bromides such as go to college, get to a city and promote your personal brand (or, as Mr. Galloway puts it, "Pimp Your Career"). He urges readers to exercise regularly and stay fit: "Walking into any conference room and feeling that . . . you could kill and eat the others gives you an edge and confidence (note: don't do this)." The connection between this tidbit of advice and big tech is not made clear.

Mr. Galloway occasionally offers offhand remarks about similarities among the companies he discusses, but his separate accounts of each bring out doubts that they should be thought of as a cohesive group. There are the two behemoths in advertising, Google and Facebook, which are in direct competition with each other; there is the luxury-goods company, Apple; and there is the everything store of Amazon. The categories compete only along some edges. Referring to the Four Horsemen provides the *frisson* of the biblical prophecy, but it would be better to speak—more accurately if not as apocalyptically—of the Two and the One and the One.

Mr. Stross is a professor of business at San José State University and the author of "A Practical Education: Why Liberal Arts Majors Make Great Employees."

POLITICS: BARTON SWAIM

Memoirs of an 'Obamabot'

THERE'S NOTHING quite so humorless as scholarly treatments of humor. Sigmund Freud's explanations of humor are engaging in their way, and Francis Hutcheson had a point when he argued that laughter arises mainly from the juxtaposition of incongruous ideas. But it's hard to talk about "humor" in the abstract without seeming to miss the point. In "Humour as Politics" (Palgrave, 223 pages, \$99.99) Nicholas

David Litt faces a problem: Political humor works best when it ridicules the powerful and influential.

Holm, a lecturer in media studies at Massey University, New Zealand, attempts to elucidate the political implications of contemporary comedy, and his discussions are about as entertaining as you'd expect: Not at all.

His point is valid, though. "Like any other cultural object," he explains in the introduction, "humorous texts carry within them certain sets of embedded ideological assumptions that potentially play a role in the transmission and construction of socially shared systems of interpretation." That's an academic's way of saying that comedy often threatens social

and political arrangements by upsetting settled ways of thinking. Early seasons of "The Simpsons," he shows, place ordinary people in a dull town within freakishly improbable circumstances and so create a kind of absurdist satire of American life. Mr. Holm similarly sets about theorizing how all sorts of "humorous texts" in popular culture—"Seinfeld," "The Office," "The Daily Show," "Veep," "Borat"—achieve comic success by flouting expectations and turning tacit social conventions upside down.

One thing is clear from Mr. Holm's analysis: Political humor works best when it's subversive, or when it ridicules the powerful and influential. That's a challenge for David Litt, whose memoir "Thanks, Obama: My Hopey, Changey White House Years" (Ecco, 310 pages, \$27.99) recounts the author's time as one of Barack Obama's speechwriters. I say it's a challenge because, although Mr. Litt has a terrific comedic touch—he wrote lots of Mr. Obama's wittiest lines—his admiration for his old boss is largely undiminished and he still has high regard for his former colleagues. It's tough to make your readers laugh when you

feel all the characters in your story were basically decent, competent and basically admirable people.

Instead of ridiculing his boss or his colleagues, he mostly ridicules himself—and that's where he scores some laughs. Mr. Litt was still in college when Barack Obama first ran for president. In an instant, he be-



TV STARS Fallon, Questlove and Obama 'Slow Jam the News.'

came an "Obamabot." After working on the 2008 campaign and then landing a wretched job for a public relations firm he calls Crisis Hut (not its real name, I think), he somehow was given a chance to write speeches for Mr. Obama's adviser, Valerie Jarrett. "I was twenty-four years old," he explains humbly.

"Most of my proudest achievements in life still fell under the category of 'overcomplicated pranks.'"

Mr. Litt is at his best chronicling the ludicrous mayhem of campaign life (he worked on the 2012 campaign, too). He recalls a woman he met while canvassing for votes in Ohio who said flatly she wasn't going to vote. He

tried to convince her of the election's importance, but to no avail. "In the movie version of my life, this was the moment when she raced to her polling place," he writes. But "in the my-life version of my life," she chased him off her porch.

Another scene has the author trying to take the advice of a campaign pollster who'd concluded that Mr. Obama's remark about the economy working "not from the top down but from the middle out and the bottom up" resonated with voters.

Campaign workers were supposed to use this improbable line while canvassing. "Imagine going to a cocktail party full of strangers. Now imagine being told that, in every conversation, you're expected to say that Shake Shack owes its success less to savvy marketing than to its proprietary blend of meats. It's weird."

Mr. Litt writes insightfully about the craft of speechwriting. Politicians and CEOs, he observes—correctly in my experience—are always looking for a speechwriter who'll find their "voice." His response: "Martin Luther King had a voice. John F. Kennedy had a voice. With all due respect, you

probably don't."

The author seems to realize that his admiration for Mr. Obama deprives his book of some of the satirical fun and narrative tension it might otherwise have, and he tries to solve the problem by recounting his disgust with the candidate after the first presidential debate of 2012, when Mr. Obama, clearly unprepared, was trounced by Mitt Romney. "My days in Obamabot weren't finished," he writes. "But my days as an Obamabot were done."

That's about all the displeasure with his boss he can muster, and to my mind it's not enough. I wondered, too, why Mr. Litt felt it necessary in a memoir as funny as this one to put off half the audience by taking gratuitous shots at conservatives. Why say, for instance, that "under Ronald Reagan, conservative theory held that handouts for the rich were good for everyone"? The remark isn't funny and strikes an ungenerous note. Or perhaps I just think it's unfunny and ungenerous because I'm conservative and Mr. Litt isn't—a sad reminder that, in a contest between politics and humor, politics often wins.

AUTUMN BOOKS

'Anyone who has the power to make you believe absurdities has the power to make you commit injustices.' —Voltaire

Command and Control

Ranger Games

By Ben Blum

Doubleday, 412 pages, \$28.95

BY NANCY ROMMELMANN

AT 5:16 P.M. on Aug. 7, 2006, four young men wearing face masks and carrying AK-47 assault rifles run from a Bank of America branch in Tacoma, Wash. The branch is less than 10 miles from Joint Base Lewis-McChord, and the men have just carried out a "takeover robbery," commandeering the bank like an enemy target. Now they run toward a silver Audi driven by a 19-year-old wearing board shorts and flip-flops. The men pile in. Three of the five men are dropped at the movies; the other two head to the Army base. Less than 48 hours later, the driver is taken into custody by the FBI near his father's home outside of Denver. His name is Alex Blum, and he is the first cousin of "Ranger Games" author Ben Blum.

"The disaster of Alex's imprisonment exerted a tremendous tribal gravity," writes Mr. Blum. Why did Alex, a heretofore "squeaky-clean, patriotic, rule-respecting kid," rob a bank within months of achieving his dream of becoming an Army Ranger? What part did his inbred allegiance—to family, to country, to being a member of a team—play in his decision to drive the getaway car? Mr. Blum sifts through the reasons and excuses offered by family, lawyers, the press, the robbers and Alex himself. The result is saga and social science both, a riveting exploration of the codes of conduct by which men are meant to comport themselves, the lengths to which we go to forge identity, and how far the stories we tell can be stretched before they become prisons of our own making.

Alex and Mr. Blum's fathers are two of four brothers who decamped from the East Coast to Colorado in the 1970s, going from "ski bummung, low-level pot smoking" to successful careers in real estate. Blum men golf, climb and roast huge hanks of meat. They tell and retell the heroics of their late father, who landed on Normandy just after D-Day. These tales are part of what inspire Alex to join the military. He grows up a star hockey player with a "goofball charisma," a kid who works harder than anyone on the ice and drives his dad's ride-on lawn mower to high-school graduation.

Mr. Blum was the family outsider. A math prodigy, by age 13 he was taking classes at the University of Colorado. Studying for a Ph.D. in computer science at Berkeley at the time of his cousin's arrest, Mr. Blum



GROUNDWORK Prospective Army Rangers undergoing training at Fort Benning, Ga.

becomes consumed with analyzing how what happened to Alex happened.

Alex's father, Norm, was convinced that his son was brainwashed during Ranger training. It's a theory that Alex, being held at SeaTac Federal Detention Center, ferociously rejected, insisting for months that the robbery was some sort of military exercise. Persuaded at last that the robbery was real, he wrote a 23,000-word essay detailing the training that Rangers undergo: "profound and accumulating sleep deprivation, getting smoked, getting tricked, getting insulted, getting threatened, weeping, puking, getting smoked for weeping and puking"; the days-long outdoor drills where recruits put Tabasco sauce in their eyes to stay awake; becoming so frozen that the only warmth they experienced was "when we would urinate on each other."

"If we weren't brainwashed the Rangers wouldn't exist," he wrote. "I was unable to think or question. I was a model Ranger."

After reading Alex's manuscript, Mr. Blum "began wondering if I might be of use to Alex and the family." Undergoing a concurrent crisis—he had ditched his Ph.D.—Mr. Blum didn't at the outset know that his usefulness would occupy the better part of a decade or that a disposition that renders him "utterly

baffled by actual human beings, utterly confident in my ability to model them algorithmically," would allow him to distinguish fact from fiction when others could not.

Mr. Blum chronicles the cost of clinging to untenable truths. Norm's insistence on seeing Alex as a victim turned the uncle he has known as "a looming grin machine" into a broken man on the verge of bankruptcy. An

Weeks from becoming an Army Ranger, the author's cousin took part in a clumsy bank robbery with fellow soldiers.

American media complex that sees redemption as a commodity swept the Blum clan into an appearance on the "Dr. Phil" show. ("Here was this thing that took up years of our family's life," Mr. Blum's father says, "and it was just five minutes between deodorant commercials.") Living in his father's basement under house arrest, Alex responded by turning into a sullen, hard-drinking creep. He didn't want to be coddled. He wanted to be a hard-ass, his sense of identity still bound up in being a Ranger.

Years into writing the story, Mr. Blum started to suspect that Alex was hiding something.

The robber who drove back to base with Alex is named Specialist Luke Elliott Sommer, a 20-year-old combat veteran who brought into the barracks "a thrilling after-scent of Iraqi dust and blood." Sommer bonded with Alex over playing hockey. He watched heist movies with Alex and joked about how they could work a better plan. He had Alex drive him to Starbucks and the Bank of America. To impress Sommer with his "tactical acuity," Alex sketched on a napkin how a Ranger team might take down the bank. Alex did not realize that he was the figurative frog in slowly boiling water, being tenderized by Sommer's attentiveness and the "near-poetic facility with wild tales [that] had earned him the nickname 'B.S. Elliott.'"

After his arrest, Sommer for a time charmed the press, convincing them that robbing the bank was "a platform to publicize war crimes he had witnessed in Afghanistan and Iraq." Or maybe, as he told Alex, the money they stole was meant to fight the Hell's Angels. Or maybe, as Sommer wrote to Alex's father in an email, "You honestly believe that your son . . . never dreamed of being involved in this? He helped me plan it Norm."

Mr. Blum initially found Sommer's willingness to take responsibility for his part in the robbery "immensely refreshing." Sommer also wanted to talk about something they had in common—that he was pursuing an advanced degree in mathematics. The connection was uncanny, as was his apparent self-awareness.

"I am just so convinced of my rightness," he told Mr. Blum, "everybody goes along."

A voluble correspondent, Sommer portrayed himself as a leader. He didn't detail the promises and intimidations he used to corner four lonely young men into becoming bank robbers, details of which Mr. Blum fills in through intimate interviews with others. For someone constitutionally attuned to facts, Mr. Blum proves remarkably empathetic, offering heartbreaking portraits of some of the people whose lives Sommer helped to derail.

Mr. Blum reveals Sommer as a textbook psychopath whose lifelong delight is to manipulate the fate of others. As Alex told Sommer in a letter: "I dreamed of being a Ranger since I was 5 and you took it away." Mr. Blum uncovers the seeds of destruction that Sommer planted: for instance, the "puzzlingly amateurish" fact that the license plate of the getaway car was left uncovered. The vehicle was registered to Alex's father, who had found Sommer trustworthy enough, not least because "the hockey relationship's a deep bond," to lend him money. But Sommer never played competitive hockey.

Mr. Blum's enchantment with Sommer was broken "not because of his criminal record, but because of the way he did math." Overconfident, or perhaps having tired of with toying with Mr. Blum, Sommer claimed to have found a new way to solve "one of the most famous open questions in mathematics." The solution was instantly preposterous to Mr. Blum, who nevertheless allows Sommer to keep talking, "as if he thought he could talk his way out of the *laws of mathematics themselves*." If Mr. Blum begins as the odd piece in the family puzzle, his precise, exhaustive and sympathetic work proves both deeply salutary and in step with the logician's mind.

As for Sommer, while he may have received the longest sentence—24 years—the psychopath finds opportunity wherever he finds the vulnerable. In prison, he currently leads a small church.

Ms. Rommelmann's latest book "To the Bridge," an investigation into a maternal filicide in Portland, Ore., will be published next year.

Murder by Numbers

The Man From the Train

By Bill James & Rachel McCarthy James
Scribner, 464 pages, \$30

BY PETER DUFFY

BILL JAMES STUMBLED upon the idea for his latest book while studying a string of murders that occurred near railroad lines in the Midwest in 1911 and 1912. The most famous was the slaying of six members of the Moore family, along with two young houseguests, in Villisca, Iowa, which is still remembered today in the Hawkeye State. The eight victims were struck repeatedly in the head with the blunt side of an ax.

Mr. James, the famously idiosyncratic interpreter of baseball statistics, had a hunch that the Midwest killings were part of a much larger pattern and suspected that there were others in the series "that the contemporary authorities never linked to the same criminal." He recruited his daughter, Rachel McCarthy James, as a research assistant to help him scour the databases of small-town newspapers. Soon she became his co-author.

The result is a painstakingly factual account of dozens upon dozens of gruesome murders, the first committed in 1898 in Brookfield, Mass., and the last in 1922 in Hinterkaifeck, Germany. The victims all lived not far from railroad tracks, which left them vulnerable to a peripatetic serial killer who would hop off the train, invade a home—often at random—and use an ax to kill multiple members of the same family.

The relentless catalog of atrocities,

which includes lynchings and executions of those wrongly accused of the crimes, goes on for more than 450 gory pages, which may be justified by historiographical necessity. The two writers have identified, they tell us, "perhaps the most despicable criminal in American history."

Mr. James is a data guy, a believer in the explanatory power of raw numbers over gut instincts. Once a lonely voice howling in the mimeographed pages of his self-published "Bill James Baseball Abstract," he is now an honored member of the establishment, a senior adviser for baseball operations with the Boston Red Sox.

Has baseball's statistics guru uncovered 'the most despicable criminal in American history'?

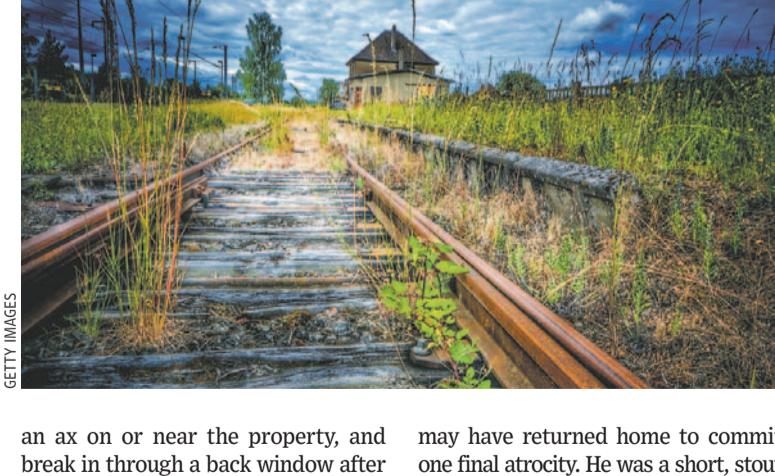
But he is also an obsessive student of true crime. In 2011, he published "Popular Crime: Reflections on the Celebration of Violence," offering his distinctive take on the most notorious cases in American history. Since this is Bill James, he came up with a numerical system to determine the guilt of the accused, with zero representing innocence and 100 pointing to guilt beyond a reasonable doubt. Bruno Richard Hauptmann, who was executed in the Lindbergh baby case, broke the scale with a 213. Lizzie Borden, the most prominent of American ax murderers, earned a 20.

In the new book, the Jameses give tick-tock accounts of each homicidal

rampage—sending the reader across the Midwest, the Pacific Northwest and the South and even to eastern Canada—in an attempt to determine whether the guilty party was in fact The Man From the Train, who is not given a name until the big reveal in Chapter 40.

They theorize that he was a woodcutter employed seasonally in logging camps. He would find a home within walking distance of a rail line, pick up

The authors "feel certain" that The Man From the Train committed 14 of the crimes, which accounts for 59 murders. They are a further 70% certain that he committed seven additional crimes (30 murders), 40% certain that he was responsible for eight crimes (27 murders) and 10% certain that he committed a final nine crimes (37 murders). The Jameses make a plausible case that they have identified the mass murderer, a German immigrant who



an ax on or near the property, and break in through a back window after midnight. He would attack the family while they slept, always using the blunt—never the sharp—edge of the ax. He would then linger, moving the dead bodies around and paying "special attention" to the corpses of prepubescent females in a way that would cause authorities to describe him as a "moral pervert." He would leave the ax behind after washing it in a bucket of water. Sometimes he would set the house on fire.

may have returned home to commit one final atrocity. He was a short, stout laborer with greasy hair, described by an acquaintance as "cranky."

It is not easy to read about these murders—among the dead is a day-old infant—and the authors sometimes stray from good taste. Despite insisting that they will not describe The Man From the Train with a "cutesy nickname"—"Billy the Ax Man," for instance—the Jameses can't refrain from their own occasional cutesiness. Of a newly married couple who move

in with Mr. and Mrs. Coe of Centerville, Ohio, for instance, they write: "We might say they co-habited with them; it's a very dark story, and we're desperate for relief." When the Pfanschmidt family is killed in rural Illinois, the authors write that "the Schmidt hit the Pfans."

Despite these occasional lapses in judgment, this is an impressive work, an open-eyed investigative inquiry wrapped within a cultural history of rural America at the turn of the 20th century. We learn about the shockingly amateurish level of police work in the days when unlicensed private detectives, often charlatans, would arrive in town and assume control of investigations. We are offered chilling examples of how African-Americans in the South were lynched for the flimsiest of reasons, e.g., that they were in the area where a crime was committed. In Texas, "the murders were immediately blamed not on 'Negroes,' but on 'Mexicans,'" the Jameses write of a 1908 case in Watauga.

In its peculiar way, the book winds up being a celebration of the forgotten corners of America, a paean to the poor folks who lived out by the railroad tracks. "If you read about a crime in a small town, you will encounter frequently the comment that these people lived in the kind of quiet place where nothing very interesting ever happened," the authors write. "This is a despicable thing to say. It is a form of bigotry directed at the past, and bigotry directed at people who live in small towns—and worse yet, it's ignorant."

Mr. Duffy is the author of "Double Agent" and "The Killing of Major Denis Mahon."

AUTUMN BOOKS

'The bourgeois stands, a hungry cur, / a question mark, a question begged, / behind him crouches the old world— / a mongrel, tail between its legs.' —Alexander Blok

The Road to Red October

BY ANDREW STUTTAFORD

'FEW APOCALYPTIC millenarians live to see the promised apocalypse, let alone the millennium," writes Yuri Slezkine in **"The House of Government"** (Princeton, 1,104 pages, \$39.95), a brilliant retelling of, mainly, the first two decades of the Soviet era in a sprawling saga centered around a famous and infamous Moscow apartment building created for the new elite. The Bolsheviks were a millenarian sect if ever there was one, as Mr. Slezkine, a professor at the University of California, Berkeley, demonstrates. And, even if the millennium proved elusive, they were able to set off an apocalypse in Petrograd, then Russia's capital, almost exactly a century ago.

That old-time millenarian ardor smolders away in **"October"** (Verso, 369 pages, \$26.95), China Miéville's history of what he calls the "ultimately inspiring" Russian Revolution: "This was Russia's revolution," he writes, "but it belonged and belongs to others, too. It could be ours. If its sentences are still unfinished, it is up to us to finish them." It is? After the hecatombs created in communism's name, such a call to arms is evidence of a faith untroubled when prophecy fails again and again.

Mr. Miéville is a respected Britain-based writer of science fiction but also a man of the far left, and **"October"** is deftly written but so skewed that the book risks tipping over into alternative history. "I am partisan," writes Mr. Miéville, a confession that comes as no surprise; but "I have striven to be fair," which does. Mr. Miéville's narrative is at times—how to put this—selective. On occasion, he's careless with facts, not least when it concerns the Bolsheviks' January 1918 suppression of the Constituent Assembly (Russia's last democratically elected "parliament" until the Yeltsin years): It is misleading to maintain that its membership was "chosen" before the Bolshevik coup.

That **"October"** is written from a sympathetic perspective is an unsettling reminder of the persistence of ideas—with roots long predating Marx—which can never safely be consigned (to appropriate Trotsky's words) to the dustbin of history. Nevertheless this book is worth reading for its emphasis on the bitter debates within Russia's revolutionary left over how to take advantage of the opportunity it had been given by the fall of the czar—and by the fragility of the regime that replaced him in early 1917.

It was a while before the Bolsheviks could take the helm. April, June and July all saw eruptions of popular discontent, which Ms. Engelstein maintains were beyond "the capacity of any political leadership to contain or direct." The philosopher Fedor Stepun observed that Lenin's post-exile speeches were merely "sails to catch the crazed winds of the revolution." The Bolsheviks, writes Ms. Engelstein, were "on the margins of political life [but]...the margins were a good place to be." Amid mounting disorder, "those at the center of authority, tenuous as it was, were in the process of exhausting their political credit."

According to the Menshevik Nikolai Sukhanov (the somewhat more moderate Mensheviks and Lenin's Bolsheviks had split in 1903), "Lenin's group was not directly aiming at the seizure of power [in June 1917] but...was ready to seize it in favorable circumstances, which it was taking steps to create."

Ms. Engelstein explains how the Bolsheviks built their base, patiently gathering support among the military and in factories. They then mobilized this "relatively disciplined mass" in a manner designed to increase disorder and topple the flailing provisional government while acting as a "force for



PANIC IN PETROGRAD Bolsheviks demonstrating against the provisional government flee from machine guns in July 1917. At that time, 'Lenin's group was not directly aiming at the seizure of power,' one observer wrote. But it was 'ready to seize it in favorable circumstances, which it was taking steps to create.'

storm-chasers, struggling to keep pace with events they could not yet control. The successive iterations of the provisional government, the best known of which was led by the charismatic if not particularly effective Alexander Kerensky, were actually caught up in the storm.

They failed to feed the cities. They could not satisfy the demand by workers and peasants (and the soldiers recruited from those classes) for a system—collectivist and profoundly antihierarchical—very different from the liberal order they had in mind. They could—and should—have ended Russia's unpopular, perilous participation in World War I, but didn't. Meanwhile, democratic principles and a justified fear of both ends of the political spectrum kept Kerensky from gambling on a more authoritarian turn until it was too late.

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order" poised to step in when the moment came. In October, it did.

Contrary to those who assert that the workers and peasants lacked an agenda of their own, Ms. Engelstein believes they genuinely wanted social revolution—though not a Bolshevik dictatorship. But only the Bolsheviks were able "to create the architecture needed to run the successor to the autocratic state and transform the excitement of liberty into a new kind of discipline and power." The result was totalitarian rule, in which the only "excitement" was the manipulated fervor of a cult on the march.

nessed by Petrograd's expatriate community, which was itself threatened by the lawlessness Mr. Hasegawa chronicles. A lively if sporadically florid book ("Petrograd was a brooding, beleaguered city that last desperate winter before the revolution broke"), Ms. Rappaport's account works well as an introduction to a complicated year, but is most valuable for its record of the impressions of those who lived through it. Many of these were relatively privileged ("the servants are beginning to get stuck up with this newborn freedom"), but their observations ("I see Russia going to hell, as a coun-

taking of the Winter Palace on the evening of the 25th. Somerset Maugham makes a rather less-expected appearance with a short story from "Ashenden," a volume of tales based on his experiences as a British spy. It's good enough, if not up to the standard set by three sentences from the book's preface: "In 1917 I went to Russia. I was sent to prevent the Bolshevik Revolution and to keep Russia in the war. The reader will know that my efforts did not meet with success."

Finally, **"1917: Stories and Poems From the Russian Revolution"** (Pushkin Press, 236 pages, \$14.95) is an anthology of literary responses to Bunin's "damn year." Neatly chosen by Boris Dralyuk, with room for the familiar (such as Boris Pasternak) and those known less well (the sardonic Nadezhda Lokhvitskaya, who wrote as Teffi), the volume is reasonably well balanced between the October revolution's supporters and those appalled by it. Vladimir Mayakovsky catches the millennial mood ("We'll cleanse all the cities...with a flood even greater than Noah's") while in "The Twelve" Alexander Blok opts for a warmer purge: "We'll...set the world on fire...give us Your blessing, Lord!"

History made fools of the cheerleaders of revolution, but the words of those who opposed it still haunt. Anna Akhmatova resolves to stay with her "nation, suicidal" and does so, her great chronicling of Stalinist terror still to come. Marina Tsvetaeva writes of the wine flowing down "every gutter" and a "Tsar's statue—razed, black night in its place." Zinaida Gippius mourns the death of long longed-for liberty: "The Bride appeared. And then the soldiers / drove bayonets through both her eyes...The royal axe and noose were cleaner / than these apes' bloodied hands...Can't live like this! Can't live like this!" Both Gippius and Tsvetaeva went into exile. Tsvetaeva later returned to her homeland. She hanged herself in 1941.

Despite its title, the worthwhile **"Revolution! Writings From Russia, 1917"** (Pegasus, 364 pages, \$27.95) features surprisingly little from the revolutionary year itself—editor Pete Ayrton includes nothing, say, from Nikolai Sukhanov or from the diaries of the novelist Ivan Bunin, a harsh critic of Bolshevism. This is only partly compensated for by Leon Trotsky's vivid report of October 24, the "deciding night" of the Bolshevik coup—complete with the complaint, as revealing as it was dishonest, that "the Revolution is still too trusting, too generous, optimistic and light-hearted." The next morning Lenin announced that the provisional government was no more.

try never went before") have aged

rather better than those of the enthusiasts who welcomed October's false dawn. Rhapsodizing over workers rallying at the Bolshevik headquarters, American journalist and fellow traveler Albert Rhys Williams wrote that they were "dynamos of energy; sleepless, tireless, nerveless miracles of men." Visiting the same place a few weeks later, a less easily impressed Frenchwoman saw "dead, doctrinaire eyes."

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The inevitable extract from John Reed's **"Ten Days That Shook the World"** is a gung-ho depiction of the

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Mr. Stuttaford, who writes frequently for the Journal, works in the international financial markets.

Proletarians, Painters and Propagandists | New books about Soviet art

THE POET Vladimir Kirillov vowed to 'burn up Raphael for our Tomorrow's sake' but didn't say what would come next. The Bolsheviks' was a supremely didactic revolution, intended to produce a new kind of man. Artists were ready to help out. Even before the revolution, painters such as Kazimir Malevich had taken abstraction to new extremes, pursuing what he called the 'zero of form'—a rejection of everything that had gone before and a timely anticipation, it might be thought, of the Bolshevik 'year zero' that lay just ahead.

'Revolution: Russian Art 1917-1932' (Royal Academy Publications, 320 pages, \$65) is a beautifully illustrated account of art that followed upon, but was ultimately discarded by, the revolution. It closes with a 1932 exhibition commemorating the artists of the new order's first 15 years, a swan song for an avant-garde rapidly being eclipsed by the inspiring banality of Socialist Realism.



VANGUARD El Lissitzky's 'Beat the Whites With the Red Wedge' (1919).

While **"Revolution"** focuses on painting, the lavishly produced **'Revoliutsiiia! Demonstratsiiia! Soviet Art Put to**

expression, documenting theater productions, posters, periodicals and other ephemera as well as painting, photography and design. The works are often of remarkable quality, raising uncomfortable questions about how we are to regard great art that was the accomplice of totalitarianism.

The earlier part of **'Moscow Vanguard Art: 1922-1992'** (Yale, 278 pages, \$55) highlights the debate between those who pushed art's frontiers forward toward Utopia and those who believed that the masses needed something more easily understood. Stalin, no Utopian, took the latter side, to the delight of artists such as Evgeny Katsman: After a meeting in 1933 to discuss this controversy with the Soviet leader, Katsman rhapsodized in his diary over Stalin's 'sweet face'—a vision that only a Socialist Realist could see.

—A.S.

OPINION

REVIEW & OUTLOOK

The Gun Control Mirage

Stephen Paddock's motives for his murderous rampage in Las Vegas on Sunday still aren't known, and neither are all the details of his plans and methods. But since our friends on the left have decided to make this a debate over gun control, someone has to explain why their familiar solutions won't stop mass shootings.

The impulse to do something after an event of such horror is understandable, and progressives believe that every human problem can be solved with a policy tweak. A ban here, a background check there, and, voila, no more mass shootings. But American life and human depravity don't always bend to government dictates.

* * *

Police say they found 23 firearms in Paddock's hotel room—from a handgun to high-caliber rifles—and 19 more in his home. Investigators haven't disclosed the weapons Paddock used to fire on the crowd, though audio suggests rapid fire akin to automatic gunfire.

But if Paddock had an automatic weapon, he probably obtained it illegally. Automatic weapons have been heavily regulated since the 1930s, and it has been illegal to buy a new automatic firearm since 1986. An automatic weapon made before 1986 must be registered, and only specific dealers may transfer them. Buyers must undergo a lengthy FBI check that includes fingerprints and photos, and local law enforcement is alerted.

Paddock also possessed several semi-automatic "assault" rifles, such as an AR-15. But what defines an assault weapon are its cosmetic features—not its caliber or velocity. That is why the Clinton-era ban on such rifles had no discernible effect on gun violence, and why the Department of Justice in 2004 found no purpose in renewing it.

Ah, but what about so-called bump stocks, which Paddock used to simulate quick, automatic-style fire? Outright modification of a firearm into an automatic is already a federal felony punishable by 10 years in prison. Congress could outlaw bump stocks, but how does it outlaw a technique? The practice of quickly "bumping" a trigger with one's finger to engage in rapid fire long predates bump stocks or other accessories.

Congress could again try to ban certain types of rifles, but a 2015 Congressional Research Service report found that from 1999 to 2013 assault rifles were used in 27% of public mass shootings. The Virginia Tech shooter in 2007 killed 32 people with two handguns. FBI statistics show that of 15,070 homicides in 2016, 374 people or 3% were killed with rifles. Some 656 homicides were committed with "personal weapons" (hands, fists, feet) and 1,604 with knives.

Mass shootings are in more than half of all

cases related to domestic or family violence. Another big chunk are crime-related, including gang violence. According to John Lott's Crime Prevention Research Center, most mass shootings with 15 or more casualties since 1970 took place outside the U.S., including France and Norway that strictly regulate guns.

As for background checks, several Nevada gun shops have told the press that Paddock passed all requisite checks, and he appears to have no history that would have flagged him under a more stringent background system. He was able to buy his guns legally so he had no reason to use what is sometimes called the gun-show loophole.

Then there's the red herring about "silencers," which Hillary Clinton and Senator Tim Kaine flogged. "The crowd fled at the sound of gunshots. Imagine the deaths if the shooter had a silencer, which the NRA wants to make easier to get," Mrs. Clinton tweeted. She's referring to legislation that would let gun owners obtain "suppressors" to protect their hearing. A typical firearm suppressor reduces muzzle report by about 30 decibels, bringing down (say) an AR-15 report to about 135 decibels. That is still as loud as a jackhammer.

Well, how about the Australia model, where the government in the 1990s outlawed and bought back more than 650,000 firearms? Australia had few mass shootings before the buyback, which had little measurable effect on overall gun violence.

Australia also lacks America's centuries-old gun culture and a Second Amendment that protects individual gun ownership. The Supreme Court's *Heller* decision allows for reasonable gun regulation but specifically protects hand guns and other weapons "in common use." With more than 300 million firearms in the U.S., common use surely means rifles as well. Even if a future Supreme Court ruled otherwise, good luck confiscating those weapons without causing an insurrection.

None of this is a counsel of despair. Americans expect concerts and other public events to be safe from lunatics with guns, and government should do what it can to separate the two. This means better use of Big Data to identify threats, better state laws to deny guns to the mentally ill, and law enforcement that can respond rapidly when called.

We aren't opposed to background checks or regulating large magazines or bump stocks, but no one should think these will stop a determined killer. After each gun tragedy, progressives denounce the "gun lobby" and demand that politicians "do something," but each time they run into the reality that their solutions won't work. The "gun lobby" are Americans who want to retain their right to self-defense.

Hurricane Irma's Lawsuit Chasers

Trial lawyers never let a disaster go to waste. Behold the storm-chasing attorneys in Florida trying to exploit a power outage caused by Hurricane Irma.

Miami-based MSP Recovery Law and Dorta Law have filed a class-action lawsuit against the Florida Power & Light for inadequately maintaining its infrastructure and equipment, which allegedly resulted in the loss of power to nearly 4.4 million customers statewide. The law firms are seeking between \$2 billion and \$3 billion in damages.

Losing power is no doubt aggravating, but by September 19 Florida Power & Light had restored service to 99% of customers affected by the storm that swept the entire Florida Peninsula. After Hurricane Sandy, Con Edison needed two weeks to restore overhead lines and steam systems for a third of its customers. One percent of Jersey Central Power & Light customers were without power a month after the hurricane.

Utilities are responsible for girding and protecting their power plants, transmission

lines and poles. But some damage is unavoidable during severe storms like Irma whose winds exceeded 90 miles per hour. The potential for damage is greater in areas with dense vegetation like the tony Miami community of Coral Gables, which boasts picturesquely, tree-lined streets.

Florida Power & Light in the past has complained about Coral Gables's refusal to pare back foliage. The utility notes that trees were planted by "the City in dangerous locations far too close to power lines. Other trees appear to have been planted too closely together, preventing their root systems from being able to grow properly and hold the ground securely in high winds." Coral Gables city commissioner Frank Quesada is employed by MSP Recovery and may have motivations other than civic virtue for deflecting blame to the utility.

The class action's putative victims could wind up paying higher electric rates for the legal costs the utility incurs and any damages awarded. Once again, plaintiff attorneys are trying to milk the public's pain for their own gain.

Russia Reality Check

As the Republican Chairman of the Senate Intelligence Committee and the Democratic Ranking Member held a press conference Wednesday about their investigation into Russia's role in the 2016 presidential election, a nearby sign highlighted their effort: 11 open hearings, 100-plus people interviewed, 4,000 transcript pages and 100,000 pages of documents.

As for results, Senators Richard Burr (R., N.C.) and Mark Warner (D., Va.) didn't disclose much more than we already knew. First, Russia was meddling in the elections. Second, there are no "initial findings" about Donald Trump's alleged collusion with the Russians because they don't have any. The investigation remains "open."

Meanwhile, for all the supposed concern about Moscow undermining American democracy—from the same folks who mocked Mitt Romney in 2012 for calling Russia our biggest geopolitical foe—the findings about what Vladimir Putin is doing elicit barely a yawn unless the word "Trump" is attached.

But for people not driven by an agenda,

Moscow meddled, but still no hard evidence of Trump collusion.

there's still plenty to worry about. Messrs. Burr and Warner report that though the Russians failed in penetrating the electoral systems in 21 states, they were knocking at the door. The Senators also report that social media companies such as Twitter and Facebook were unprepared for Russian manipulation, via political advertising and fake

accounts. Mr. Warner said the goal seemed to be to "sow chaos and drive division in our country." And if you add up all they spent, he said, the Russians got "a decent rate of return" for their investments. Both agree that Mr. Putin's interference continues.

Perhaps the committee will still turn up evidence of the missing link between Mr. Trump and the Russians, but for now it remains as elusive as the Yeti. Meantime, Mr. Burr did note that for all the evidence, all the hours of testimony, all the many witnesses, the committee has "hit a wall" with one crucial witness: the former British spy Christopher Steele, who compiled the infamous dossier full of discredited allegations about Mr. Trump and the Russians. We hope the Senators get to the bottom of that disinformation campaign too.

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

OPINION

LETTERS TO THE EDITOR

We Promote Diversified Alzheimer's Research

In "Autism Research Should Be Financed Like Venture Capital" (op-ed, Sept. 29), John Rodakas describes biomedical venture philanthropy, an operating model that brings the principles of venture capital investing to nonprofits and has diversified the pipeline of drugs in development for many diseases.

The Alzheimer's Drug Discovery Foundation (ADDF) was founded on a venture philanthropy model almost 20 years ago, and we continue to use this approach in our work. We fund a persistent gap in drug research often called the "valley of death" because it is where good ideas for new drugs go to die.

As Mr. Rodakas notes, investors are generally risk-averse and seek drug programs in more advanced stages of development. Government may be slow to act, and there can be bias in the system of review. It's clear how innovation can wither.

Venture philanthropies, including the ADDF, assume the risks inherent in drug discovery and fund bold new ideas. In doing so, we diversify the drug pipeline and forge a path for investment from pharmaceutical companies and government. The ADDF has provided support for over 20% of the drugs for Alzheimer's disease now in clinical trials. We are funding many of the first novel drugs in clinical de-

velopment for Alzheimer's targeting epigenetics, neuroinflammation, metabolic dysfunction and neuroprotection.

Nonprofits are well-positioned to take risks others can't or won't. We are bringing innovation to the drug pipeline and will get to cures faster.

HOWARD FILLIT, M.D.
Founding Executive Director
Alzheimer's Drug Discovery Foundation
New York

Mr. Rodakas's piece reminds me of the discovery in the early 1980s by Drs. Robin Warren and Barry Marshall who faced the medical establishment's skepticism when they identified the bacterium *H. pylori*, and its relationship to stomach ulcers. It also reminds me of how dangerous group-think can be when lives are in the balance. A centralized system of science funding will always carry that threat with it, and the risk of untold billions of dollars wasted following wrong ideas, for no better reason than that is what everyone else is doing. Group-think has always been present in the sciences, as it is in all fields of human achievement. It is good to occasionally remind ourselves that scientific advancements often come from the fringes, rather than from the center.

WILLIAM GLASSCO
Tiverton, R.I.

Bail and Making the Untrustworthy Appear

Regarding Walter Olson's "Maryland's Bail Reform Is a Warning for Would-Be Moralizers" (Cross Country, Sept. 23): I've been a licensed bail agent for more than 31 years. I've lived through waves of "bail reform" in California. After the O.J. Simpson case, bail for domestic violence was raised as a means to separate the couple and let things cool down. In effect it increased the financial stress for many families of very modest wealth. Bails for other crimes have skyrocketed as well. To mitigate this, criminals now call a taxpayer-funded hotline to get their bail reduced or eliminated before they appear in front of a judge. Defendants with multiple failures to appear and several warrants for their arrest are cited out and released on their obviously worthless written promise to appear. The frequent arrestee games the system. The defendants I bail out

now are usually in for serious felonies or have a history of failing to appear. I still am better at ensuring their compliance with the court than the public option. When I am involved, I get to work right away tracking down my fugitives.

Over the years I have gotten very good at ensuring my defendants appear and answer the charges. I get to know them. I get to know and involve their families. I know who is a good risk and, more important, who is not. If I fail at my job, I will go out of business.

The bail reformers believe it ideologically impure to require a criminal to provide insurance that they will appear in court. What is best for the system can become more important than the fair and impartial administration of justice.

FRANK REPETTI
San Marino, Calif.

The U.S. Visa System Is Needlessly Complex

Michael Polt and Kim Davis's "The U.S. Makes Ambassadors of Visitors" (op-ed, Sept. 28) inadvertently exposes one of the hardest slogs within the issue of comprehensive immigration reform: managing the complexity that is our visa system. The J-1 program is not a tiny niche effort; rather, for 2016, over 300,000 individuals received such visas. Moreover, there is a companion J-2 program that permits spouses and dependents to join the J-1 visa recipient and work or study. The J-1 program isn't simple and straightforward; it has 13 separate sub-programs. At least six of the categories—camp worker, intern, specialist, summer work and travel, trainee and teacher—appear to offer opportunities to work, and the question rightly raised is: Are these foreigners replacing native workers at lower pay?

I am aware of foreigners (who

readily admit they are J-1 visa holders) waiting tables, managing hotel reception desks and performing housekeeping and custodial tasks at seasonal resorts. Are there no native kids looking for work experience to fill these positions? The J-1 program is a small part of the visa system but emblematic of its complexity and an inviting target. My concern is that Congress does not have the discipline to address the system line by line and is more likely to take a cleaver to it and discard deserving provisions along with the problematic ones.

HERB SEGAL, COL., USA (RET.)
Raleigh, N.C.

Our Congress Should Stop Outsourcing Its War Powers

Tammy Duckworth is mistaken that "Our Troops Need a New War Resolution From Congress" (op-ed, Sept. 27). Congress needs a new backbone.

From the Gulf of Tonkin Resolution to the various iterations of the Authorization for the Use of Military Force Against Iraq of 2002, Congress has all but abdicated its constitutional power to declare war in favor of open-ended, blank checks to American presidents.

How has this worked out? Afghanistan and Iraq now compete to be the longest wars in American history, and as for Vietnam, watching a few episodes of the documentary currently showing on PBS should be enough to answer that part of the question.

JOHN E. STAFFORD
Rye, N.Y.

Pepper ... And Salt

THE WALL STREET JOURNAL



"Oh, the usual. I'm here battling my workaholism."

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OPINION

China and Russia's Dangerous Entente

By Alexander Gabuev

As President Trump's rhetoric on North Korea grows more bombastic, the world wonders if China will step up to help resolve the crisis. Last month, when the United Nations Security Council deliberated a new round of sanctions on Kim Jong Un's regime, China conspicuously didn't raise objections. A few days later, during a phone call with Mr. Trump, Chinese President Xi Jinping promised he would put "maximum pressure" on Pyongyang. It may seem as if Beijing finally is ready to work with Washington—but appearances can be deceiving.

In reality, Mr. Xi has worked out a good-cop/bad-cop routine with Russian President Vladimir Putin, and the two countries are working together to torpedo some of the most

They have developed a good-cop/bad-cop routine that will frustrate efforts against North Korea.

important U.S. proposals on North Korea. While China looks like a constructive partner, Russian diplomats at the U.N. were able to water down language in Security Council Resolution 2375 that would have restricted oil shipments to North Korea and totally banned the use of North Korean labor abroad.

This kind of cooperation between Moscow and Beijing now stretches far beyond the Korean Peninsula and will remain an important part of the international environment for years to come.



PHIL FOSTER

An unprecedented round of Sino-Russian joint naval exercises in the Baltic Sea over the summer sent an unambiguous message about this state of affairs to Washington and its partners in the North Atlantic Treaty Organization. More exercises last month in the Sea of Japan added insult to injury. Further, since 2014 Moscow has dramatically ramped up sales to China of some of Russia's most advanced defense equipment and technologies. Today Russian jet fighters and surface-to-air missiles are boosting the Chinese military's capabilities in contested parts of the South China Sea and elsewhere in the Pacific. On global issues such as the future governance of cyberspace, the defense of state sovereignty, and Western pressure on human rights, China and Russia routinely present a united front.

The budding partnership between these two great powers—who were riven for decades by high levels of mistrust—is a natural response to the adversity and confrontation in

the U.S.-Russian relationship. When Mr. Trump arrived in the White House, the Kremlin nurtured some hope that the bilateral relationship might be improved. But the adoption of new congressional sanctions against Russia and mounting questions about Mr. Trump's ability to change the direction of the relationship put that idea to rest. As the president declared in his signing statement for the new sanctions: "By limiting the Executive's flexibility, this bill... will drive China, Russia, and North Korea much closer together." This new reality helps explain why the Kremlin feels it has nothing to gain from being helpful to the U.S. on North Korea.

Meantime, China is becoming central to the Russian economy's future and to the stability of the Putin regime. Over the past four years, Beijing has turned into a major investor and lender to Russia, channelling billions through its state-controlled "policy banks" to members of Mr. Putin's entourage and Russian

companies subject to sanctions. This is one of the key reasons that Russia is happy to defend North Korea at a time when doing so has become costly for China, which is worried about Mr. Trump's threat to link Beijing's "help" on North Korea to the status of bilateral trade talks. A new trade war with the U.S. is a nightmare for Beijing, particularly on the eve of the crucial 19th Party Congress, where projecting the image of domestic and international stability is crucial for Mr. Xi's effort to cement his grip on power.

China and Russia's budding relationship is still primarily transactional. Their interests don't coincide on many issues, and they have little reason to limit themselves with a formal, permanent alliance. But ignoring the strategic rationale for increased Sino-Russian rapprochement would be a great mistake. These two authoritarian powers are not united by a messianic ideology or desire to spread their systems across the globe, as they might have been during the Cold War. Rather, they both see the U.S.-led international system and Western democracy-promotion efforts as a direct threat to their political systems and regional spheres of influence.

Chinese and Russian leaders won't always agree, but their deepening cooperation and mistrust of the U.S. is here to stay. Unfortunately, American leaders have shown few signs that they know how to navigate this new reality, let alone manage the competition among great powers as non-Western countries grow in stature.

Mr. Gabuev is a senior fellow and chairman of the Russia in Asia-Pacific Program at the Carnegie Moscow Center.

Why I'm Not Bidding for Amazon's HQ

By Sam Liccardo

Several reporters have asked me what subsidies my city of San Jose may offer to attract Amazon's new headquarters. My response? None.

Recently, states and cities have been luring companies with subsidies. Wisconsin wooed electronics manufacturer Foxconn with a \$3 billion taxpayer-funded dowry. Iowa gave Apple \$213 million in state and local tax incentives to bring a 50-job data center to the state. The commonwealth of Massachusetts and city of Boston brought General Electric headquarters to Beantown with a \$145 million incentive deal.

San Jose won't offer subsidies for favored corporations, which are a bad deal for city taxpayers.

Don't get me wrong, Amazon is a wonderful company. Any mayor would embrace the economic vitality of a company branch with 50,000 employees and an anticipated investment of \$5 billion. San Jose has benefited from the recent arrival of Amazon's Lab 126 research outpost.

But my city won't be offering incentives to Amazon. Why? Because they are a bad deal for taxpayers. With many subsidies, the jobs a company brings to an area don't generate revenues commensurate with public expenditures. The GE deal will cost taxpayers more than \$181,000 for every job created in Boston. Most experts insist that other factors—particularly the presence of a skilled workforce—play a far larger role in determining boardrooms' corporate location decisions. Moreover, some 95% of Silicon Valley's job growth comes from new small-business formation and when those homegrown companies develop into larger firms.

If anything, the financial "cherry on top" merely reinforces decisions already made—at taxpayer expense. While those incentives might matter to corporate real-estate departments tasked with watching every penny, they amount to a rounding error to the bottom line of a company like Amazon, whose revenues last year were nearly \$136 billion.

So why do public officials throw away taxpayer dollars in subsidies while trying to promote economic development? Perhaps because they can. The subsidy represents something tangible that officials can point to as the factor that "sealed the deal" to create more jobs.

The harder work of investing public dollars in schools, infrastructure and amenities takes years of concerted effort but has far greater payoff. A healthy economic ecosystem that supports innovation and growth is what makes a community attractive to a company like Amazon.

Cities and states should also work to enact policies that welcome business. For example, I've supported targeted fee reductions to promote job growth for all qualifying companies during their initial year in business. This has made it easier to develop high-rise housing and attracted airlines to our airport. The key is to craft policies that apply to all fairly competing employers. Cutting special deals with individual companies isn't the right strategy.

For San Jose, large corporate subsidies have become a relic of the past, and happily so. Our recent economic development successes—including the doubling of Adobe's world headquarters and large expansions at the Google and Apple campuses—got done without a single cent of taxpayer money being used for subsidies, tax relief or discounts on land.

Some may ask: What about cities that don't have the same skilled tech workforce as San Jose? The truth is a subsidy won't help. A talent-challenged city might land a call center or an assembly plant with a tax break, but innovative companies won't invest in a research-and-development center in the hope that computer science and engineering expertise will suddenly fall from the sky. Cities should focus on building the workforce first—investing in human capital, enacting startup-friendly policies and joining with local universities and workforce training programs.

As elected officials, we would do well to resist ribbon-cutting and take the longer view. To attract innovative employers, let's all stay in our lanes, create safe and attractive cities for talented people to live in, and clear bureaucratic red tape. In other words: Get out of the way.

Mr. Liccardo, a Democrat, is mayor of San Jose, Calif.

By Mike Pence

Sixty years ago this week, the Soviet Union launched the world's first satellite into orbit, changing the course of history. The race for space was on, and the Soviets had taken an early lead. But the sight of Sputnik blinking across the October sky spurred Americans to action. Twelve years later, with "one giant leap for mankind," the U.S. claimed its rightful place as the undisputed leader in the exploration of the heavens.

That pre-eminence in outer space is now under threat—and once again, America must act. President Trump has revived the National Space Council to assist him in developing and implementing long-range strategic goals for our nation's space policy. On Thursday the council will hold its first meeting in nearly 25 years, and as its chairman, I will deliver a simple message: America will lead in space again.

More than ever, American prosperity and security depend on U.S. leadership in space. Yet national space policy often has lacked a coherent,

cohesive vision. The results not only are disappointing; they endanger the well-being of the American people.

The U.S. pays Russia more than \$76 million a seat to carry American astronauts to the International Space Station, since we have no vehicle capable of performing this task.

The U.S. is falling behind in the final frontier. The National Space Council will help remedy that.

The intelligence community reports that Russia and China are pursuing a full range of antisatellite technology designed to threaten our military's effectiveness. These are only two examples of America's abdication of leadership in space.

The president has charged the National Space Council with restoring that leadership. The council's objectives are clear.

We will refocus America's space

program toward human exploration and discovery. That means launching American astronauts beyond low-Earth orbit for the first time since 1972. It means establishing a renewed American presence on the moon, a vital strategic goal. And from the foundation of the moon, America will be the first nation to bring mankind to Mars.

We will renew America's commitment to creating the space technology needed to protect national security. Our adversaries are aggressively developing jamming and hacking capabilities that could cripple critical military surveillance, navigation systems and communication networks. In the face of this threat, America must be as dominant in the heavens as it is on Earth.

We will promote regulatory, technological, and educational reforms to expand opportunities for American citizens and ensure that the U.S. is at the forefront of economic development in outer space. In the years to come, American industry must be the first to maintain a constant commercial human presence in low-Earth orbit, to expand the

sphere of the economy beyond this blue marble.

To achieve these goals, the National Space Council will look beyond the halls of government for insight and expertise. In the coming weeks,

President Trump and I will assemble

a Users' Advisory Group partly composed of leaders from America's burgeoning commercial space industry.

Business is leading the way on space technology, and we intend to draw from the bottomless well of innovation to solve the challenges ahead.

Above all, the National Space Council will enable our nation to bring American values to this infinite frontier. It will renew the American spirit itself, as we lift our heads and reach our hands toward the heavens, in pursuit of peace and hope for all mankind.

As the National Space Council meets Thursday, our nation can know with confidence: Under President Trump, America will lead in space again.

Mr. Pence is vice president of the United States and chairman of the National Space Council.

By Peter Conti-Brown

By the spring of 1974, Richard Nixon's presidency was in shambles. The House had voted to authorize an impeachment investigation, and the president had been named an unindicted co-conspirator in the Watergate burglary and coverup. His approval rating plummeted below 30%, never to recover. He would resign in disgrace in August.

Even in the swirl of severe presidential scandal, the Democratic Senate voted to confirm Henry Wallace, a Yale economist, as Nixon's final appointment to the Federal Reserve

Board. The Senate's response to Wallace's appointment wasn't peculiar to the man or the era. As the Iran-Contra scandal swirled around Ronald Reagan in the spring of 1987,

the Democratic Senate confirmed Edward W. Kelley's nomination to the Fed. In 2008, with President Bush's approval rating around 30%, a Democratic Senate approved Elizabeth Duke.

The tradition of maintaining a fully staffed Fed has diminished over time. Today, three of the seven Board of Governors chairs requiring Senate confirmation sit vacant. Before the Obama administration, there had never been more than two simultaneous vacancies. Obstructionism in the Senate and a lack of urgency at the White House combined to create a new normal at the Fed: empty seats.

Last month, Vice Chairman Stanley Fischer announced his early resignation, effective Oct. 15. The Senate is currently considering President Trump's sole nominee to the board,

Randall Quarles. If he is not appointed before Mr. Fischer's departure, the Fed board will have four vacancies.

Chronic vacancies on the Board of Governors are bad for the banking system and public accountability.

Failure to manage these vacancies creates two problems. First, an understaffed Fed cannot perform all the tasks Congress has placed before it. Using aspects of its emergency authority to respond to financial crisis requires five governors; other quorum rules require four.

More important, failure to maintain a full board erodes one of the essential mechanisms of public accountability. The Fed is insulated by design from key aspects of partisan politics. It doesn't rely on appropriations from Congress, but rather supports itself financially through interest and fees. Its policy decisions are not subject to presidential veto. The Fed is, to invoke an often misunderstood term, independent. But that independence cannot mean total

separation from the democratic process. The appointment of these key decision makers is the primary way voters get to participate in Fed policy. If the president does not advance nominations or the Senate does not act on them, the Fed is not accountable to the public it serves.

This is not to say Mr. Trump should staff the Fed with warm bodies or partisan cronies. The vetting process at the White House and in the Senate should be careful and serious. Setting monetary policy and crafting financial regulation require knowledgeable experts with diverse backgrounds.

In the coming weeks and months, expect a growing frenzy of speculation over Chair Janet Yellen's future. The debate over whether she should stay or leave shouldn't overshadow the growing crisis. The other six governors have essential roles to play. Politicians in Washington should make sure there are qualified central bankers in place to play them.

Mr. Conti-Brown is an assistant professor at the University of Pennsylvania's Wharton School of Business and author of "The Power and Independence of the Federal Reserve" (Princeton University Press 2016).

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From a Food and Drug Administration warning letter to the owners of Nashoba Brook Bakery:

Your . . . products are misbranded . . . because . . . the labels fail to bear a complete list of all the ingredients by common or usual name. . . .

Your Nashoba Granola label lists

ingredient "Love". Ingredients required to be declared on the label or labeling of food must be listed by their common or usual name. . . .

"Love" is not a common or usual name of an ingredient, and is considered to be intervening material because it is not part of the common or

usual name

LIFE & ARTS

FILM REVIEW | By Joe Morgenstern

A 'Runner' Revived With Beauty, Brains and Soul

THE BIG QUESTION in "Blade Runner 2049" continues to be the one posed by Ridley Scott's 1982 sci-fi masterpiece. Who is human, made of flesh and blood, and who is a replicant, built in a factory but able to pass for human in most respects? For those who've cherished the original all these years, the larger question has been whether the new film itself would be a kind of replicant, a soulless simulacrum of a visionary work of art that dared to combine a film-noir plot with startling images of a bleak urban future. The very good and surprising news is that Denis Villeneuve's sequel is anything but soulless, let alone exploitative, though it's longer than it should be and short on clarity; the storytelling swings between mysteriously allusive and opaque. Daring in its own right, this broodingly sumptuous saga explores the primacy of feelings, the nature of memories and the essence of being human, framed as the difference between being manufactured or born.

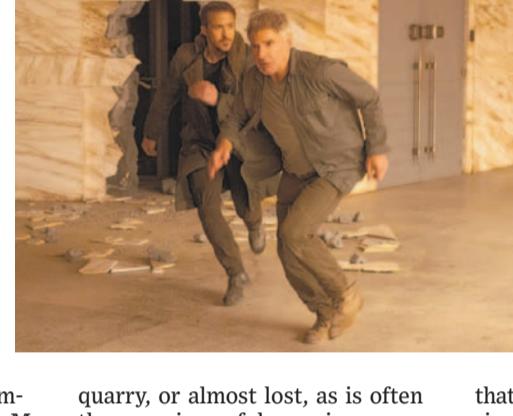
The action takes place 30 years after the original—which was set only two years from now—in a California so ravaged by environmental degradation as to make Antonioni's "Red Desert" look lush. But the cinematographer was the incomparable Roger Deakins, so no matter where the camera turns it discovers commanding shapes and seductive colors. (The production was designed by Dennis Gassner.) In Los Angeles, LAPD headquarters is a huge, cloud-shrouded anvil. Inside the towering headquarters of Wallace Corp., which manufactures an advanced line of replicants, bronze backlighting contrasts with dark browns and blacks in a chiaroscuro reminiscent of Edward Hopper's "Nighthawks." Down south near San Diego, gray-faced children toil in a slave-labor camp that Dickens could not have imagined in his most fervid dreams. (The



WARNER BROS. (2)

screenplay was written by Hampton Fancher, who co-wrote Mr. Scott's film, and Michael Green. Benjamin Wallfisch and Hans Zimmer composed the synthesizer-based music, with its frequent overtones of the original Vangelis score.)

Rick Deckard, the sardonic blade runner—read replicant hunter—played by Harrison Ford in the earlier film, hasn't been seen for three decades, though you may already have inferred from the current marketing campaign that he turns up again in Mr. Villeneuve's version. The hero of this tale, an LAPD cop and blade runner named K (as Kafka's "The Castle"?) is played by Ryan Gosling. A master practitioner of intense inwardness, Mr. Gosling seems to believe, quite correctly, that we can't take our eyes off him, whether his remote and taciturn character is engaged in mortal combat with a nonmortal



quarry, or almost lost, as is often the case, in rueful reverie.

At the outset K goes off on a routine assignment—find and retire an old-model replicant, meaning put an abrupt end to the android's ostensible life. But the assignment leads to a singular quest in which K, seeking his own Rosebud, investigates a secret that, in the words of his tough-as-nails superior, Lt. Joshi (Robin Wright), "breaks the world."

Exactly how and why the break-

Ryan Gosling and Harrison Ford, left, in 'Blade Runner 2049'

age occurs won't be discussed here; the film is unusually vulnerable to spoilers, even though it renders its secrets in near-inscrutable fits and starts. I'll say only that the source of Joshi's concern is at least as momentous as she thinks it is; that the overall bleakness is relieved by a theme in the complex narrative

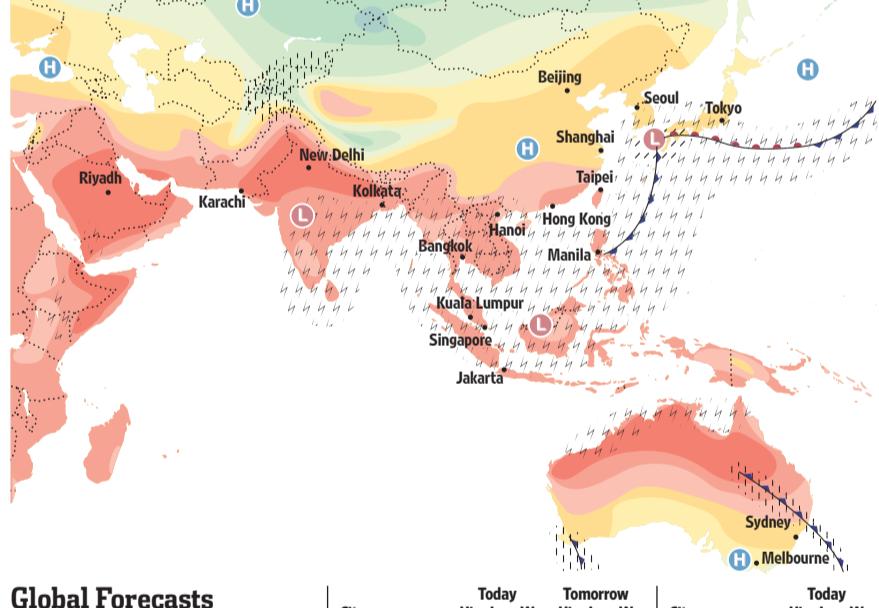
that could be called the redemptive rise of the machines, or artificial intelligence in search of genuine experience; and that K, who thinks he knows where he's going in the investigation, has several other thoughts coming, just as we do, before crucial truths are revealed during a climactic encounter with Deckard.

Mr. Villeneuve's direction enlivens "Blade Runner 2049" with verve and heart that couldn't have been predicted from the cool intel-

ligence of his previous feature, "Arrival." Two women in the large cast give spectacular performances: Ana de Armas as Joi, the scintillating love of K's life, and Sylvia Hoeks as Luv, an implacably unlovable assistant to, and enforcer for, the evil magnate Niander Wallace. (Niander is played with ethereal gusto by Jared Leto, who stays—just barely—on the right side of fatuousness.)

Harrison Ford, for his part, is nothing less than a revelation. Many of his recent roles, dominated by unmodulated anger, have obscured the memory of his easy charm as Han Solo and Indiana Jones. Here, as the blade runner Deckard in the home stretch of a turbulent life, he is astonishing in his ferocity and poignant in his passion, an old man still possessed by a vision of lost love. And Mr. Ford can be charming once again, a man with a faithful dog that may or may not be a canine replicant. "Is it real?" K asks. "I don't know," Deckard replies. "Ask him."

Weather



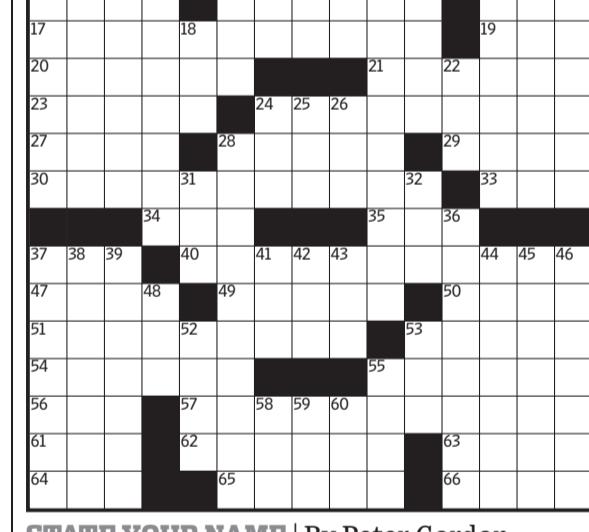
Global Forecasts

s=sunny; pc=partly cloudy; c=cloudy; sh=showers; t=tstorms; r=rain; sf=snow flurries; sn=snow; l=ice

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Amsterdam	15	11	sh	15	11	r
Anchorage	10	5	r	10	5	c
Athens	26	20	pc	26	16	t
Atlanta	29	20	s	27	21	c
Bahrain	33	18	s	35	19	s
Baltimore	28	16	pc	29	19	pc
Bangkok	31	25	t	32	25	t
Beijing	23	11	pc	22	15	sh
Berlin	13	7	t	12	9	c
Bogota	20	8	t	19	7	r
Boise	21	7	s	20	4	s
Boston	23	15	sh	23	18	c
Brussels	13	7	pc	14	10	r
Buenos Aires	22	11	s	19	13	pc
Cairo	30	21	s	33	24	s
Calgary	17	3	pc	11	0	c
Caracas	32	25	pc	31	25	pc
Charlotte	29	16	s	29	20	pc
Chicago	22	18	r	24	13	t
Dallas	32	21	s	29	19	pc
Denver	17	5	sh	23	7	s
Detroit	19	15	r	27	16	t
Dubai	37	28	s	37	29	s
Dublin	13	10	pc	15	9	pc
Edinburgh	13	9	pc	15	7	pc
Frankfurt	13	7	t	13	9	sh

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Geneva	14	4	pc	16	6	pc
Ottawa	29	24	t	28	24	t
Paris	16	5	s	15	11	pc
Havana	31	24	t	31	24	pc
Philadelphia	27	19	pc	29	21	pc
Hong Kong	33	28	t	34	28	t
Honolulu	30	23	sh	30	23	pc
Houston	32	20	s	31	21	s
Istanbul	23	18	s	23	14	pc
Jakarta	32	23	c	33	25	sh
Johannesburg	19	12	r	20	12	c
Kansas City	24	16	t	22	13	s
Kuala Lumpur	33	18	s	35	19	s
Kuala Lumpur	33	18	s	35	19	s
Las Vegas	30	16	s	31	16	s
Lima	20	16	pc	20	15	pc
London	15	8	pc	17	11	r
Los Angeles	33	19	s	34	17	s
Madrid	29	10	s	26	15	pc
Manila	32	26	t	33	26	t
Melbourne	14	6	c	22	14	pc
Mexico City	22	11	pc	23	12	pc
Miller	31	27	t	31	26	t
Montreal	18	8	pc	21	17	t
Moscow	10	6	r	10	4	pc
Mumbai	34	27	pc	33	27	t
Nashville	31	19	s	30	21	pc
New Delhi	36	22	s	36	23	s
New Orleans	30	24	s	29	25	sh
New York City	26	18	c	24	19	pc
Washington, D.C.	29	19	pc	30	21	pc
Zurich	12	5	pc	14	7	s

The WSJ Daily Crossword | Edited by Mike Shenk



STATE YOUR NAME | By Peter Gordon

The answer to this week's contest crossword is a best-selling book.

Across

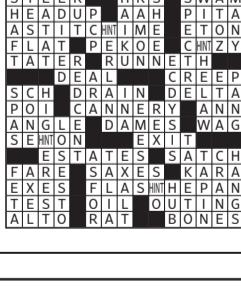
- 1 Missing GI
- 5 Cable channel that shows many NCAA games
- 10 Gloucester glassful
- 13 Fourth little piggy's share
- 14 Stock exchange?
- 16 R cause, often
- 17 Musician mentioned in the theme song to "All in the Family"
- 19 WWII general Arnold
- 20 "Juno and the Paycock" playwright
- 21 Estate in "Citizen Kane"
- 23 CBS Sunday Morning" correspondent Mo
- 24 He played the title character in "Saving Private Ryan"
- 27 Mach3 forerunner
- 28 ___ telling me!"
- 29 Shipping hazard
- 30 Author who sometimes uses the pen name Richard Bachman
- 33 River of Scotland
- 34 Margarita glass topper, in Mexico
- 35 Genetic letters
- 37 Up in the air, on a sched.
- 40 Writer of "The Call of Cthulhu"
- 47 Investing options, for short
- 49 Tore
- 50 Sierra Club founder
- 51 Most followed person on Twitter
- 52 Capone contemporary nicknamed "The Enforcer"
- 53 Capone
- 54 "Terrible" czar

► Email your answer—in the subject line—to crossover@wsj.com by 11:59 p.m. Eastern Time Sunday, Oct. 8. A solver selected at random will win a WSJ mug. Last week's winner: Steve Bernstein, Flint, MI. Complete contest rules at WSJ.com/Puzzles. (No purchase necessary. Void where prohibited. U.S. residents 18 and over only.)

PUZZLE CONTEST

55 Distinguished	25 North Sea diver
56 Commuting option	26 Start for athlete or cycle
57 What you might need to research to solve this contest crossword	28 Bit of crowd-sourced criticism
61 Exist	31 "As if!"
62 Suit	32 "Live well" chain
63 Fall color	36 How a couple may walk
64 Chinese zodiac animal	37 Where drinks come with mini umbrellas
65 Hayride need	38 Like a virtuoso performance
66 Apportion	39 Computer input
Down	41 Choreographer Lubovitch
1 Sheepish	42 Text-scanning by PC
11 Galena, e.g.	43 "Oy__!"
12 Wipe out	44 Teleprompter brand
15 Mortarboard tosser	45 Evolutionary survivors
18 Poetry Out Loud" org.	46 Port on the Adriatic Sea
22 Catch cold?	48 Ant. ant.
24 Calendar abbr.	52 Xtra (soda brand)
53 Patriots' org.	55 Available
58 Pioneering TV company	59 Dress fancily, with "out"
60 Med. care option	60 Med. care option

Previous Puzzle's Solution



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BUSINESS & FINANCE

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Friday - Sunday, October 6 - 8, 2017 | B1

Yen vs. Dollar 112.7850 ▲ 0.03% Hang Seng 28379.18 Closed Gold 1273.00 ▼ 0.05% WTI crude 50.99 ▲ 2.02% 10-Year JGB yield 0.043% 10-Year Treasury yield 2.355%



The royal decree allowing Saudi women to drive as of mid-2018 has global auto makers gearing up for increased sales.

Saudi Car Market Gets Jolt

BY NICOLAS PARASIE
AND MARGHERITA STANCATI

Saudi Arabia's decision last week to allow women to drive has opened up a large market for automobile companies searching for growth, and the competition has already begun.

Within days of King Salman's decree announcing what will be one of the deeply conservative kingdom's most profound social reforms, Western and Asian car makers were tweeting out their welcome to woo new customers among the eight million adult Saudi women.

Volkswagen AG's tweet showed two hands decorated with henna and positioned as if clutching a steering wheel, with the words "My turn."

BMW AG's Mini Cooper released a video showing a car pulling out of a parking lot that is "reserved for women."

Ford Motor Co. tweeted a

photo of a woman looking into a rearview mirror against a black backdrop, an image that resembled a woman in a niqab, the face-covering veil that many Saudi women wear.

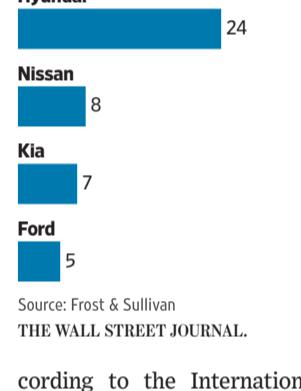
"We look forward to a new generation of women in the driving seat," said Thierry Sabbagh, managing director of Ford Middle East.

The early battle to attract potential buyers reflects the intense competition among car makers for market share in the Middle East's biggest economy. Asian car makers have dominated what is the region's second-biggest market for automobiles after Iran—where the population is nearly three times the size.

New car sales in Saudi Arabia have slowed, however, as low oil prices took a toll on the economy and consumer spending. Sales of new vehicles tumbled 21% to 655,500 in 2016, ac-

Pole Position

Asian brands dominate Saudi car sales. Top brands by market share in 2016.



Source: Frost & Sullivan

THE WALL STREET JOURNAL.

cording to the International Organization of Motor Vehicle Manufacturers, a trade association.

Not all women in Saudi Arabia want to become drivers. The stigma attached to women driving in the ultraconservative country, and persistent traffic congestion in cities, could lead many to continue to rely on male relatives or taxis to move around. Car-hailing apps Uber and local rival Careem have said they plan to hire female chauffeurs in the kingdom. And many women who can afford to retain foreign drivers, of which there are over a million, will likely continue to do so.

But industry experts said the emergence of women driving will boost Saudi Arabia's struggling car market.

"The [Saudi] auto market will pick up and have a positive outlook" for the second half of 2018 after the new rules take effect in June, said Mr. Sabbagh of Ford Middle East.

Mr. Sabbagh said large

Please see DRIVE page B2

Whirlpool Wins Key U.S. Backing In Trade Petition

Appliance maker seeks protection from washing machines made in South Korea

BY JACOB M. SCHLESINGER
AND ANDREW TANGEL

WASHINGTON—Whirlpool Corp. won crucial backing from a government panel in its bid to limit competition from foreign washing-machine makers, giving the Trump administration another opportunity to invoke little-used powers to ramp up trade enforcement.

The U.S. International Trade Commission voted 4-0 Thursday to approve the petition from the Benton Harbor, Mich.-based manufacturer seeking protection in the American market from South Korean rivals Samsung Electronics Co. and LG Electronics Inc. The vote came under a trade law that allows U.S. companies to win broad protection if they can show they suffered "serious injury" from a surge of imports.

The provision—Section 201 of Trade Act of 1974—was last used in 2002 by the Bush administration to impose steel tariffs. The law was designed to offer U.S. industries broader protection.

The members of the ITC—a bipartisan, independent panel—will next consider what specific policies they believe should be implemented. The deadline for the panel to send recommendations to the White House is Dec. 4. The Trump administration would then be required to make a decision by early next year on whether to impose import limits.

The Trump administration hasn't yet commented on this

specific ITC case. But officials have said they would consider invoking the rarely used "safeguard" law more frequently in their bid to take a more aggressive stance on trade enforcement.

One of Mr. Trump's trade advisers, Peter Navarro, has blasted Samsung and LG for "precisely the kind of trade cheating that must be stopped." Mr. Navarro was referring to the fact that Whirlpool previously had won protection against trade cases imposing duties on Samsung and LG machines made in South Korea and Mexico under a different, narrower trade law designed to shield U.S. companies from goods that are allegedly "dumped," or sold unfairly below cost.

But the Korean makers got around those limits by shifting production to China. When they would have faced subsequent tariffs aimed at that country, they moved production to Vietnam and Thailand.

Under Section 201, a U.S. company seeking relief doesn't need to prove wrongdoing by a foreign competitor—only that it is suffering "serious injury" from a sudden import surge. "The ITC vote is an important win for American manufacturers and American workers," Whirlpool Chairman Jeff Fettig said. LG said it would seek a "fair application of U.S. trade laws." Samsung said it was disappointed with the trade commission's vote.

But the potential curb could likely run afoul of global trading rules. The 2002 Bush steel tariffs were removed a year later after the World Trade Organization deemed them improper, and the law hasn't been used since.

SpaceX Picks Up Pace for Launches

BY ANDY PASZTOR

Elon Musk's SpaceX aims for one rocket launch roughly every two weeks on average through the end of 2018, exceeding the schedule of any other space company or government around the globe.

The heady tempo underscores Mr. Musk's strategy of relying on reusability and other efficiencies to dominate the space-transportation market. For years, leaders of Space Exploration Technologies Corp., as the company is formally called, have held out semi-monthly launches as a cherished goal.

But the latest numbers, unveiled at a space symposium last week in Australia, suggest Mr. Musk has put aside for now the more ambitious goals

strip mall. Now with roughly 5,000 employees, it is hailed as a space pioneer that has transformed the launch business and landed approximately \$10 billion in contracts in the process.

Despite SpaceX's accelerating launches, the latest projections fall short of targets appearing in internal documents prepared about two years ago. The documents, reviewed by The Wall Street Journal, cited 27 launches for this year and 44 for 2018.

The documents projected that SpaceX would be launching once a week by 2019.

Much of the paring of launch goals appears to stem from significant delays getting SpaceX's planned internet via-satellite business and Falcon Heavy booster off the ground.

A SpaceX spokesman didn't have any comment. In the past, the company has stressed that internal documents provide a snapshot in time and that projections are routinely revised as business conditions change.

Mr. Musk, who founded the company and serves as chairman and chief designer, is renowned for setting highly ambitious goals as a way to spur on employees.

The internal documents projected four Falcon Heavy launches for this year, including a Pentagon mission, and five in 2018. The rocket, powered by 27 engines, is four years late and is now slated to have its maiden test flight in the next three months.

The documents also envisioned more than a dozen launches through the end of 2018 dedicated to the early phase of a SpaceX satellite fleet. So far, the company hasn't reported lofting a single prototype or demonstration payload, and it hasn't publicly

Please see MUSK page B2



Saudi Arabia's King Salman, left, met with Russian President Vladimir Putin in Moscow Thursday.

OPEC Lobbies Moscow To Remain in Oil Accord

BY BENOIT FAUCON
AND SUMMER SAID

Saudi Arabia and OPEC are lobbying Russia to stay on board with their efforts to raise oil prices, amid signals that Moscow wants to end its participation in costly petroleum-production cuts.

The efforts culminated Thursday with a meeting between Saudi King Salman and Russian President Vladimir Putin, in the first-ever visit by a Saudi monarch to Moscow. According to people familiar with the matter, the king was to ask Mr. Putin to remain for longer than planned in a coalition led by the Organization of the Petroleum Exporting Countries that has withheld almost 2% of global oil supply from the market in 2017.

"We won't be satisfied with what we have," Saudi energy minister Khalid al-Falih said in Moscow Thursday, according to Russian state-controlled news agency Tass.

Saudi Arabian officials want oil inventories to return to a five-year average and prices to reach \$60 a barrel. Brent, the international benchmark for crude prices, was trading at \$56.07 in London on Thursday afternoon.

Venezuelan President Nicolás Maduro—whose country faces an economic collapse inflamed by low oil prices—also was expected to make the case for helping OPEC to Mr. Putin personally this week.

Mr. Maduro said on his Twitter account that his meeting with Mr. Putin "had strengthened cooperation."

Venezuela and Saudi Arabia are among several OPEC nations that sent representatives to Moscow this week for Russia's largest annual energy conference.

King Salman and Mr. Putin also are expected to discuss the Syrian civil war and the crackdown on Qatar.

The Moscow talks underscore how Russia—the world's

largest oil producer, but not an OPEC member—is playing a pivotal role in the cartel's efforts to engineer harmony between oil supply and demand and raise prices. Russia has long used its massive natural-gas resources as a political tool to influence its European neighbors, but until 2017 had never tried to influence the crude-oil market.

Russia was instrumental in sealing a deal that saw OPEC's 14 producers join with 10 non-OPEC producers to cut a combined 1.8 million barrels a day through March 2018.

The impact has been short of the group's goals. OPEC estimates that the global oil glut has been reduced and prices have risen by 13% since OPEC first agreed on a cut. However, prices haven't hit \$60 a barrel, which most participants want.

Saudi Arabia and other OPEC members are looking to extend the agreement for longer into 2018.

Please see OPEC page B2

Gold Loses Its Luster As Global Fears Ease

BY AMRITH RAMKUMAR

Gold—once among this year's best-performing commodities—has tumbled to nearly two-month lows, hurt by waning investor anxiety and expectations for a steady pace of interest-rate increases.

The destabilizing events that gold bugs were betting on earlier this year haven't materialized. The Trump administration reached a deal last month to keep the government funded and its borrowing limit suspended until mid-December. Last week, the administration released a tax plan that many hope will boost economic growth.

While leaders of the U.S. and North Korea continue to trade barbs, many investors say tensions need to escalate and roil markets before gold prices get another push upward.

"The geopolitical risks are impactful, but they haven't yet impacted the real economic environment," said Rob Haworth, senior investment strategist at U.S. Bank Wealth Management. Investors tend to favor gold during turbulent times, betting that the metal will hold its value more effectively than other assets.

Prices of the precious metal climbed for seven of the nine weeks through early September, hitting their highest in more than a year. But investor anxiety has since dissipated, causing the metal to be on track for a fourth week of losses.

At midday Thursday in New York, gold for October delivery was trading down less than 0.1%, to \$1,273 a troy ounce, and was off 5.5% from a 52-

Please see GOLD page B2

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OPEC

Continued from the prior page

Among the possible enticements, Saudi Arabia is set to clinch a deal with Russia to set up a \$1 billion fund to invest in energy projects. OPEC and the Russia-led coalition will meet again on Nov. 30 to decide on output levels.

"Riyadh wants to make sure that Russia will stick around in case an extension is needed, which is most likely," said a senior Saudi official.

On Wednesday, Mr. Putin appeared to sit on the fence as he addressed an audience of oil officials and executives at Russian Energy Week.

"I do not rule this out," he said, when asked whether an extension was possible. "We will look at the situation at the end of March." The Russian president, added that any extension should last until the end of 2018.

An extension wouldn't guarantee that prices would rise, as they fell following OPEC's decision in May to extend the agreement to March 2018.

GOLD

Continued from the prior page
week high hit on Sept. 8. September was gold's worst month of the year, declining 2.6%.

A key development for the gold market has been signs from the Federal Reserve that it will maintain its pace of interest-rate increases.

The central bank reiterated plans to raise rates four times by the end of 2018. Some investors had doubted a third increase this year amid sluggish inflation data, which had been supportive for gold prices because the metal struggles to compete with yield-bearing assets like Treasurys when borrowing costs rise.

Markets are now pricing in a nearly 80% chance that rates rise again this year, up from less than 50% a month ago, according to CME Group Inc.

Reversal

Gold prices have fallen more than 5% since hitting their highest level of the year.

\$1,400 a troy ounce



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data. Adding to gold's troubles, the Fed's commitment to gradually raise rates has also boosted the dollar, making gold more expensive for foreign buyers as it is a dollar-denominated commodity. The WSJ Dollar Index, which tracks the U.S. currency against 16 others, is on track for its fourth straight week of gains since hitting multiyear lows in early September.

Meanwhile, hedge funds and other speculative investors have cut bullish positions. Net bets on higher gold prices have fallen in consecutive weeks after previously rising for nine straight weeks to their highest level of the year, data from the Commodity Futures Trading Commission show.

"The market became overbought," said Bill O'Neill, co-founder of LOGIC Advisors. Mr. O'Neill said he advised clients to get out of gold positions two weeks ago for the short term.

Still, some investors and analysts think prices could bounce back. They say tensions between the U.S. and North Korea remain a risk factor for global markets.

Others point to inflation, which remains well below the Fed's 2% target, meaning that central bankers could hesitate before sticking to a path of additional rate increases, buoying gold once again.

Gold is still up 11% in 2017 through Wednesday, compared with 13% for the S&P 500.

"I'm still buying weakness in this gold market with a higher forecast in mind for year-end," said Peter Hug, director of metal sales at Kitco Metals.

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BUSINESS & FINANCE

Less Pay, Higher Returns

Companies with the best performance don't pay their CEOs the most, study finds

BY THEO FRANCIS

Large U.S. companies have for years sought to tie executive pay to financial and stock-market results, but a new study suggests their efforts aren't working over the long term.

The study, from investment research firm MSCI Inc., compared 10 years of stock-market returns at 423 U.S. companies with the compensation their CEOs received over that period. It found highly paid CEOs among the worst performers and vice versa, even counting market gains on their equity compensation.

"There wasn't really any pattern that seemed to link back to the way the pay worked out," said Ric Marshall, executive director of environmental, social and governance research at MSCI.

The study is the latest addition to a fierce debate among

executive-pay professionals and researchers about how well companies tie pay to performance.

Many companies include stock awards in CEO packages that grow or shrink based on how the companies fare, and the awards often aren't available for several years. Advocates say the awards, by their nature, mean executives have interests similar to other shareholders, while critics say they can still encourage short-term thinking while leaving even mediocre performers with outsize paydays.

The study compared the companies' total stock-market returns from 2006 through 2015—assuming dividends were reinvested into shares of the company's stock—to the total amount they paid their CEOs during those years. The companies on average employed more than one CEO over the 10-year period, so the analysis reflects overall performance, rather than that of individual CEOs. Performance was measured against similar companies in the same economic sectors.

Compensation was measured as the amount CEOs received after exercising stock options and receiving title to restricted shares, also called realized pay. An earlier study by MSCI, released last year, found that performance correlated poorly with compensation as valued at the time companies granted options and restricted stock to their CEOs. During three- and five-year periods, realized pay matches up more closely to company performance, the new study found.

During the decade examined, the companies that were in both the highest-paid and worst-performing 20% of firms paid their CEOs an average of \$10 million a year more than other companies.

Many of the best and worst performers simply paid average compensation. However, the highest-paying companies included somewhat more firms ranking among the best performers; similarly, the lowest-paying companies included more laggards than outperformers.

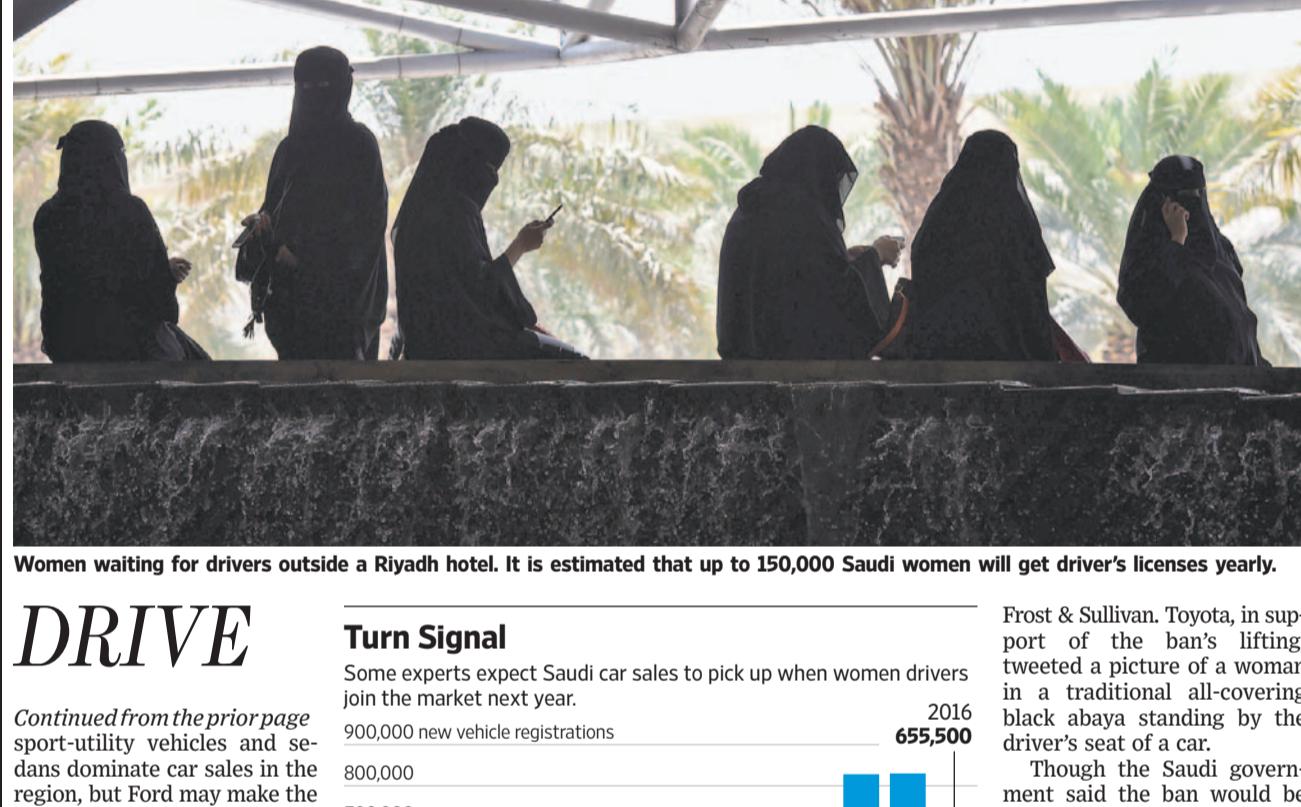
During the decade examined, the companies that were in both the highest-paid and worst-performing 20% of firms paid their CEOs an average of \$10 million a year more than other companies.

"The longer time period you look at, the more that linkage disappears," Mr. Marshall said.

Some 60% to 70% of CEO pay tends to come in the form of restricted shares or stock options, which are typically granted on annual and three-year cycles, he noted.

One significant factor in the misalignment over longer stretches lies in the big one-time payouts that CEOs often receive when they are hired or forced out, after mergers and acquisitions, or for other reasons, the study found.

Ira Kay, managing partner at consultancy Pay Governance LLC—who hadn't seen the study—said shifts in pay practices over the past decade to de-emphasize stock options and increase restricted pay tied to company performance measures have been designed to link pay and performance more closely.



Women waiting for drivers outside a Riyadh hotel. It is estimated that up to 150,000 Saudi women will get driver's licenses yearly.

DRIVE

Continued from the prior page sport-utility vehicles and sedans dominate car sales in the region, but Ford may make the smaller models that are popular among women buyers more widely available.

Up to 150,000 women will get driver's licenses in the kingdom each year, according to market-research firm Frost & Sullivan, which said the number could be higher in the first year as many women, particularly younger ones, rush to get behind the wheel. Many of them will want to buy their own cars, according to Frost & Sullivan.

"Even if 50% of women receiving the driving license will opt for owning a car...it would provide a solid boost to the new car market, either directly or through used-car purchases," said Vitali Bielski, a Frost & Sullivan consultant.

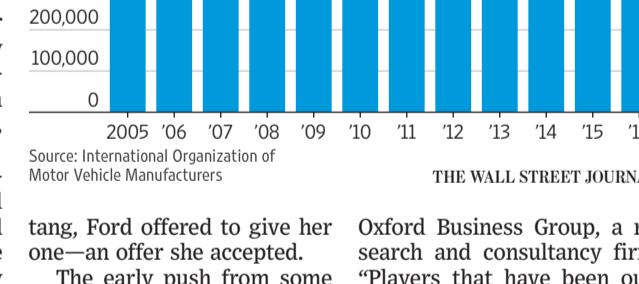
Right after King Salman's decree, some women in Saudi Arabia started debating which car to buy.

After activist Sahar Nasif said she wanted to buy a Mus-

Turn Signal

Some experts expect Saudi car sales to pick up when women drivers join the market next year.

900,000 new vehicle registrations



tang, Ford offered to give her one—an offer she accepted.

The early push from some European and American car makers to attract women comes as these companies are fighting the dominant Asian brands for market share.

"Car companies see a new opportunity to position themselves," said Marco Binetti, a Riyadh-based retail expert with

Oxford Business Group, a research and consultancy firm. "Players that have been outpaced by Asian car dealers will try to gain a bigger share, and players that are already big in Saudi Arabia will try to consolidate their position."

Hyundai Motor Co. and Toyota Motor Corp. combined have more than 50% of the Saudi market, according to

Frost & Sullivan. Toyota, in support of the ban's lifting, tweeted a picture of a woman in a traditional all-covering black abaya standing by the driver's seat of a car.

Though the Saudi government said the ban would be lifted by June, preparations have already begun. The kingdom's Princess Nourah University last weekend announced it will set up a driving school for women, likely the country's first.

Lifting the driving ban fits into a long-term reform plan, led by Crown Prince Mohammed bin Salman, aimed at opening up the oil-dependent economy and relaxing its strict social rules.

As part of the plan, the government wants more women to work, and allowing them to drive will make it easier for them to join the 1.5 million women in the Saudi workforce.

"We want to depend on ourselves," 30-year-old Amal Qaed said of the king's decree as she attended a career fair in Riyadh. "We don't want to depend on our father or brothers to pick us up and take us places."

MUSK

Continued from the prior page laid out manufacturing or detailed operating plans.

The internal documents projected that revenue from the nascent satellite-internet business would dwarf the company's rocket segment in just a few years. At the time, SpaceX envisioned satellite operations garnering more than 40 million subscribers and bringing in more than \$30 billion in revenue by 2025.

Last week, Mr. Musk outlined the 2017 and 2018 launch targets as part of a broader presentation of SpaceX's revised plans to build the most powerful rocket ever and use it to launch giant, reusable spacecraft to Mars within a decade. He didn't discuss the proposed satellite venture.

Mr. Musk said the Mars initiative is expected to draw

much of its funding from SpaceX's projected boom in commercial, scientific and military launch contracts.

"I'm very excited there is a business case" supporting SpaceX's Mars ambitions, said Greg Autry, a University of Southern California professor who was a senior member of President Donald Trump's transition team for the National Aeronautics and Space Administration.

Industry officials and space experts have praised SpaceX's accomplishments so far, including bringing down global launch prices and ending the traditional monopoly on Pentagon launches held by a joint venture between Boeing Co. and Lockheed Martin Corp.

Overall, SpaceX sees frequent launches reusing boosters that already have flown in space as the key to markedly reducing its manufacturing costs, as well as saving money by relying on a much smaller



The launch of a SpaceX Falcon rocket last month in Florida

contingent of ground-support personnel.

If SpaceX successfully completes the three launches

scheduled over the next few weeks, its 2017 total will double its entire launch output for 2016.

BUSINESS NEWS

Shipbuilding Alliance Will Target Asia

By ROB TAYLOR

SYDNEY, Australia—A shipbuilding alliance between Italy and France to create an Airbus-style manufacturing coalition should help the European companies grab a bigger share of the competitive Asia defense market, the head of French naval contractor Naval Group said.

Naval Group and Italian shipbuilder **Fincantieri** SpA said last week that they would team up to pursue some large foreign deals that could form the basis for a Europe-wide shipbuilding approach, dubbed a “naval Airbus.”

The tie-up is also important to fend off a growing number of foreign competitors in Asia, Naval Group Chairman Hervé Guillou said, including U.S. shipbuilders, Russia’s OSK, China’s CSSC, Japan’s Mitsubishi, and new shipbuilding entrants from India and Korea.

Russia, the world’s second-largest arms supplier after the U.S., is drastically boosting spending and eyeing more foreign deals.

“The world has completely changed. The competition is harsher and harsher, sponsored by huge governments using naval expansion to bolster their political agendas,” Mr. Guillou said in an interview. “We want to resist these big firms and big newcomers and we believe we have to join forces, between Europeans, and not wait to be eaten up.”

Asia is expected to continue to be a major market for defense spending over the next few years, with worries about North Korea’s rogue missile program and an increasingly assertive China pushing countries from Japan to Australia and others in Southeast Asia to upgrade and expand their military firepower.

Military spending in the

Asia-Pacific will reach \$533 billion a year by 2020 from \$435 billion in 2015, according to London-based military publisher IHS Jane’s. Of the 10 biggest arms importers in the past five years, six are in the Asia-Pacific, according to the Stockholm International Peace Research Institute, including India in first place, and China, Australia, Indonesia and Vietnam.

French President Emmanuel Macron and Italian Prime Minister Paolo Gentiloni gave support last month to a Fincantieri-Naval Group alliance to end a dispute over the Italian firm’s attempted takeover of France’s STX shipyard.

France temporarily nationalized the Saint-Nazaire shipyard in July to stop Fincantieri from taking majority control. In addition to having concerns about job losses, the French government said it didn’t have sufficient safeguards on the



STEPHANE MAHE/REUTERS

Hervé Guillou is head of Naval Group, which is joining with Fincantieri.

risk of sensitive defense technology being transferred to China, a driver of Asia’s defense buildup.

The move wasn’t a merger, Naval Group’s Mr. Guillou said, but would help both firms draw on respective strengths, including French submarine expertise. Both companies

have previously collaborated on warship designs.

The alliance could also later draw other European contractors such as Spanish shipbuilder Navantia. A Navantia official said that it is too early to say whether it would consider joining but that “a joint European approach is good

thing.”

Both Naval Group and Fincantieri are eyeing a tender of 26 billion Canadian dollars (US\$20.8 billion) to replace naval frigates, while Fincantieri is shortlisted for a 35 billion Australian dollar (US\$27.5 billion) frigate program. Naval Group is contracted to build 12 submarines for Australia as part of a A\$200 billion defense spend by the close U.S. ally.

The Asian market is full of opportunities, Mr. Guillou said, as governments react to instability by raising military spending to around 2% of national output. Naval Group is hopeful Malaysia will agree to buy a second batch of its submarines and new corvette warships, while Indonesia is considering buying larger French-designed Scorpene submarines.

—William Horobin in France contributed to this article.



The odds of getting a job improve for students who have three or more internships on their résumés before graduating, research shows.

Acing the Job Hunt After College

For recent graduates, abundant experience via internships often seals deal, study says

By KELSEY GEE

Landing a good job after college can feel like a daunting process, but new research suggests the formula is pretty simple. Get excellent grades and take as many internship experiences as possible.

BUSINESS EDUCATION A team of researchers at Mount Holyoke College analyzed the career outcomes of about 1,800 students who graduated from the liberal-arts school based in South Hadley, Mass., from 2013 to 2015. They set out to determine which activities most closely corresponded with improved odds in the job

market. Unsurprisingly, a high grade point average—above 3.75—is strongly related to job market success.

In addition to exceptional grades, the study, published this week by the National Association of Colleges and Employers, also found that students who spent two summers working in internship positions were significantly more likely to have jobs six months after receiving their diploma, compared with recent graduates with just one, and twice as likely to be employed than those with none. The odds of getting a job improve further for students who had three or more internships on their résumés before graduating.

Roughly 61% of students across the nation in 2017 had an internship during college, according to a separate survey of about 23,000 students by NACE. Even one internship experience can improve the

chances that a student will quickly find work or gain admission to a graduate program, said Liz Lierman, Mount Holyoke’s director of career services and a co-author of the study.

More is better when it comes to internships, said Ms. Lierman, because accumulating a variety of work experiences deepens students’ skill sets, and helps them rule out careers and jobs that aren’t a good fit. “We see students coming back from internships with a better understanding of whether or not they want to continue in a field, but also knowing what skills they need to build” to secure a job, Ms. Lierman said.

The study didn’t examine the effect a student’s major or career interests had on his or her chances of gaining multiple internships, but Ms. Lierman said she suspects there are industry differences in the number of internships avail-

able to college students.

Mount Holyoke launched a program in 2014 to ensure funding for all students who secure educational internships, which she said has correlated to an uptick in the number of students graduating with multiple experiences on their résumés.

Other colleges and universities have made internships and cooperative educational programs a graduation requirement for students.

At Endicott College in Beverly, Mass., where students are required to complete at least three internships, more than 90% of students in each class land jobs in their field of study after graduation, said Laura Rossi-Le, undergraduate dean.

“That’s very reassuring to parents, but importantly it also means that students are able to make connections between what they’re learning in the classroom and the real world,” Ms. Rossi-Le said.

Business Schools Report Surge in Donations

By MICHELLE MA

Business schools across the country have announced several big gifts in recent weeks, possibly due to recent stock-market highs.

The University of Chicago, the University of Michigan and Iowa State University are among the universities whose business schools have received eight-figure donations in the past month. The University of Hawaii’s Shidler College of Business also received a \$117 million gift from alumnus and investor Jay Shidler.

“We do see surges in gifts at times that the stock market is doing well,” said Ann Kaplan, a director at the Council for Aid to Education, which tracks philanthropic giving to schools.

Although schools don’t often disclose what form their gifts take, Ms. Kaplan said they often are appreciated stocks and other securities, an advantageous tax move for donors. The council doesn’t collect data on most B-school donations.

At a time of shifting demand for graduate business degrees, gifts are changing, too. Rather than pledging dollars for new



The University of Michigan’s Ross School of Business recently received an eight-figure donation.

academic buildings, donors are investing in a business school’s ability “to change or to innovate” in a competitive environment, said Dan LeClair, an executive vice president at the Association to Advance Collegiate Schools of Business.

Donors also are placing more trust in schools to implement their vision, giving schools more discretion on how to direct funds.

On his discussion with real estate developer Stephen Ross about his \$50 million gift, “the conversation was me explaining to him our vision for the school and what we need in the next decade to bring it to life,” said Dean Scott DeRue of the University of Michigan’s Ross School of Business, named after Mr. Ross following a separate 2004 gift.

Part of the recently an-

nounced Ross gift will go toward “action-based” learning activities, such as student-run investment funds.

Part of Iowa State University’s \$50 million gift from Debbie and Jerry Ivy—which will rename the business school—will help fund an entrepreneurship initiative, a supply-chain management program, and a new business analytics program.

at the Beef Association.

Ms. Harrison worked there from 1986 to 2001, a span that includes the year the tagline was born, and rejoined a year ago to oversee consumer marketing. “We had an iconic brand with 25 years’ worth of equity,” she said.

The “What’s for Dinner” campaign slogan was introduced in 1992 and became famous when most millennials were young children. The TV and radio commercials were known for Robert Mitchum’s voice-over, an orchestra playing upbeat music from the Rodeo ballet, and recommendations for recipes such as Szechuan beef, with estimated cooking times for busy moms.

Beef consumption in the U.S. declined 15% in the decade through to 2015, according to the U.S. Agriculture Department, amid a sharp rise in prices, health concerns about eating red meat, and the availability of convenient chicken products like skinless, boneless chicken breasts.

But that trend has started to shift, and the Agriculture Department projects that an increase in beef production during the next decade will lower prices and drive up demand.

Nostalgic Beef Ad Aims To Herd Millennials

By ALEXANDRA BRUELL

Beef is back for dinner.

The U.S. beef industry is resurrecting its 25-year-old tagline, “Beef. It’s What’s for Dinner,” in a marketing campaign aimed at millennials who have childhood memories of the slogan and want to know more about their food.

The social-media campaign from the National Cattlemen’s Beef Association combines nostalgic elements, such as the tagline and narration that alludes to the “Old MacDonald Had a Farm” nursery rhyme, with a more modern story line about how beef farmers and ranchers are using technology.

In the online-only ad, created by WPP-owned agency VML, a rancher uses a drone and an app to keep track of his herd. “Ranch tools sure have changed,” the narrator says, as the camera sweeps across a cattle ranch.

The association revived the campaign to appeal to young consumers—especially millennial parents—who want to know the origins of their food, while playing homage to the beef brand, said Alisa Harrison, senior vice president of global marketing and research

TECHNOLOGY

WSJ.com/Tech

Google Doubles Down on Hardware

Tech giant reveals upgrades to Pixel, smart speakers after a mixed first year

BY JACK NICAS

SAN FRANCISCO—Google is hoping the second time is the charm.

At an event Wednesday at the SFJAZZ Center here, the tech giant unveiled the second generation of its line of hardware devices it introduced last year, including its Pixel smartphone and Google Home speaker, touting technology upgrades and sleeker designs.

Google, the core unit of Alphabet Inc., is betting the upgraded devices will help it crack the competitive market for consumer-tech devices and catch up to juggernauts Apple Inc., Samsung Electronics Co. and Amazon.com Inc.

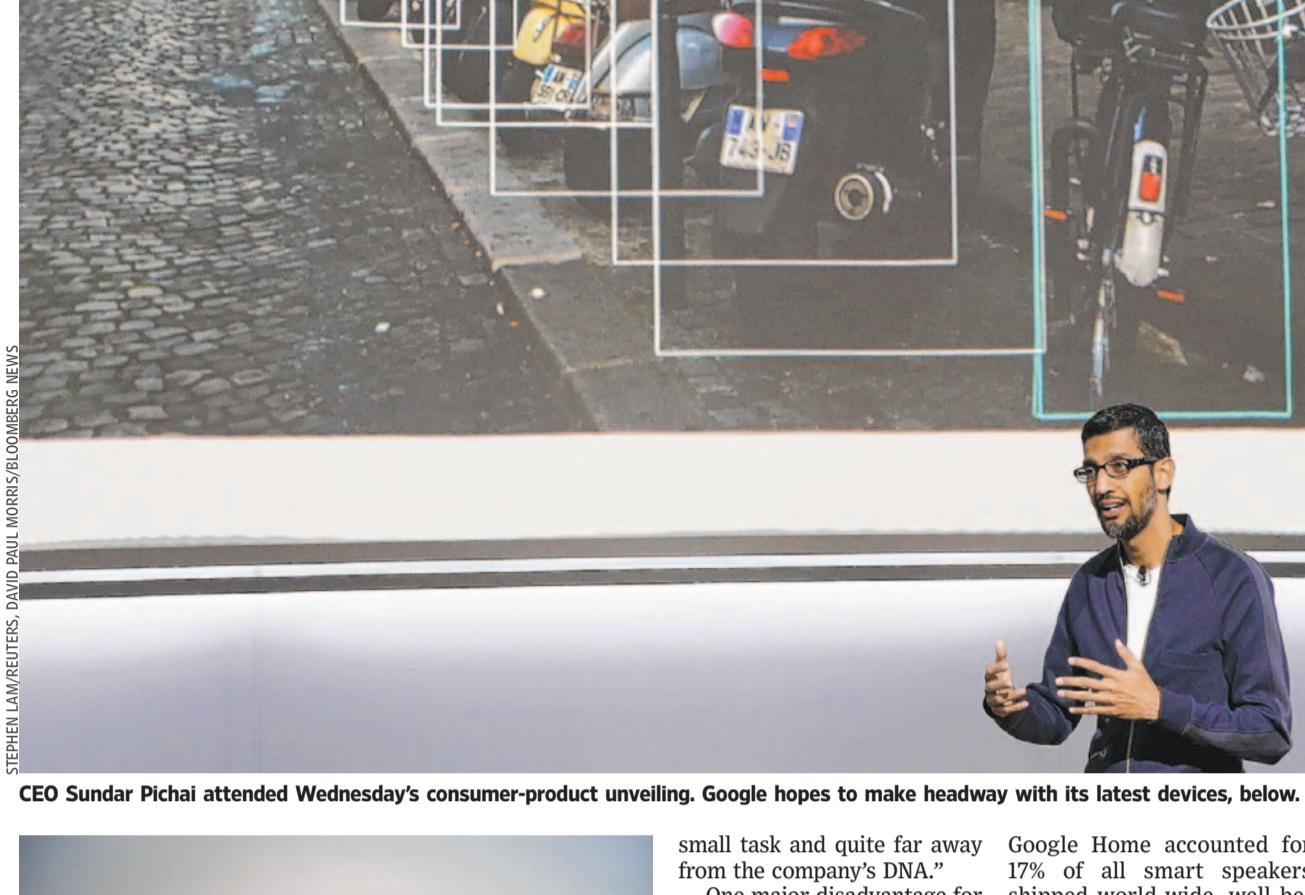
Google's new home speakers range in price from \$50 to \$400, challenging Apple at the top of the market and Amazon at the bottom.

Throughout the event, Google focused on the devices' smarts as a main selling point, versus their hardware upgrades.

"To be honest, it's going to be tougher and tougher for people to develop new exciting products each year because that is no longer the timetable for big leaps forward in hardware alone. And that is why we're taking a very different approach," Google hardware chief Rick Osterloh said at the event. "The next big innovation will happen at the intersection of AI, software and hardware."

The launches followed a mixed first year for Google's renewed hardware push. The devices received generally positive reviews, but the Pixel was hit by supply shortages and captured a tiny share of the market in the U.S. and abroad. Google Home put a small dent in the market share of Amazon's Echo competitor.

With the Pixel, Google is attempting to elbow into a field dominated by Samsung and Apple. The new versions—the \$650 Pixel 2 and larger \$850 Pixel 2 XL—include the ability to squeeze the phone to acti-



CEO Sundar Pichai attended Wednesday's consumer-product unveiling. Google hopes to make headway with its latest devices, below.



vate its virtual assistant and an upgraded camera.

Last month, Google bought part of Taiwanese phone maker HTC Corp., which helped develop the Pixel, for \$1.1 billion to accelerate its effort in smartphones. Google's first foray into phones, its purchase of Motorola Mobility for \$12.5 billion five years ago, was a flop.

Research firm IDC said Google had a 1% share of the U.S. smartphone market in the second quarter, compared with 32% for Apple and 32% for Samsung.

The Pixels don't include a headphone jack, following a

controversial move by Apple last year. With that move, Google also debuted \$160 wireless headphones called Google Pixel Buds, which have a feature to enable real-time translation between speakers using Google's translation service.

Regardless of the Pixel's upgrades, "Google's main challenge is now...to make them available to consumers on the shelves," Forrester analyst Thomas Husson said. "It implies mastering the supply chain, partnering with carriers and other distribution channels, training vendors and investing a lot in marketing. That is no

longer the case for Google," he said.

It is unclear whether the fresh funds SoftBank is considering pumping into Ola

small task and quite far away from the company's DNA."

One major disadvantage for the Pixel: Verizon Communications Inc. is the only major carrier to sell it.

In a sign of that reliance, Google filled the front row at its event Wednesday with top Verizon salespeople.

Google's two new smart speakers straddle the high and low ends of the rapidly growing market. One is a large, loud \$400 speaker—priced to compete with Apple's upcoming \$350 HomePod—called the Google Home Max that Google says can tweak its sound to fit the dimensions of a room. The other, the Google Home Mini, is a \$50 speaker that is smaller than a doughnut—and appears to be just a smaller version of its one-year-old Google Home, which costs \$130.

The new cheaper device points to competition with Amazon, which last week introduced several new versions of its market-leading Echo speaker.

Google entered the speaker market last year, a year after Amazon created it with the Echo.

In the second quarter,

Google Home accounted for 17% of all smart speakers shipped world-wide, well behind Amazon's 78% share, according to Strategy Analytics.

On Wednesday, Sonos Inc., the pioneer in wireless speakers, debuted its first smart speaker at \$200, saying it will eventually work with virtual assistants from Amazon, Google and maybe Apple.

Analysts say Google's strategy with the smart speakers is less about hardware sales and more about getting its virtual assistant inside of users' homes, a beachhead that could eventually boost its massive advertising business. Indeed, Google is giving away a Google Home Mini with each Pixel.

Google also debuted a new Chromebook laptop and a small wearable camera. The \$250 wearable camera, called Google Clips, is designed to capture candid photos.

Google also released a \$1,000 laptop called the Pixel Chromebook, positioning it at the top of its generally low-cost Chromebook line of laptops, most of which are made by third parties. The Pixel Chromebook converts to a tablet, includes its virtual assistant and pairs with a \$100 stylus.

Boeing To Buy Drones Company

BY DOUG CAMERON

Boeing Co. on Thursday said it plans to acquire Aurora Flight Sciences Corp., a maker of aerial drones and pilotless flying systems in a move the company said could pave the way for fleets of small flying taxis.

Virginia-based Aurora is a specialist in autonomous systems that allow military and commercial aircraft to be flown remotely, including technology that automates many functions, and has been working with Uber Technologies Inc. on a new vehicle that would take off and land like a helicopter.

Flying taxi-style concepts have attracted interest and funding from technology and aerospace companies, though face big hurdles including regulations that would allow fleets to operate alongside commercial airliners and other air traffic, as well as batteries to keep them aloft for several hours.

The purchase of Aurora would expand Boeing's reach in the new field of electric-powered aircraft.

Boeing's venture-capital arm also this year invested in Zunum Aero, a Washington state-based startup that on Thursday unveiled its plan for an electric-hybrid regional passenger jet.

"These types of technology are helping pilots today and are a stepping stone to pilotless aircraft," said John Langford, Aurora's founder and chief executive, in a live-streamed interview.

Greg Hyslop, Boeing's chief technology officer, said the work on autonomous systems also had potential benefits for a host of other industries looking to leverage the potential of so-called machine learning, where computers improve from experience.

The proposed Aurora deal marks Boeing's second acquisition in less than a year involving autonomous systems following last December's purchase of Liquid Robotics Inc., a maker of ships and underwater vehicles, and adds to a portfolio that includes aerial drone maker Insitu.

Terms for the proposed purchase of Aurora weren't disclosed. The firm has more than 550 staff and will be run as an independent unit in Boeing's engineering and technology business.

Aurora also produces composite parts for aircraft and other vehicles. Boeing is looking to make more of its own parts as part of an insourcing strategy to reduce costs and potential disruption in its supply chain.

Boeing has been considering further acquisitions as part of the push to expand sales at its newly formed services arm to \$50 billion during the next several years from about \$14 billion at present.

Uber Rival Seeks Funds

BY NEWLEY PURNELL

NEW DELHI—Uber Technologies Inc.'s rival in India, Ola, is in talks to raise as much as \$2 billion, a cash injection that would provide added fuel to fight the San Francisco ride-hailing giant in the world's second-most-populous country.

ANI Technologies Pvt. Ltd., based in Bangalore, is in discussions to receive the funds from Japan's SoftBank Group Corp. and possibly one or more other backers, according to a person familiar with the matter.

Ola, which launched in 2011—two years before Uber's

arrival in India—is locked in a tight battle with the U.S. firm for control of the Indian market, which could prove lucrative as millions of people join the internet economy via inexpensive smartphones.

An Ola spokesman declined to comment. SoftBank declined to comment.

Ola could use the money to hone its operations by adopting technologies to more efficiently deploy its fleet, according to the person familiar with its plans.

Following its decision last year to sell its business in China to homegrown champion Didi Chuxing Technology Co., Uber has said it is focus-

ing on other populous markets, such as India.

SoftBank in 2014 led a group of investors putting \$210 million into Ola, and in April invested roughly \$250 million in the company.

Uber's board on Tuesday cleared SoftBank to invest \$1 billion to \$1.25 billion in the company at last year's valuation of \$68 billion and purchase shares at a discount from investors and employees that could total about an additional \$9 billion, according to a person familiar with the matter.

It is unclear whether the fresh funds SoftBank is considering pumping into Ola

would be part of the firm's mammoth Vision Fund, which it is using to bet on promising startups and emerging technologies.

Last month, SoftBank said

its Vision Fund was leading a \$250 million round of investment in Indian hotel-booking company OYO.

—Mayumi Negishi

contributed to this article



In India, local ride-sharing firm Ola is battling it out with Uber.

PETRÓLEOS MEXICANOS

State Oil Company Gets Two Partners

Mexican state oil company Petróleos Mexicanos secured partners Wednesday to increase oil production at mature onshore oil fields in southern Mexico, while an auction to join forces with private companies in two offshore fields received no bids.

Egyptian oil company Cheiron Holdings Ltd., part of the Pico Group, won a contract to join Pemex in developing the Cárdenes and Mora fields in the state of Tabasco, and Germany's DEA Deutsche Erdöl made the highest offer for the Ogarrio field, also in Tabasco. Both offered the maximum royalties to the government and additional cash payments to win 50% stakes.

No bids were received, however, for two shallow-water fields in the Gulf of Mexico under a production-sharing contract.

"At the end of the day the result is favorable for Pemex, which will receive cash payments for more than \$500 million," Pemex Chief Executive José Antonio González Anaya said at a news conference.

Pemex's crude-oil production has declined steadily since 2004 and is expected to average 1.94 million barrels a day this year. The lower output and drop in oil prices in recent years has led the state company to slash its budgets, and Pemex sees the farnouts as a way of sharing risks and bringing in technology.

—Anthony Harrup

AIRBNB

Head of Marketing Plans to Step Down

After more than three years

as the marketing czar of Airbnb Inc., Jonathan Mildenhall is departing the online home-rental company where he was known for promoting diversity in advertising and guiding the brand through controversies that attended its rapid growth.

The 50-year-old ad executive is leaving to start a consulting firm, called 21st Century Brand, to help companies navigate an increasingly complex marketing business.

Closely held Airbnb, valued at \$31 billion, is working with search firm Spencer Stuart to find a new chief marketing officer.

Mr. Mildenhall said he would continue to work with Airbnb on a consulting basis.

—Suzanne Vranica

A. SCHULMAN

Plastics Maker Considers Sale

Plastics maker A. Schulman Inc. is exploring a sale, people familiar with the matter said.

A sales process for the company is in the early stages, one of the people said, and there is no guarantee that a deal will materialize. The company is working with investment bankers at Citigroup Inc. on the process, the people said. A. Schulman had a market value of \$1.2 billion as of Wednesday, and nearly \$1 billion of debt.

Based in Fairlawn, Ohio, A. Schulman makes plastic compounds and resins used in packaging, construction and electronics. A. Schulman has about 4,800 employees and more than 50 manufacturing facilities globally. The company reported net sales of approximately \$2.5 billion for the fiscal year ended Aug. 31, 2016.

—Dana Mattioli

Apple Watch Software Fix Aimed at Cellular Function

BY TRIPP MICKLE

Apple Inc. issued a software update that it said addresses some cellular-connectivity issues that have affected its newest smartwatch.

The update Wednesday came two weeks after the company acknowledged some of its new Series 3 model watches—the first to feature an LTE chip for cellular service—had trouble connecting to cellular networks because they were trying to join "unauthenticated Wi-Fi wireless networks" in public places such as hotels and coffee shops.

Apple said the new software version, WatchOS 4.0.1, fixes the issue "in rare cases" in which that occurred.

The company declined to elaborate on how it fixed the problem or why it was occurring. It also didn't say whether the fix resolved all connectivity problems reviewers ran into with the Apple Watch Series 3.

Reviewers at The Wall Street Journal and the Verge last month reported encountering problems making calls,



Some users' connections failed.

connecting with the Siri virtual assistant and maintaining a cellular connection. The Journal ran into issues across multiple wireless carriers.

Customers haven't complained widely about connectivity issues since the watch went on sale Sept. 22. The risk of other customers encountering those issues could have threatened Apple Watch Series 3 sales, said Brian Blau, an analyst with Gartner Inc.

"If connectivity is a core feature, then there's potential cascading effect if it impacts the performance of the device, and there can be perception there are other issues too," Mr. Blau said.

FINANCE & MARKETS

U.S. Stocks on Track to Hit More Highs

Financial shares lead gains as bond yields rise; food and drink firms are also strong

BY MICHAEL WURSTHORN
AND RIVA GOLD

The S&P 500 was on course for its longest streak of record closes in 20 years, as shares of financial firms pushed major indexes higher.

The broad index added 0.4% by midday, a day after gains in internet com-

THURSDAY'S MARKETS panies helped push the S&P 500 to its seventh consecutive session of advances. The Dow Jones Industrial Average gained 89 points, or 0.4%, to 22751, while the Nasdaq Composite added 0.5%.

As indexes continue to hit fresh highs—each major index has hit more than 40 records this year—investors continue to be on edge around lofty valuations, money managers said. That has caused some to recently trim their clients' ex-

posure to U.S. stocks in favor of European and Asian shares. However, the adjustments haven't been significant, as signs of a strengthening U.S. economy suggest stocks have room to keep rising.

"We've pared back on U.S. exposure and made a tilt overseas, but not a dramatic one," said Doug Cohen, managing director of portfolio management at Athena Capital Advisors. "The reality is this is one of the more expensive markets in the last 100 years, but equities are still the most attractive asset class."

A measure of expected stock volatility, known as Wall Street's fear gauge, slid Monday, putting it on track to close at its lowest level ever. The CBOE Volatility Index was down 3.8% to 9.26 by late morning.

Financial firms in the S&P 500 added 1.1% as bond yields rose. Higher yields tend to portend better profits for lenders, and the yield on the benchmark 10-year Treasury note rose to 2.355% by midday, according to Tradeweb, from 2.332% on Wednesday. Yields



Shares of Constellation Brands, brewer of Corona, jumped Thursday on strong beer sales.

rise as bond prices fall.

Food and beverage companies and other consumer staples rose 0.5% in the S&P 500 around midday. Constellation Brands gained 4% after the Corona brewer posted strong beer sales. Shares of Dr Pepper Snapple Group and Pep-

siCo were up 0.7% and 1.2%, respectively.

Technology companies, big contributors to this year's rally, continued to support indexes as well. PayPal Holdings gained 2.5%, and Netflix rose 3.7% after the company said Thursday it plans to raise

prices for its video-streaming services in an effort to raise revenue amid rising content costs.

U.S. stocks have enjoyed small bumps higher in recent sessions amid signs that the economy remains on track and earnings growth continues to

look solid.

Data Thursday showed the number of Americans filing applications for new unemployment benefits fell in late September, though recent hurricanes continued to disrupt economic activity in several regions.

In Europe, the Stoxx Europe 600 rose 0.2% after snapping a nine-session winning streak on Wednesday, its longest in more than two years.

Spanish stocks showed signs of recovering after Catalonia set a course toward declaring its secession from Spain as soon as Monday. Spain's IBEX 35 index added 2.5% after sliding nearly 3% Wednesday, its biggest percentage decline in more than a year.

Investors also eyed minutes of the European Central Bank's September meeting released Thursday, which showed policy makers discussed how to scale back stimulus and argued over reasons for the euro's climb this year.

Earlier in Asia, Japan's Nikkei Stock Average rose less than 0.1%, up for a fourth consecutive session.

Senators Criticize Credit-Reporting Business Model



Former Equifax chief Richard Smith greets Sen. Elizabeth Warren before a hearing Wednesday.

Senators questioning Equifax Inc.'s former chief Wednesday attacked the business model of the credit-reporting industry, asking why consumers shouldn't have power over the data that these companies collect on them.

By AnnaMaria Andriots, Michael Rapoport and Christina Rexrode

The hearing before the Senate Banking Committee was as much about the control consumers have over their personal data as it was about the Equifax hack, which has affected potentially 145.5 million Americans. Senators questioning former Equifax Chief Executive Richard Smith, who has appeared before a series of congressional panels this week, asked whether a large overhaul is needed for both private sector and government activities.

"There is massive data collection being undertaken in this country," said Banking Committee Chairman Sen. Michael Crapo (R., Idaho) during Wednesday's hearing before his panel. Congress, he said, needs to address broader issues about "the collection and use and protection of personally identifiable information that is being collected by the government, by the private sector and others."

In terms of the big credit-reporting companies, which along with Equifax include Ex-

perian PLC and TransUnion, senators repeatedly raised a key point: Consumers don't choose to share their data with these firms nor do they receive compensation for it, even though companies like Equifax profit by gathering it and selling it to lenders and other companies.

"You have my information, you don't pay me for it, you don't have my permission," said Sen. John Kennedy (R., La.). "You can't run your business without me. My data is the product you sell."

But much of consumers' financial lives, including whether they can get ap-

proved for loans or rent an apartment, depends on the data these companies have.

Although Equifax has been the focus of attention since disclosing its massive breach in early September, the credit-reporting industry has feared it will lead to more regulatory oversight and changes to the underpinnings of the consumer-finance economy.

Several senators called for just that. Sen. Sherrod Brown (D., Ohio) noted that consumers have more control over their personal medical data, and questioned why similar standards shouldn't be applied to financial information. He

asked Mr. Smith if consumers should be allowed to ask Equifax to delete their data. Mr. Smith replied that locking their credit was a better option.

"So that means no?" Sen. Brown asked.

"Correct," Mr. Smith replied.

Others asked why consumers don't have the option to "opt in" before companies like Equifax are allowed to access their data. "Maybe we ought to start thinking about opting in as opposed to opting out," said Sen. Heidi Heitkamp (D., N.D.). "I want my credit locked until I unlock it."

Such comments raised questions about how the industry could be changed, and whether doing so would make it more difficult or more cumbersome for consumers to obtain credit.

A shift in power away from the credit-reporting firms would have big implications for the U.S. consumer lending system. Banks and other financial institutions decide whether to approve applicants for credit cards and loans based in large part on the information in their credit reports. For decades, lenders and other firms have supplied information to the credit-reporting companies after consumers signed up for financing. Lenders also report whether borrowers are behind on their loan payments—a red flag that other lenders use when determining whether to approve borrowers for loans.

Tinkering with this system could lead to a slowdown in new loan originations and extend the amount of time for loan approvals. There could also be an increase in banks' loan losses. A system in which consumers can choose whether or how much of their information winds up on credit reports would make it much harder for lenders to determine the risk level of loan applicants.

Sen. Thom Tillis (R., N.C.) cautioned that consumers deleting their personal data from the credit-reporting agencies could prevent them from getting

ting loans—a point Mr. Smith agreed with. "It's very important for people to understand the potential chilling effect that you could have if you erase your financial history from the system," Sen. Tillis said.

The broader industry focus didn't spare Mr. Smith and Equifax from another day of harsh criticism for missteps that allowed hackers to access consumers' data and the handling of the breach once it was disclosed. Further questions were raised about when Equifax became aware of the severity of the breach and whether executives who sold stock on Aug. 1 and 2 knew about it. The company has said the executives weren't aware of the problem.

Mr. Smith repeatedly apologized for the hack and said the company didn't initially understand its severity.

Even so, Banking Committee members said Equifax might actually benefit financially from the hack: The company sells data-security products, and some consumers who froze their credit files immediately after the breach had to pay Equifax for it. The company later said it would refund those fees.

"The breach of your systems has actually created more business opportunities for you," Sen. Elizabeth Warren (D., Mass.) told Mr. Smith.

—Andrew Ackerman contributed to this article.

Russian Energy Firm EN+ Seeks \$1.5 Billion in IPO

BY SCOTT PATTERSON

LONDON—Russian metals tycoon Oleg Deripaska's **EN+ Group** PLC on Thursday said it expects to raise about \$1.5 billion through an initial public offering in November, the biggest listing of a Russian company since the annexation of Crimea in 2014.

The much-anticipated public launch of Mr. Deripaska's company, which owns power and aluminum assets in Russia, is expected to include a commitment of \$500 million from **AnAn Group**, a Singapore partner of **CEFC China Energy** Co. It didn't disclose what percentage of the company it could sell in the listing.

The IPO could be a good sign for Russia's economy, which is pulling out of a two-year recession triggered by lower prices for oil, its main export, and Western sanctions tied to its military intervention in Ukraine. Increasing political tensions between the West and Russia, including the threat of new sanctions from both sides, have scared away some investors.

But some see potential rewards outweighing the risks, and the IPO will be the latest test of investor appetite for Russian companies. PAO **Detsky Mir**, Russia's top chil-



SERGEI VENZOV/TASS/ZUMA PRESS

EN+ Power, with assets primarily located in Siberia. It will issue global depositary receipts on the London Stock Exchange and Moscow Exchange. The company said it plans to use the proceeds to pay down debt.

Like aluminum producers in the U.S., Rusal has struggled to compete with Chinese producers. Mr. Deripaska has complained Chinese competitors enjoy state benefits and subsidies, making their prices unfairly low.

In a January interview with The Wall Street Journal, he said the rest of the world is too complacent about the pace of China's overhaul of its financial system. "There is not much progress done," he said.

The participation in the EN+ offering by CEFC marks the second big foray into Russia by the Chinese energy company. In September, CEFC agreed to purchase a 14.2% stake in Russian oil giant PAO Rosneft for about \$9 billion, a deal that deepened a growing economic relationship between China and Russia.

In March, CEFC agreed to pay \$100 million and provide \$175 million in debt financing for a 19.9% stake in New York financial-services firm **Cowen Group** Inc.

—Thomas Grove in Moscow contributed to this article.

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VP Classic-Q Units	AS	EQ	HKG	10/03	USD	19.70	36.9 26.2 16.6
VP Classic-Q Units AUD H	AS	EQ	HKG	10/03	AUD	16.20	5.7 5.5 16.8
VP Classic-Q Units CAD H	AS	EQ	HKG	10/03	CAD	15.90	27.3 26.6 16.9
VP Classic-Q Units HKD H	AS	EQ	HKG	10/03	HKD	13.52	37.4 27.0 2.0
VP Classic-Q Units NZD H	AS	EQ	HKG	10/03	NZD	16.79	39.2 29.6 18.3
VP Classic-Q Units RMB H	AS	EQ	HKG	10/03	CNH	13.10	25.7 23.4 NS
VP Multi-Asset Fund Cls A HKD	AS	EQ	HKG	10/03	CNH	13.62	41.7 31.8 NS
VP Multi-Asset Fund Cls A USD	OT	OT	HKG	10/03	HKD	10.82	12.5 8.3 NS
VP Multi-Asset Fund Cls A USD	OT	OT	HKG	10/03	USD	10.91	11.7 7.6 NS
VP Taiwan Fund	AS	EQ	CYD	10/03	USD	20.20	20.6 16.8 19.4

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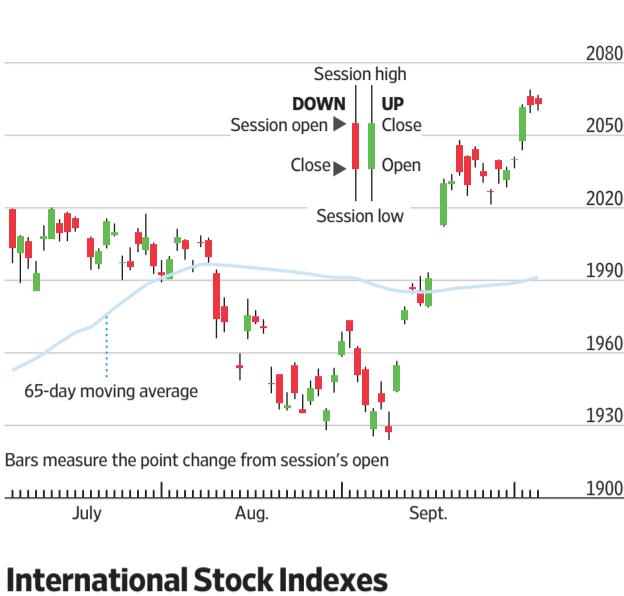
THE WALL STREET JOURNAL.

MARKETS DIGEST

Nikkei 225 Index

20628.56 ▲ 1.90, or 0.01%

High, low, open and close for each trading day of the past three months.



Bars measure the point change from session's open

STOXX 600 Index

391.03 ▲ 0.63, or 0.16%

High, low, open and close for each trading day of the past three months.



S&P 500 Index

Data as of 12 p.m. New York time

Last: 2485.41

Trailing P/E ratio: 24.22 (24.45)

P/E estimate: 19.19 (18.52)

Dividend yield: 1.98 (2.13)

All-time high: 2537.74, 10/04/17

High, low, open and close for each trading day of the past three months.



International Stock Indexes

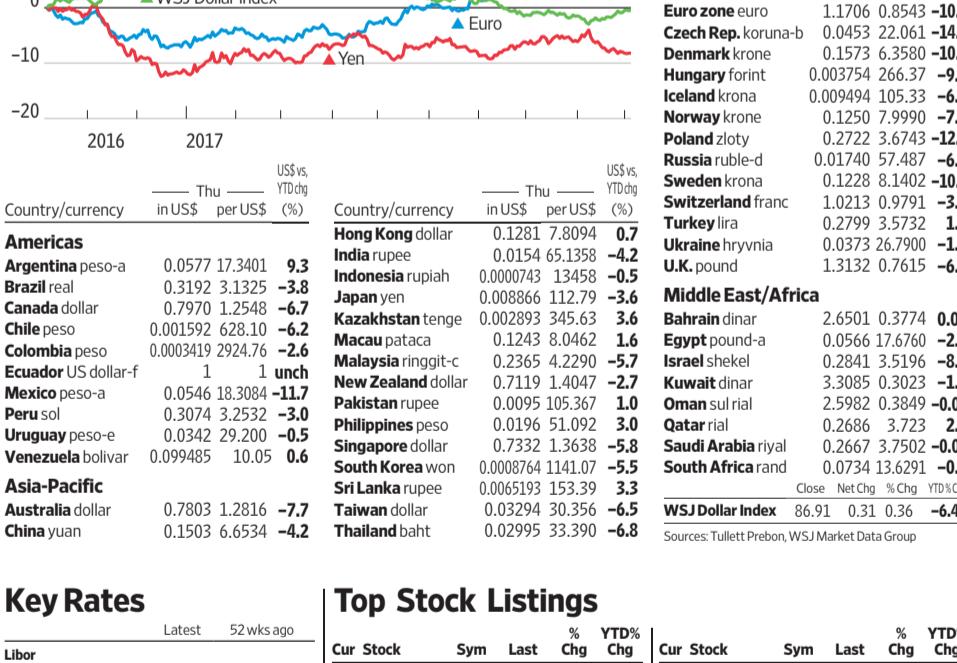
Region/Country	Index	Data as of 12 p.m. New York time					
		Close	Net Chg	% chg	52-Week Range	YTD High	% chg
World	The Global Dow	2931.01	6.10	▲ 0.21	2386.93	2931.31	15.9
	MSCI EAFE	1972.30	-4.95	-0.25	1614.17	1981.49	14.9
	MSCI EM USD	1103.82	1.98	▲ 0.18	838.96	1112.92	39.0
Americas	DJ Americas	615.67	2.37	▲ 0.39	503.44	615.74	13.9
Brazil	Sao Paulo Bovespa	77565.56	974.12	▲ 1.27	56828.56	78024.09	28.8
Canada	S&P/TSX Comp	15776.85	55.85	▲ 0.36	14472.78	15943.09	3.2
Mexico	IPC All-Share	50857.54	292.25	▲ 0.58	43998.98	51772.37	11.4
Chile	Santiago IPSA	4131.25	-6.34	-0.15	3127.84	4140.26	28.2
U.S.	DJIA	22744.34	82.70	▲ 0.36	17883.56	22751.03	15.1
	Nasdaq Composite	6563.84	29.22	▲ 0.45	5034.41	6565.38	21.9
	S&P 500	2548.54	10.80	▲ 0.43	2083.79	2548.89	13.8
	CBOE Volatility	9.18	-0.45	-4.67	8.84	23.01	-34.6
EMEA	Stoxx Europe 600	391.03	0.63	▲ 0.16	328.80	396.45	8.2
	Stoxx Europe 50	3199.59	6.83	▲ 0.21	2720.66	3279.71	6.3
France	CAC 40	5379.21	15.98	▲ 0.30	4344.88	5442.10	10.6
Germany	DAX	12968.05	-2.47	-0.02	10174.92	12976.24	13.0
Greece	ATG	744.80	-5.92	-0.79	571.82	859.78	15.7
Israel	Tel Aviv	1432.90	...	Closed	1346.71	1490.23	-2.6
Italy	FTSE MIB	22566.03	109.65	▲ 0.49	16039.59	22860.14	17.3
Netherlands	AEX	542.88	1.23	▲ 0.23	436.28	542.88	12.4
Russia	RTS Index	1144.05	6.91	▲ 0.61	956.36	1196.99	-0.7
Spain	IBEX 35	10214.70	249.80	▲ 2.51	8512.40	11184.40	9.2
Switzerland	Swiss Market	9262.66	-21.31	-0.23	7585.56	9284.79	12.7
South Africa	Johannesburg All Share	56999.79	249.76	▲ 0.44	48935.90	57061.26	12.5
Turkey	BIST 100	104334.31	-213.55	-0.20	71792.96	110530.75	33.5
U.K.	FTSE 100	7507.99	40.41	▲ 0.54	6676.56	7598.99	5.1

Asia-Pacific

Australia	S&P/ASX 200	5651.80	-0.30	-0.01	5156.60	5956.50	-0.2
China	Shanghai Composite	3348.94	...	Closed	3004.70	3385.39	7.9
Hong Kong	Hang Seng	28379.18	...	Closed	21574.76	28379.18	29.0
India	S&P BSE Sensex	31592.03	-79.68	-0.25	25765.14	32575.17	18.6
Indonesia	Jakarta Composite	5901.91	-49.57	-0.83	5027.70	5951.48	11.4
Japan	Nikkei Stock Avg	20628.56	1.90	▲ 0.01	16251.54	20628.56	7.9
Malaysia	Kuala Lumpur Composite	1759.09	-2.75	-0.16	1616.64	1792.35	7.1
New Zealand	S&P/NZX 50	7974.70	25.01	▲ 0.31	6664.21	7974.70	15.9
Philippines	PSEI	8294.01	-50.04	-0.60	6563.67	8344.05	21.2
Singapore	Straits Times	3261.84	25.19	▲ 0.78	2787.27	3354.71	13.2
South Korea	Kospi	2394.47	...	Closed	1958.38	2451.53	18.2
Taiwan	Weighted	10518.27	48.92	▲ 0.47	8931.03	10631.57	13.7
Thailand	SET	1690.87	3.10	▲ 0.18	1406.18	1690.87	9.6

Currencies

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Key Rates

	Latest	52 wks ago
Liber		
One month	123778%	0.52956%
Three month	134861	0.87156
Six month	151350	1.26244
One year	180011	1.58122
Euro Libor		
One month	-0.40500%	-0.37714%
Three month	-0.37643	-0.32057
Six month	-0.30857	-0.21214
One year	-0.22114	-0.08329
Euribor		
One month	-0.37200%	-0.37100%
Three month</		

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MARKETS

The Action Behind Stock Market's Calm

Previously out-of-favor U.S. shares surge and Treasurys turn down as central banks pivot

By CHRIS DIETERICH

Sure, the stock market seems quiet.

But a look beyond the S&P 500's snoozy ascent shows major price reversals in recent weeks as investors re-evaluate the prospects for tighter monetary policies.

Formerly out-of-favor U.S. stocks have rocketed higher, Treasury-bond prices have slumped and the dollar has staged a rebound. These shifts could dominate global financial markets in the final three months of 2017, investors say.

Key to the pivot is a newfound anticipation that global central banks will pare back stimulus efforts put in place to bolster economic growth.

Federal Reserve officials last month affirmed that the U.S. economy appears strong enough to justify a third interest-rate increase this year and three more next year. Fed Chairwoman Janet Yellen said last week that central-bank officials "should be wary" about raising rates too gradually.

"There's been kind of a plot twist to how people are trading this year," said Yousef Abbasi, market strategist at brokerage JonesTrading Institutional Services LLC.

Traders now see a nearly 80% chance that the Fed will boost interest rates again by December, according to federal-funds futures tracked by CME Group. That is up from a roughly 33% chance at the end of August.

Central-bank officials and investors alike have been puzzled by persistently muted U.S. inflation readings at the same time that the economy continues to grow and add jobs.

Even so, bond traders are

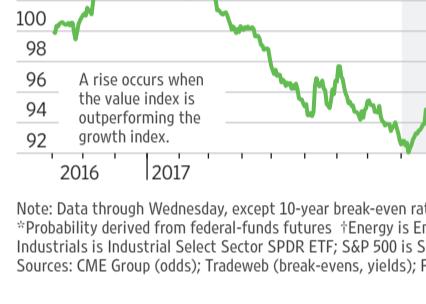
A Gust of Optimism

Markets have shifted toward a more upbeat stance in recent weeks, pointing to a likely Federal Reserve rate hike as well as share-price increases in sectors deemed likely to benefit from faster economic growth.

The 10-year break-even rate, a market-based reading of inflation expectations, is near the highest since May.

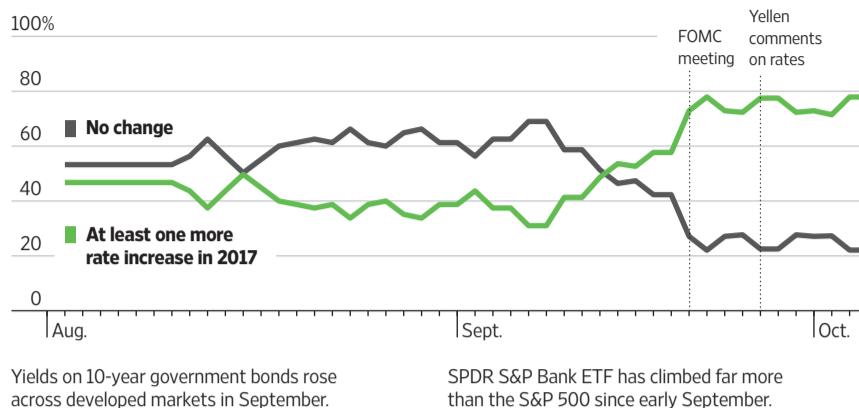


The Russell 3000 Value index has been rallying vs. the Russell 3000 Growth index over the past month.

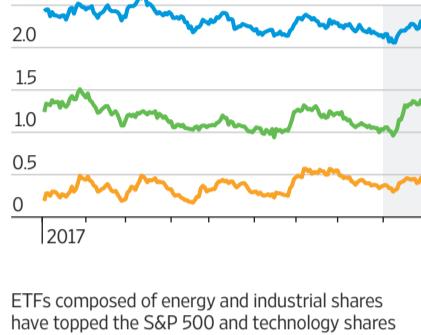


Note: Data through Wednesday, except 10-year break-even rate and Russell 3000 through Tuesday
*Probability derived from federal-funds futures †Energy is Energy Select Sector SPDR ETF;
Source: CME Group (odds); Tradeweb (break-evens, yields); FactSet (ETFs, indexes)

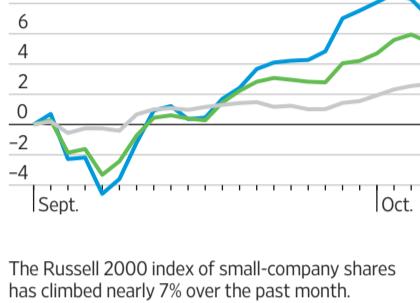
Odds that the Federal Reserve implements a third interest-rate increase in 2017*



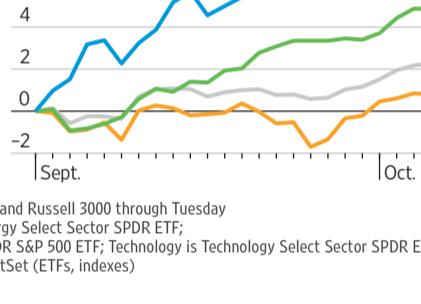
Yields on 10-year government bonds rose across developed markets in September.



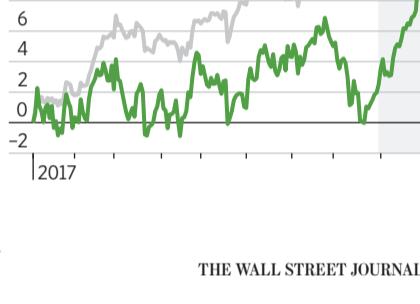
SPDR S&P Bank ETF has climbed far more than the S&P 500 since early September.



ETFs composed of energy and industrial shares have topped the S&P 500 and technology shares over the past month.



The Russell 2000 index of small-company shares has climbed nearly 7% over the past month.



difference between what they pay on deposits and what they charge to lend money.

A reflation "rotation" is also evident in the rise of value stocks versus growth stocks. The latter group has ruled the U.S. market all year. Value companies are those with below-market valuations and, typically, their businesses tend to be more sensitive to economic conditions. Growth stocks tend to include those in the technology sector, such as Facebook Inc., that are more richly valued to reflect the company's ability to increase sales regardless of economic conditions.

Investors say to expect selling in the year's best-performing U.S. stock sectors, such as technology, while investors funnel new money into cheaper industrial and energy stocks.

This already appears to be taking place, albeit on a small scale. The S&P 500's technology stocks have trailed behind the market over the month through Wednesday.

Small-cap U.S. stocks have climbed nearly 7% over the month to Wednesday, as measured by the Russell 2000 index, more than double the advance in the S&P 500. After trailing badly for most of this year, small U.S. stocks perked up last month.

Analysts attributed part of this burst to the fact that domestically focused small caps are more sensitive to stronger U.S. growth.

Another factor is the prospect that Congress will implement a tax-policy overhaul. Small U.S. companies tend to pay higher effective tax rates and thus are poised to benefit most from lower corporate-tax rates. Small shares moved another leg higher after Republicans last week called for a reduction in the U.S. corporate-tax rate to 20% from 35%, as well as a host of changes to individual taxes and other rules.

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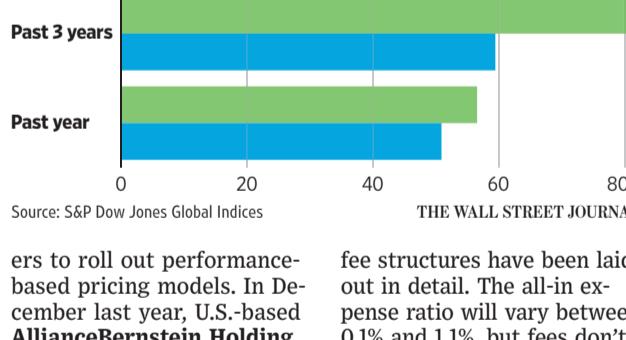
Email: heard@wsj.com

FINANCIAL ANALYSIS & COMMENTARY

Fund Managers Rethink Pricing

Chronic Problem

Percentage of actively managed funds underperforming the benchmark index:



Source: S&P Dow Jones Global Indices

among average investors that they are getting poor value for money from fund managers.

Active managers are having an unusually good year, but some 57% of U.S. large-cap mutual funds still have underperformed the S&P 500 over the past year, according to S&P Dow Jones Indices. Over the past five years, 83% have underperformed.

Given those chances, it isn't surprising that investors are fleeing traditional mutual funds. Over the 12-month period through July, actively managed U.S. equity funds suffered \$245 billion of outflows, while passively managed equity funds have attracted \$283 billion of inflows, according to Morningstar.

Active managers can't beat the likes of Vanguard Group and BlackRock in an outright price war, nor can they credibly promise they will perform better. Offering customers a discount when they fall short might be the best way to stem the tide.

—Aaron Back

Looking for Bubbles In All the Wrong Places

Have financial markets lost the plot? Bubbles are supposedly everywhere, most notably in bonds. But one prominent case of financial froth has an explanation all its own.

In an unprecedented development, a key European junk-bond index yields less than 10-year U.S. Treasurys, the global benchmark for risk. It's worth looking a little closer at this apparent through-the-looking-glass moment.

The comparison between the yield on the Bank of America Merrill Lynch Euro High-Yield Index, at 2.29% Wednesday, and the Treasury yield, at 2.32%, is a tricky one: It tries to match corporate yields in one currency with government yields in another.

Rather than note that these two numbers have converged, the more relevant comparison is the near 1.9-percentage-point gap between 10-year German and U.S. yields, remarkable on its own, but attributable to the European Central Bank keeping rates negative and the U.S. Federal Reserve moving ahead to tighten policy. That helps explain the low level of yields on many euro-denominated bonds, including junk bonds.

A more apples-to-apples comparison would be between yield spreads over government bonds for the U.S. and European high-yield markets. The gap between the two is relatively large, with the U.S. index trading at 3.5 percentage points over Treasurys, versus the European index at 2.6 percentage points over German government bonds.

So are European bond investors crazy after all? Probably not. That gap is explainable, too. The European market is dominated by companies with ratings in the highest noninvestment-grade category. Nearly three-quarters of the euro index is rated double-B, versus 47% for the

U.S. index. And for the same risk, the two markets trade in line: Double-B-rated debt on both sides of the Atlantic trades at an almost identical spread level around 2.1 percentage points above their respective government-bond yields.

Moreover, some big European high-yield bond issuers are on the cusp of investment grade by some measures.

Telecom Italia is part of the high-yield index but qualifies for European Central Bank purchases because it has an investment-grade rating from Fitch. Upgrades could cause companies to leave the high-yield universe, becoming "rising stars."

That trend, coupled with more issuance from lower-rated borrowers, will change the picture over time and likely reset yields higher in Europe.

A "high-yield" market that sports a yield anywhere near 2% looks misnamed. The ECB's extreme monetary policy is clearly the major force at play. But the comparison with Treasurys is an optical illusion. Bubble chasers should look elsewhere.

—Richard Barley

Don't Get Wound Up Over Jobs Report

The way the stock market reacts to Friday's U.S. jobs report may say more about the stock market than it does about jobs.

The Labor Department's employment report usually counts as the most important economic news of the month, but hurricanes Harvey and Irma probably made a mess of September's figures.

The median estimate among economists polled by The Wall Street Journal puts last month's payroll gain at 80,000 jobs versus 159,000 in August.

There is plenty of disagreement, with individual estimates ranging from a loss of 45,000 jobs to a gain of

140,000. Compare that with August, when the range was a much narrower 144,000 to 200,000.

There are too many moving parts in how storms can affect the jobs report—their severity, when they hit, where they hit and whom they hit—to have much confidence in any forecast.

Average hourly earnings figures also could be affected. Right now, they are a major area of interest because if wages start heating up, it would be a sign that low unemployment is creating inflationary pressure.

But events like hurricanes can push wage figures higher. That is because lower-wage

workers are more likely to not get paid when they miss work because of a storm, while many higher-paid salary workers still draw a paycheck, pushing the average higher.

Less affected will be the unemployment rate, which economists estimate will hold at 4.4%.

Unlike the job and wage figures, which are based on a survey of employers, the unemployment rate comes from a survey of households and doesn't reflect whether people got paid or not but what they say about their employment.

The household survey is smaller than the employer survey, however, and therefore less precise, so investors

have to be careful not to put too much faith in what it says about any single month.

The right way for the stock market to react to the jobs report on Friday would probably be to ignore it, but chances are that many investors won't be able to resist.

Rather, they will attempt an interpretation of the jobs figures, end up with one that reflects their current beliefs and then act accordingly.

In what has lately been a glass-half-full environment, that probably sets stocks up for more gains. If they fall instead, take it as a sign the latest run of market optimism is starting to fatigue.

—Justin Lahart

Unlikely Meeting

Yield on Bank of America Merrill Lynch Euro High-Yield Index versus 10-year U.S. Treasurys



Source: FactSet
THE WALL STREET JOURNAL.

A savory encounter with the Turkish meatballs known as köfte
WS



OFF DUTY



Dan Neil on the Mercedes-AMG GT R—a fast car that's easy to drive fast
WS

EATING | DRINKING | STYLE | FASHION | DESIGN | DECORATING | ADVENTURE | TRAVEL | GEAR | GADGETS

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THE WALL STREET JOURNAL.

Friday - Sunday, October 6 - 8, 2017 | **W1**

Wired to Work Out

Big Data's next frontier: Fitness gear embedded with sensors designed to track your performance, adjust your yoga poses and more. But does it actually up your game?



BY LUCY DANZIGER

THERE I WAS on my yoga mat in downward-facing dog, and my ankles were pulsating. So was my butt. And it wasn't from workout stress. The vibrations were coming from my Nadi X yoga pants, embedded at the hips, knees and ankles with five neoprene haptic sensors. The sensors were indicating that I needed to adjust my pose...but how?

I looked down at my iPhone's Nadi X app, which pairs via Bluetooth to the pants. The app, designed to teach you yoga poses or guide you through a flow, suggested that the gentle zapping meant I needed to ground my heels and push my tush back and up—something patient instructors have told me without resorting to tickling my ankles. The idea is: The more you use the pants, the more you learn to intuitively respond to their buzzing cues.

The \$299 Nadi X pants, which start shipping in November, are the brainstorm of Wearable X, a New York-based tech startup co-founded in 2013

by Billie Whitehouse. The young Australian designer initially thought her vibrating pants would cleverly facilitate sex. "We started as a sexting novelty pant called Fundawear, designed for couples in long-distance relationships," she said of her prototype. She pivoted to yoga pants in 2016 because, she said, "touch is so much part of the yoga experience." Wearable X's next big idea? A Nadi X bra adept at guided meditation.

This gear is part of a new wave of pricey "smart" athletic clothes that use implanted sen-

Please turn to page W2

OFF DUTY

KNOW-IT-ALL CLOTHING

Continued from page W1

sors to provide wearers with work-out metrics such as heart rate, calories burned, breathing rhythm, running cadence, stride length, pelvic rotation, foot strike impact and more. Apps sync with the gear to synthesize the captured data into digestible info and instructions.

Meanwhile, wrist-based trackers have lost their mojo: Fitbit's stock tumbled about 75% in 2016.

"Smart fabrics can measure biological attributes at a deeper and more accurate level than a Fitbit," said Andrea Silvestrini, the CFO of Sensoria, a Washington company that makes smart shirts, socks and sports bras. "It's important that the sensors are on the more relevant areas of your body."

Like Wearable X, Sensoria is one of the tech startups that's taking the lead in the wired-workout arms race while fitness giants like Nike either sit it out or make relatively tentative moves. Neither Nike nor Under Armour has introduced sensorized workout clothing for gym-goers recently. Adidas's sole offerings? A \$60 heart rate monitoring sports bra and men's shirt that supports third-party fitness trackers or the one from Runtastic, an Austrian company that Adidas bought in 2015 for about \$240 million.

Sabine Seymour, founder of New York-based SUPA, which launched a limited-edition heart-rate-monitoring sports bra this summer, likens the potential of the biosensing apparel she and her startup peers are producing to that of early Lycra.

Someday, sensorized fabric may detect if you are getting a cold.

"No one would have thought, 'We need Lycra,'" said Ms. Seymour, an assistant professor of fashionable technology at Parsons School for Design, who's been working in smart fabrics for 20 years. "Now I don't think we have any base layer without it."

Ms. Seymour thinks her tech could one day be integrated into larger brands' products, the way Runtastic's has been embraced by Adidas. Similarly, Puma announced in August that it's teaming up with Silicon Valley-based Lumo Bodytech—makers of sensorized running shorts and pants—on an artificial intelligence coaching product.

This wired athletic wear is, of course, designed to help people train better, live healthier lifestyles or turn their workouts into something resembling an addictive iPhone game. But does it really work, and is it worth the price?

That's what I asked myself as I strapped myself into Ms. Seymour's \$180 SUPA Powered Sports Bra, billed comprehensively if not quite enticingly as "biometrics + extreme sports + fashion + artificial intelligence in a onesie at a dance party." During my first run, the heart-rate monitor did not pick up my pulse, so my super bra reported that I'd burned zero calories. I may not be a speedster, but I know I burned something. (See sidebar, "The Playing Field," for product reviews.)

Ms. Seymour acknowledges that today's smart clothes are "like the first PalmPilot. It's literally the first step." The next step? Perfecting the first step. She's working on developing sensorized fabric that will use artificial intelligence and informa-

THE PLAYING FIELD // WEARABLE TECH THAT HAS LEAPT OFF THE WRIST AND ONTO CHESTS, LEGS, ARMS AND FEET



FOR RUNNERS

Sensoria Fitness Running Socks and Anklet

\$199

What It Does The socks' anklet, which measures impact force, cadence, foot landing and more pairs with an app via Bluetooth to send real-time feedback into your headphones. A second-generation sock is coming soon.

Pros The app's computer coach gave me random pacing data and spouted motivational sayings such as, "Don't be pushed by your problems, be led by your dreams!" I found the voice amusing, its exhortations a fun distraction mid-mile.

Cons The pacing that the computer coach reported was so off I grew dismayed. I know I'm slow, but not 20-minute-mile slow! sensoriafitness.com



FOR BIKE COMMUTERS

Levi's Commuter Trucker Jacket with Jacquard by Google

\$350

What It Does The jacket's controller area, located on the left cuff, responds to four gestures that prompt your smartphone to do various tasks including fetching directions, playing or pausing songs, having texts read to you via

your headphones, and sending calls to voice mail and more.

Pros The tech allows cyclists to keep phones in their pockets while concentrating on car-door-openers, wheel-eating potholes, jaywalkers or swerving taxis.

Cons Laundry fanatics be warned: Wearers are advised to wash the jacket only when needed, use cold water and air dry whenever possible. levi.com



FOR CARDIO WARRIORS

SUPA Powered Sports Bra

\$180

What It Does Together with the included SUPA Reactor, it measures typical heart-rate-monitor data such as beats per minute, time and heart-rate zone. If your workout is a run, it also gives you your route map.

Pros A major plus: the built-in heart-rate monitor requires no separate chest strap. Best for a young (or young-at-heart) woman who might enjoy the unique Girl Power attitude of the app and design.

Cons The heart-rate monitor didn't kick in on my first workout. Serious athletes might balk at the app's interface, which uses apples and hamburgers to "visualize" caloric burn. shop.supbra.ai



FOR YOGA FANS

Wearable X's Nadi X Yoga Pants

\$299

What They Do The pants' five haptic sensors around the hip, knees and ankles vibrate—imagine fingers tapping your skin—to provide feedback directing you to adjust your position. For example, if the taps progress from left to

right, then that's the direction you should move your body.

Pros These stylish pants are the next best thing to having a human instructor stand next to you and guide you via touch into proper form.

Cons A learning curve requires you to know basic yoga and figure out how to respond to the various pulsations. Preorder at wearablex.com —L.D.

tion from your body and your environment to detect whether you are dehydrated or coming down with a cold.

Smart fabric is also where one Goliath is heading. Google partnered with Levi's on the \$350 Levi's Commuter Trucker Jacket with Jacquard by Google that launched on Levi.com this week. Levi's Vice President of Innovation, Paul Dillinger, who led the jacket's design team, said the biking jacket allows "urban cyclists to have their most digital

connectivity without taking their eyes off the road."

Levi's wove Google's conductive Jacquard yarn, made of copper alloy threading, into the jacket's lower left sleeve, creating a tech-enabled patch near the cuff. A rubber controller plugs into the patch. The cuff area acts like a middleman between cyclists and their smartphones,

which tuck into the jacket's breast pocket. Bikers can program the area to respond to various gestures: Tapping or swiping with your right

hand, or holding your right hand over a light on the smart patch to make your Motown playlist stop in the name of love, for example. The gestures also access other phone functions like calls, texts and maps. As with all this workout gear, the question is whether the jacket provides more than just novelty.

Just ask Frederic Chanay, the CEO and Co-Founder of Montreal-based OMsignal, which introduced its OMbra, a heart rate monitoring sports bra, in 2016. The company

also worked with Ralph Lauren on the latter's PoloTech shirt, which launched for \$295 in 2015 but has since disappeared from stores. "I think one of the lessons that the market is learning about all wearables is that the value you provide to the user has to go beyond the gadget layer," Mr. Chanay said. "You have to deliver something meaningful." Though the jury's out on those vibrating yoga pants, if nothing else, they might help you save money on a massage therapist.



TOP GEAR Above:
Villanova University's
men's basketball team,
which uses Polar tech,
celebrates its 2016 NCAA
championship. Right: the
Polar Team Pro Shirt.



ELITE JUICED JOCKS

Why athletes in America's big five professional leagues—plus the NCAA—are getting sensored

"THIS TECHNOLOGY isn't the future of sports: It's here now," said John Shackleton, Villanova University's basketball strength coach. He's talking about wearable workout tech designed for elite athletes.

For three years, Mr. Shackleton, who helped Villanova win the 2016 NCAA men's championship, has worked with the Polar Team Pro system, used by more than 150 NCAA teams, 50 pro soccer teams, 13 NFL teams, five NBA teams and five NHL teams. The platform's pièce de résistance is the new sensor-embedded Polar Team Pro Shirt, which sends live metrics to an iPad so coaches can see which players are over- or under-working, among other data. "It has allowed us to gain quantifiable data," said Polar-user Chandler Geller, the strength and conditioning coach for the MLB's Texas Rangers.

Polar has competitors galore: Catapult, Whoop and Zephyr Performance Systems, to name a few. And coaches don't always use just one system. University of Minnesota strength and conditioning coach Cal Dietz has an arsenal that includes a \$20,000 heart-rate-monitor, a GPS system that emits a million data points per practice per athlete, and Athos sensor-implanted clothing, which determines how muscles are firing. "We'll throw different things on different athletes," said Mr. Dietz, who cautions that the key to all this gear "is the coach has to be able to make actual decisions with the data." —Jessica Flint

STYLE & FASHION



House Calls

Seemingly plucked from a French interior, brocades and patterned textiles were a happy, homey surprise. From left: **Brock Collection**'s pretty mattress-ticking dress; **Dries Van Noten**'s luxe pattern mix; **Loewe**'s sofa-fringe layers; **Maison Margiela**'s tapestry-bodiced top; **Louis Vuitton**'s saucy brocade jacket with boxer shorts and sneakers.

Shorts Stuff

When shorts are styled with a classic jacket or top, this chic alternative to miniskirts can look remarkably polished. From left: At **Dior**, Maria Grazia Chiuri revved up shorts with a jazzy graphic windbreaker; cotton cargo shorts and a sleeveless striped shirt had a retro vibe at **Prada**; olive-drab shorts looked sophisticated with a gold-trimmed blazer and a polka-dot blouse at **Saint Laurent**.



Lavender Ladies

Long associated with the over-seventy crowd, lavender is the new millennial pink. From left: **Valentino**'s elegant gown with pastille-like sequins; **Michael Kors**' hippy-ish violet knits; a crisp work suit at **Max Mara**; a suede coat with grommeted pockets at **Bottega Veneta**; the languorous cool-girl goddess gown at **The Row**.



Fringe Binge

It's shimmy time again. Designers let the fringe fly on longish dresses with oodles of sex appeal. From left: **Paco Rabanne**'s white turtleneck gown with dangling icicle-like fringe; **Céline**'s kicky khaki halter-neck gown; and **Calvin Klein 205W39NYC**'s cheerleader pompom chemise in green and white.



Plaid-i-Tude

Checks were worn head-to-toe. Our suggestion: Pair them instead with sedate separates that will let them make a less in-your-face style statement. From left: oversized-plaid top at **Chanel**; paneled check pants and mint plenum at **Balenciaga**; layer-on-the-plaid suit and accessories at **Fendi**; pretty multicolored **Hermès**' belted jacket and flirty skirt; and **Sacai**'s sweetheart check mates with here-and-there ruffles.

SOMETIMES IT SEEMS as if everyone walking down Paris's streets is heading to a fashion show. French women still subscribe to an unspoken dress code that demands everyday polish even if they're just walking elderly, pudgy bulldogs. The designers who showed their Spring 2018 collections globally have not always been so consistent, but this season they aligned with those Parisians in one respect: Disheveled styling and normcore were absent from the runways. Instead, romantic floral dresses, intriguing wear-to-work separates and embroidered

jackets came into play. Designers also worked the idea of comfort into chic silhouettes. At Céline—a brand known for both edginess and real-world wearability—Phoebe Philo presented deftly tailored trench coats. Pierpaolo Piccioli at Valentino offered embellished gowns with racer-backs, elegance with a wink of sportiness. Louis Vuitton's spectacular opera coats were paired with New Age-y sneakers and silk boxer shorts, clothing that's fun to run around in, weather permitting.

Speaking of weather, an abun-

dance of coats—from a spray-painted leather car coat at Calvin Klein to a tan oversize robe coat at the Row—seemed to outnumber classically skimpy spring offerings such as sundresses and T-shirts. Designers are starting to address women's seasonal shopping needs by offering pieces you can actually buy and wear in March, when spring clothes hit stores. Boots, too, especially Western styles, proliferated. Favorites included butterscotch heels at Givenchy and snakeskin ankle boots at Chloé.

—Rebecca Minkoff



THINGS WE (PARTICULARLY) LOVED

Queenly raiment, fashion daughters, red boots and more

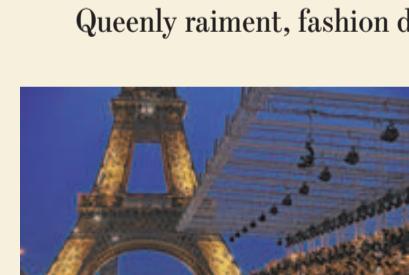


Donatella Versace reunited '90s supermodels for her show in Milan.

From left: Carla Bruni, Claudia Schiffer, Naomi Campbell, Cindy Crawford and Helena Christensen.



Made us smile: Maison Margiela's priority-sticker ponytail band.



Kicking off Paris fashion week, models at Saint Laurent walked in the shadow of the Eiffel Tower.



In New York, motocross bikers sped around pink sand at Rihanna's Fenty Puma show.



The cowboy boot is the season's kickiest comeback. From left: Givenchy, Chloé, Calvin Klein 205W39NYC.



Erdem Moralioglu's regal collection was inspired by Queen Elizabeth II's wardrobe, minus the crown and scepter.



Model du jour Kaia Gerber, the daughter of Cindy Crawford and Rande Gerber, made fashion news on and off the Spring 2018 runways.



Unicorn sighting! Thom Browne's fairy tale show at the Hotel de Ville in Paris.

OFF DUTY

Blast From The Past

A spate of high-profile, orbit-bound rocket launches is reigniting interest in visiting Florida's venerable 'Space Coast'



BEN COOPER

HEIGHT OF FASHION An Atlas V rocket launches from Kennedy Space Center on Cape Canaveral, in April.

BY MATTHEW KRONBERG

THIS FALL, SpaceX's long-awaited, much-delayed Falcon Heavy rocket, designed to carry humans to the

Moon or Mars, should finally make its debut on fabled launchpad 39A at Florida's John F. Kennedy Space Center, off Cape Canaveral. If all goes to plan, this first, unmanned flight of the most powerful rocket to take off from Canaveral since the Apollo-era Saturn V flights in the 1970s will energize the Space Coast in ways unseen in decades.

And if it doesn't go to plan? That could be just as exciting, suggested Elon Musk, SpaceX's CEO, during a Q&A at an international space station development conference this past July. "The simultaneous ignition of 27 orbit class engines—

there's a lot that can go wrong there. There's a real good chance that vehicle does not make it to orbit. I hope that it makes it far enough away from the pad that it does not cause pad damage. I would consider even that a win, to be honest. Major pucker factor."

In late August, my visit to Cape Canaveral to watch a night launch of a Minotaur IV rocket served as a keen reminder of the power of such events. Even the ascent of a smaller rocket—the Minotaur was powered largely by ICBM (intercontinental ballistic missile) engines—is still the greatest show on (and off) earth: a perfect fusion of science and spectacle.

Although I grew up in Florida during the Shuttle era, I'd never witnessed a launch. It's an omission that feels unpatriotic, like living in New York having never climbed the Statue of Liberty or in Arizona hav-

ing shunned the Grand Canyon. It was a hole in my childhood CV that I wanted to spare my son, who was about to enter high school.

The Minotaur, like a falling star in reverse, arced silently into the sky.

Knowing little about where and when to go for the Minotaur's (or any rocket's) launch, I checked in with local photographer Ben Cooper, who has shot more than 175 blast-offs. "As a general rule, you want to get as close as possible," he told me. Because the Minotaur was going up from Spaceport Florida Launch Complex 46 at Cape Canaveral's eastern edge, he said the optimal viewing spot was from Jetty Park, 5

miles from the launchpad as the rocket flies.

The launch window—the time when the rocket's target in orbit is within range—spanned four hours, from 11:15 p.m. to 3:15 a.m. Launch night, my son and I got to the Jetty Park about 10:15, hoping for a good viewing spot. People sat in cars lining the waterfront, facing the night sky as if it were the screen of a drive-in movie theater. About 80 others gathered on the concrete pier (now closed for post-Hurricane Irma repairs) some with beach chairs, beer, fishing rods. At the end of the pier, a few watchers balanced expensive cameras with enormous telephoto lenses on tripods. A man with a gray mustache wearing a fishing vest claimed a prime corner spot. Periodically, he'd pull a flip phone from his vest for launch-status update calls, seemingly from an inside source. Early on, he gave word that

there'd be no launch until after 2 a.m.

The delay gave the crowd time to socialize. I talked with Mark Connor, an aerospace engineer who had driven down from Savannah, Ga., with his wife for the launch—his first since witnessing the Shuttle Discovery take off as a child. If anything, his training as an engineer increased his awe at this one. "I don't think most people understand the difficulty of doing this. This is a little rocket, and it's still 96 tons. To take that much weight and throw it up 600 kilometers that way?" he said, pointing toward a patch of starry sky visible through the clouds.

Nearby, a pair of aerospace engineering students from the University of Central Florida held forth in head-spinning detail on spaceflight gossip and technology ("When you have smaller cores, you have a worse mass fraction because the surface area to volume ratio is higher...") Listening in was Anthony Trichter, a manager at an investment bank in New York who said that seeing a launch was on his bucket list. He was in Florida vacationing with family and friends, all of whom were asleep in a hotel in Orlando, about an hour's drive away. "My mate was supposed to be coming with me [but] he was tired, so I made this a solo mission."

At 2:04 a.m., the horizon brightened. The Minotaur, like a falling star in reverse, arced silently into the sky (remember, sound travels more slowly than light.) My son looked up from his phone (one small step for the kid, one giant leap for dad-kind). After about 30 seconds, once the low clouds had been set aglow and the rocket neared four times the speed of sound, the roar of the engines washed over us, and was met with a round of cheers. We heard the rumble for another 90 seconds, by which time the rocket was at the edge of space, traveling more than 8,000 mph.

As the Minotaur became indistinguishable from the other stars in the sky, the mood remained jubilant. People, walking back to their cars swapped email addresses and social media handles to share pictures with each other, while I, trying to make up for lost time, committed myself to seeing as many launches as possible. I don't have to wait long—there is another one tonight, Oct. 7.

► For details on visiting Cape Canaveral, see wsj.com/life.

THE CRITICAL EYE

LILAC WHERE YOU LEAST EXPECT IT

OUR DESIGN ASSESSMENT Did the words "resale value" not haunt interior designer Fred Musik and his partner when he installed ultramodern, lilac-colored kitchen cabinets in their 1857 townhouse in Hove, England? In our experience, when it comes to semi-permanent fixtures, such bravado can bite you in the bottom line later. Still, it's clear Mr. Musik didn't choose the lilac hue thoughtlessly. It speaks companionably to the yellow stained glass in the door and the golden cotton velvet that upholsters the Louis XVI-style settee (purple and yellow being complementary colors). This helps bridge the aesthetic gap between the kitchen's slick stainless steel counters and the rough-hewed walls and Victorian vestibule beyond. The two patterned rugs bring some of the busyness of that vestibule into the kitchen, and the midcentury clock—rescued from a defunct Czech Republic factory—introduces some simple utility, doing its part to make the equally simple kitchen feel at home. A couple of impracticalities concern us, though: Those wall-mounted task lights seem too low to be helpful, and the loose area rugs look dangerous.

THE DESIGNER'S RESPONSE This isn't his first seemingly out-of-sync kitchen. "In our previous house—another Victorian—we had an industrial kitchen with lots of black, and it sold really well," said Mr. Musik. A BBC design show inspired the lilac cabinets, and a desire to impress designer friends egged him on to up the eclecticism. The spot lights? More for mood; overhead fixtures cast adequate light. Of the rugs, he admitted tripping over them frequently: "They're not practical, but they look really nice." —Catherine Romano



NO SHRINKING VIOLET

An eccentrically colorful kitchen in Hove, England, as featured in 'Rockett St. George: Extraordinary Interiors,' by Jane Rockett and Lucy St. George (Ryland Peters & Small).

OFF DUTY

So Much More Than Meatballs

Across Turkey, the grilled flavor bombs known as köfte come in countless variations, all of them immensely satisfying to make at home

BY ROBYN ECKHARDT

I FELL FOR köfte almost 29 years ago, on my first visit to Istanbul. Like many tourists I found them by accident, following a trail of smoke to a curbside barbecue. There, on a busy street opposite the Kabatas ferry terminal, I waited with other hungry night-crawlers as a gentleman with a protruding broom moustache carefully turned plump, half-dollar-size beef patties with tongs, all the while fanning the glowing coals with a piece of cardboard. When the patties had acquired a mahogany crust, he split a huge, soft sandwich roll and pressed it to the surface of the grill. After sliding a few köfte into the bread's maw he sprinkled on salt and red pepper flakes, added shredded lettuce and chopped tomato, and wrapped white paper around the bottom half of the bread, to catch juices. I carried my prize to a bench and ate it facing the Bosphorus, the lights of Uskudar district winking on the opposite shore.

I rolled them between my palms, simmered them atop a bed of sliced pumpkin and doused them in spiced butter.

I've since made a point of including a few köfte stops in every Istanbul visit. I enjoy my köfte not only on the hoof, from street stalls, but also in the casual shops called köfteci that dot the city. At these neighborhood joints, the grilling is done in the back, usually in clear view of patrons. The köfte are plated with a fan of tomato slices and served alongside a saucer of chile sauce and bowl of piyaz, a bracingly vinegary white-bean salad with chopped onion, grated carrot and parsley.

For years I believed that Istanbul's grilled beef patties represented the epitome of Turkish köfte craftsmanship. In fact, they're just the tip of the iceberg. Though often translated as "meatball," the term köfte applies to a wide range of foods—meaty, fishy or meatless; balls, ovals, tubes, torpedoes and other shapes; boiled and braised, grilled and deep-fried. Some köfte are cooked and some are eaten raw. Some are filled and would perhaps be better described as dumplings. What all köfte have in common is a

main ingredient that is minced, ground and/or kneaded.

Turkey is said to boast more than 100 types, but it wasn't until I began traveling in the eastern half of the country in search of regional recipes for my new cookbook that I understood the breadth of the köfte repertoire. I ate forefinger-shaped köfte cooked with tomatoes, onions and a heart-stopping amount of butter in Tire, near the Aegean. In the northeastern province of Kars there were potato-studded meatballs with sweet carrot and tomato sauce, as well as softball-size orbs hiding a hard-boiled egg, walnuts and dried fruit, served in a tomato sauce soured with dried plums. Fish köfte are a thing on the Black Sea coast, where a fishmonger's mother showed me how to season minced bonito with parsley, red pepper and a pinch of cinnamon, dip in beaten egg and breadcrumbs, and pan-fry.

At a street stall in the old city of Diyarbakir I devoured *cig köfte*—fine brown bulgur kneaded with pepper and tomato pastes, onions, parsley, pomegranate molasses and a host of spices, formed into logs. Wrapped in a lettuce leaf along with mint, purple basil and a drizzle of spicy-sour tomato-and-pomegranate relish, these fresh and fiery köfte hit the spot on a midsummer afternoon.

In one of the mostly Kurdish provinces bordering Iran, at the home of a bakery owner, my hostess dictated a recipe for lamb-and-rice meatballs with pumpkin, brown butter, purple basil and chiles—my favorite köfte of all. Back home, I rolled the meatballs between my own palms, simmered them atop a bed of sliced pumpkin and then doused them in spiced butter. Try it yourself and learn, as I did, that this food is just as great a pleasure to prepare as it is to eat.



► Find recipes for spicy bulgur köfte and meatballs with pumpkin and spice butter at wsj.com/food.



Grilled Beef Köfte With Chile Sauce and White Bean Salad

This recipe for tender, moist, smoky chargrilled köfte is based on the one at Hüseyin's, in Istanbul's central Beyoglu district. Each order consists of six little beef patties arranged next to a fan of thin tomato slices and a classic white bean salad, with a kicky chile sauce on the side.

ACTIVE TIME: 1½ hours TOTAL TIME: 4 days (includes fermenting) SERVES: 4

For the sauce:

1 pound red chiles, such as jalapeño, cayenne or Holland, stemmed and coarsely chopped
1½ teaspoons fine sea salt, plus more to taste
1¾ teaspoons apple cider vinegar
Sugar (optional)

For the salad:

1 small red onion, halved top to bottom and thinly sliced crosswise
4 cups cooked white beans (about two and a half 15-ounce cans)
¼ cup olive oil
1¼ teaspoons fine sea salt
½ cup coarsely chopped fresh flat-leaf parsley

2 medium carrots, peeled and grated
2 medium tomatoes, coarsely chopped
For the beef patties:
1½ pounds ground beef, preferably 20-40% fat
1½ teaspoons fine sea salt
1 tablespoon olive oil (if meat is not fatty)

2 medium tomatoes, thinly sliced, for serving
Apple cider or red-wine vinegar, for serving
Turkish or other crushed red pepper flakes, for serving

1. Make chile sauce: Add chiles and salt to a food processor and pulse, adding a tablespoon of water a time, until a coarse paste forms. Transfer mixture to a small bowl. Cover with plastic wrap and set aside in a draft-free place until mixture begins to bubble, about 4 days. If any fuzzy mold forms on the surface of the paste, remove with tip of a knife and discard.

2. Transfer chile mixture to small saucepan. Bring to a boil then reduce heat to low and simmer 5 minutes. Set aside and let cool slightly. Transfer to food processor and blend until smooth, adding water to loosen if needed.

3. Using a spoon or spatula, press chile mixture through a fine-mesh strainer into a small bowl; discard skins and seeds. Season with salt to taste. Cover sauce with plastic wrap and let stand at room temperature 1-2 hours.

4. Taste sauce again. Add more vinegar, ½ teaspoon at a time, to taste. (The vinegar should sharpen the flavor of the sauce, not make

it overtly sour.) Add a pinch or two of sugar for balance if needed. Cover sauce with plastic wrap and set aside at room temperature for a few hours before serving.

5. Make salad: Place onions in a small bowl, cover with ice water and refrigerate at least 30 minutes.

6. Meanwhile make beef patties: Spread ground beef out on a large cutting board, forming a rectangle with a thickness of about ¼ inch. Sprinkle with salt. If beef is not very fatty, drizzle with olive oil. With a large chef's knife, make horizontal cuts in beef across the board, rocking the knife back and forth to incorporate the salt into the meat. Turn the cutting board 90 degrees and repeat, cutting crosswise over your first cuts. Slip the blade of your knife underneath one short edge of the rectangle of meat and fold one third of the rectangle over toward the center.

7. Lightly oil a large platter. Divide meat into 16 roughly equal pieces. Form each piece into a little patty about 1⅓ inches in diameter and ¾ inch thick. Be careful not to squeeze or compress the meat too much when forming the patties.

8. Prepare and light a grill, or heat the broiler with a rack set 3 inches from heating element. Grill or broil patties, flipping halfway through, until browned and crusty, 5-8 minutes per side.

9. Drain onions and pat dry with paper towels. Mix onions, beans, oil, salt, parsley, carrots and tomatoes in a large bowl.

10. Serve beef patties with sliced tomatoes, chile sauce and salad, passing vinegar and red pepper flakes at the table.

—Adapted from "Istanbul & Beyond" by Robyn Eckhardt (Rux Martin/Houghton Mifflin Harcourt)

CHEESE WISELY

A FEW CHOICE WORDS ABOUT CURDS

A radical new guide to the ever-widening world of cheese takes an accessible approach: Begin with what you love

UP TO NOW, cheese guides have tended to focus more on where and how cheese is made than on how best to enjoy it. Meanwhile, according to the USDA, Americans' annual consumption of natural (as opposed to processed) cheese increased from 19.3 to 29.47 pounds per capita between 1995 and 2015, and the range of cheeses to choose from has become downright daunting.

The time has come for "The Book of Cheese: The Essential Guide To Discovering Cheeses You'll Love," published this month by Flatiron Books. In it, author Liz Thorpe introduces a blessedly consumer-focused framework for making sense of the expanding cheese universe. Familiar "Gateway Cheeses" serve as points of departure to lesser-known styles with similar flavors and textures. Parmesan is the entry

point to "hard, grainy cheeses with nutty character," Swiss the portal to "smooth, pliable, brilliant melters."

As few others can, Ms. Thorpe connects the dots between supermarket brie and Sequatchie Cove Creamery Dancing Fern, "one of the most complex and thoughtful cheeses being made in America." After beginning behind the counter at New York's influential Murray's Cheese, she rose to vice president and brought Murray's kiosks to grocery stores around the U.S.

Throughout the book she offers pairings, plus flavor wheels to help you develop a palate and a vocabulary. There are recipes, too, but only one for cheese (right). Ms. Thorpe writes, "Why make cheese at home when purchased will inevitably be better?" With her guidance, you can be sure it will be. —Tia Keenan



Homemade Whole-Milk Ricotta

Ms. Thorpe calls ricotta "The Only Cheese Worth Making at Home." Homemade whole-milk ricotta is all creamy, curdy silk. Supermarket brands are mere polyester sateen by comparison.

2 cups whole milk
¼ teaspoon salt
2 tablespoons distilled white vinegar

1. In a medium, heavy-bottomed saucepan, heat milk and salt over medium-high heat. Scrape and stir while milk is heating to avoid a cooked milk layer on bottom of pan.

2. When milk begins to simmer (or registers 165-185 degrees on an instant-read thermometer), add vinegar, reduce heat to low and stir constantly until curds rise and separate from liquid whey, 1-2 minutes.

3. Remove pan from heat and spoon (don't pour) curds into a sieve lined with a double layer of paper towels.

Drain to desired consistency, up to 2 hours for a more liquid result, or 5 minutes for something firmer.

—Adapted from "The Book of Cheese" by Liz Thorpe (Flatiron Books)

ELLEN SILVERMAN

OFF DUTY

The Game Plan for Fall Feasting

Your guide to cooking wild meat that's tender, juicy and only as flavorful as it should be. These days, 'gamey' is a compliment



SOMETHING WILD Chef Gregory Gourdet of Departure in Portland, Ore., cooking wild boar sausage and rice wrapped in banana leaves at last fall's Wild About Game festival.

BY KATHLEEN SQUIRES

IT WAS A CHILLY day last fall in north central Oregon. With Mt. Hood looming in the distance, I hunted game: venison, bison, quail and a menagerie of other wild creatures.

There was, however, no need for weaponry—beyond a fork. Along with 500-odd others, I was tasting game prepared during a cook-off at the annual Wild About Game festival, which runs again this weekend in Welches, Ore. I recall some exquisite rabbit, made fierce by a Scotch bonnet consommé; partridge tucked into a phyllo hand pie; and venison, emboldened with sweet pepper curry and spiced yogurt raita. The selection ranged from hearty comfort food to more refined dishes and drew on a global pantry for their flavors.

Yet all of them had something in common: Not a one tasted "gamey." At least not in the pejorative sense. The experience was so enjoyable it caused me to wonder why the adjective "gamey" is rarely a compliment.

These people are usually remembering some game their uncle shot and then braised to death.'

A strong, off-putting flavor, a tough texture: These are the connotations that drove Geoff Latham to found the Wild About Game festival 16 years ago. "People kept telling me they didn't like venison because it tasted gamey," said Mr. Latham, president and founder of game purveyor Nicky USA. "That convinced me I needed to educate people about the versatility and flavor of consistently raised, correctly harvested, properly cooked game."

The "gaminess" complaint strikes a chord with others in the business. "My first reaction is to think that there is a certain psychology involved," said Ariane Daguin, owner of D'Artagnan, the New Jersey-based meat and game purveyor. "These people are usually remembering some game their uncle shot

and then put in the freezer for three years and then braised to death." Lance Appelbaum, president and CEO of Fossil Farms put it bluntly: "If your game tastes too 'gamey,' then you're cooking it wrong."

A mainstreaming movement is afoot. Consider last fall's introduction of a venison sandwich at Arby's, piloted in 17 restaurants in 6 states. "We chose to launch in states where deer hunting is extremely popular, because we knew if deer hunters and guests who grew up eating venison approved of our product, then we were onto something," said Arby's CMO Rob Lynch. Hourlong waits and sellouts were reported upon the sandwich's debut in Tennessee, Georgia, Minnesota and Wisconsin. Even beyond those states, game meat is popping up at butcher counters and in supermarkets such as Mariano's in Chicago, New Seasons in Oregon and Whole Foods nationwide.

It seems the American public—at least a wider public, beyond those who hunt their own game—is finally finding this kind of meat easier to swallow. To enjoy the best of hunting season, those more comfortable with wielding a pan than a rifle should follow a few rules of thumb offered by professionals adept at cooking game.

Pace yourself. "I tell people who think they don't like the strength of game to start with quail, then work their way up to stronger-tasting meats," said Ms. Daguin. "To me, quail is game 101—a game bird that is very mild but still recognizable."

Sourcing is key. "Buy from a reliable source, and get fresh if you can. If not, go for cryo-vaccinated," said Michael Lomonaco, chef-owner of Porter House in New York City. "Frozen yields a different kind of product. It tends to draw the moisture out of the meat, so that it becomes dehydrated when defrosted."

The closer you get to the source, the better. Chef Georgia Pellegrini, author of "Girl Hunter: Revolutionizing the Way We Eat, One Hunt at a Time," takes groups of women on hunting expeditions in the Arkansas Delta. On her Adventure Getaways, women learn how to hunt and how to correctly field-dress, butcher and cook game.

Age matters. Ms. Pel-



Venison With Shell Bean and Sweet Pepper Curry and Spiced Raita

TIME: 1 hour SERVES: 6

For the curry:	1 serrano chile, stemmed and thinly sliced	kala chana or red chorri, with cooking liquid	mustard seeds	Kosher salt
3 red bell peppers	2 teaspoons curry powder	Kosher salt	10 curry leaves, roughly chopped	Freshly ground black pepper
2 tablespoons olive oil	1 teaspoon garam masala	For the spiced raita:	2 dried Indian red chiles, stemmed, seeded and roughly chopped	Olive oil for searing
2 teaspoons cumin seeds	1 large tomato, roughly chopped	1/4 cup olive oil	2 cups whole yogurt	Flatbread, such as naan, for serving
1 red onion, roughly chopped	5 cups cooked fresh shell beans, such as	1/2 teaspoon cumin seeds	Kosher salt	
2 teaspoons minced ginger	1/2 teaspoon Nigella seeds	1/2 teaspoon black mustard seeds	For the venison:	
6 garlic cloves, thinly sliced	1/2 teaspoon black pepper	1/2 teaspoon black pepper	2 pounds venison loin	

1. Make curry: Use tongs to hold sweet peppers directly over burner on stove top and cook, turning, until charred all over. Place charred peppers in a paper bag and seal. Let peppers steam in bag 10 minutes. Remove peppers and peel away skin. Remove stems, halve peppers and remove seeds. Roughly chop peppers and set aside
2. In a heavy medium pot, heat olive oil over medium heat. Add cumin seeds and toast, stirring frequently, until fragrant, about 2 minutes. Add onions and cook, stirring often, until deeply browned, 5-8 minutes. Add ginger, garlic and serranos, and cook, stirring frequently, until aromatic, about 2 minutes. Add curry powder and garam masala, and cook, stirring frequently, 1 minute more. Add tomatoes and cook until liquid evaporates and oil begins to separate, 6-8 minutes. Add beans with liquid and reduce heat to low. Add skinned, chopped sweet peppers and simmer to develop flavors, 15 minutes. Add enough water to create a soupy consistency. Season with salt to taste. Cover and set aside.
3. Make spiced raita: Heat oil in a small saucepan over medium heat. Add cumin seeds, Nigella seeds, mustard seeds, curry leaves and chiles. Cook until leaves are crisp and lightly browned, about 1 minute. In a medium bowl, combine yogurt and toasted spices. Season with salt. Set aside.
4. Generously season venison all over

frequently, 1 minute more. Add tomatoes and cook until liquid evaporates and oil begins to separate, 6-8 minutes. Add beans with liquid and reduce heat to low. Add skinned, chopped sweet peppers and simmer to develop flavors, 15 minutes. Add enough water to create a soupy consistency. Season with salt to taste. Cover and set aside.

5. Preheat oven to 350 degrees. Coat a large ovenproof skillet with oil and set over medium-high heat. Once hot, add venison loin and sear, turning, until browned all over, about 5 minutes. Transfer skillet to oven and cook until an instant-read thermometer inserted at thickest point reads 125 degrees, 5-10 minutes.

6. Transfer venison to a cutting board and let rest at least 10 minutes before slicing. Slice venison across the grain and serve over shell bean curry with dollop of spiced raita and flatbread on the side.

—Adapted from Troy MacLarty of Bollywood Theater, Portland, Ore.

legrini advocates aging game meat, whether hunted fresh or bought at the butcher. "Aging tends to make the meat more tender and removes a lot of that strong flavor." Ms. Pellegrini also recommends brining and marinating meats to lock moisture in before cooking.

Select the correct cooking method for the cut. Novices might consider braise-friendly cuts, such as shoulder or leg, said Troy MacLarty, chef-owner of Bollywood Theater in Portland, Ore. Mr. MacLarty was the 2016 People's Choice Award winner at the Wild About Game cook-off for his venison chops. "When cooking loin or chops, err on the side of undercooking," he said. "They should never be cooked more than medium-rare." According to chef Mario Viguerie of Restaurant 1858 at the Broadmoor in Colorado Springs, "Smoking is always a

great way to go with game. It helps take away the iron taste and imparts a great layer of flavor." For tender cuts, he does a fast char over high heat on a grill.

Choose the right accompaniments. Cathy Whims, chef-owner of Nostrana in Portland, Ore., and winner of the first Wild About Game competition, favors fruit with game meats, as it tends to complement the flavor. She also endorses adding a fatty element. "Wrapping a game meat in bacon balances the leanness and makes the texture less intense."

With these recipes—whether using bird or beast, cooking low-and-slow or high-and-fast—you can put these chefs' advice into action. Game on.

► Find recipes for wild boar green chili and quail with figs at wsj.com/food.

Wild boar green chile from chef Mario Viguerie of Restaurant 1858, the Broadmoor, Colorado Springs.



OFF DUTY

ON WINE LETTIE TEAGUE



Why It's Worth Getting Emotional Over Wine

WHEN HIS FRIENDS' home west of Houston was flooded in the aftermath of Hurricane Harvey, there wasn't much Houstonian Gary Wolf could do to help. He couldn't fix their damaged floors or replace their waterlogged furniture, but he could serve them a consoling dinner of good food and wine. When his friends departed a few hours later, they felt much better than when they arrived, said Mr. Wolf, a retired naval officer.

A meal and a glass of wine can't undo the ravages of a flood or hurricane, but you'll find more than mere fruit and alcohol in a bottle of wine. With every bottle shared, whether in consolation or celebration, there is the possibility of an enhanced emotional connection.

Perhaps it's a vintage of the same year that a child was born, or a wine from a place visited long ago, brought vividly to life when the bottle is uncorked. The "meaning" of a wine is entirely malleable, but when the wine is produced with passion and care, it can elicit very powerful emotions.

When I asked a few friends to share their own stories of wine and emotion, they responded with alacrity. My friend Neil, a globe-trotting traveler, described one of "the most magical nights" of his life, remembered every time he opens a certain wine. Neil and his wife, Sharon, were visiting Rioja, Spain, and stopped for lunch in a restaurant said to be a favorite of local winemakers.

They ordered a bottle by a young winemaker named Benjamin Romeo, who had once worked at Artadi, a famous Rioja estate. When the waitress informed them that Mr. Romeo was, in fact, dining nearby, introductions were made. Mr. Romeo invited Neil and Sharon to visit his village, where a festival was taking place, and offered to give them a tour of his vineyards and a tasting of his wines.

A long day and night of travel and drinking and dancing with locals ensued. Apparently the dancing was quite impressive, doubtless inspired by more than a few bottles of Rioja. Now when Neil and Sharon uncork a bottle of one of Mr. Romeo's Bodega Contador wines—which have since become quite expensive and sought-after, Neil noted—they are "immediately transported to that crazy wonderful night in La Rioja," he said.

Winemakers also have emotional connections with wines, probably more so than most people, since every vintage carries its own set of memories. For Véronique Boss-Drouhin, winemaker at the venerable Maison Joseph Drouhin in Burgundy, a particular



PEP MONTERRAT

grand cru stands out: a 1962 Chambertin Clos de Beze that she tasted when she was just 10. Ms. Boss-Drouhin can still recall the flavors and aromas of roses and spices that triggered her first wine epiphany. Indeed, this wine fueled her desire to become a winemaker, she said.

Wine collector and New York attorney Jay Hack believes wine can make a particularly meaningful gift to mark an emotional occasion. Mr. Hack not only presents newlyweds with wines from his cellars, he also gives them highly specific advice.

A meal and a glass of wine can't undo the ravages of a hurricane, but they can enhance an emotional connection.

"This is for your 10th anniversary," he instructed in a note to his niece attached to a bottle of 2006 Hospices de Beaune Corton Cuvée Docteur Peste. He added a half-joking threat: "You'd better make that far." The ever-generous Mr. Hack even adds a small wine refrigerator to his wedding gifts, to ensure that the wines are still sound after years of storage.

One wine resonated especially strongly for Mr. Hack: the 2009 Château Montrose, a Bordeaux

purchased by his uncle, who recently passed away. A prominent economist, this uncle had purchased the wine "as a reaffirmation of his longevity," according to Mr. Hack, who believes that buying wine for future consumption was what kept his uncle healthy and "at the top of his game" until he passed away recently, quite suddenly, at the age of 81.

Mr. Hack's uncle left a rather nice wine collection to be divided up among his nieces and nephews, including bottles of that 2009 Montrose. The wines will bring treasured memories to the family for years to come, Mr. Hack predicted. He figures he will drink one bottle each year as a way to remember and pay his respects to his uncle.

I also have several wines in my cellar with particular resonance—a few given to me by collector friends that I have treasured so long they might actually be over the hill by now, and a few that I purchased following especially memorable trips. I hang onto others to mark important occasions. (Note to Leah and Lou: I promise we will drink that Amarone very soon to celebrate your engagement.)

One wine I purchased recently happened to have just the right name. A few months ago, I fulfilled my long-held dream of buying a horse, a mare named Racine—which happens to be an important winemaking word, as it means "root" in French. It's also,

discovered, the name of a line of wines produced by Bruno Lafon in the Languedoc region of France.

One of the wines is a Racine Crémant de Limoux. The fact that it's a sparkling wine seems particularly apt; the fulfillment of a dream is certainly something to celebrate. Made in conjunction with Philippe Collin, it's a blend of Chardonnay, Pinot Noir and Chenin made in the méthode Champenoise (Champagne method), and it's quite good. When I served the wine to my friends and explained the connection, they were pleased not only to hear about the horse but perhaps even more so by the taste of the wine.

The best example of the emotional power of wine may be another story from Houston, where wine director Chris Poldoian, of Camerata at Paulie's wine bar, and wine collector and restaurateur Raj Natarajan, Jr., owner of the Durham House, teamed up with some friends to create Wine Above Water. The fundraising event and wine auction raised money for restaurant and wine professionals whose lives had been upended by Hurricane Harvey. These people lost their homes, their cars and in many cases their livelihoods, according to Mr. Natarajan.

The fundraising tasting took place at Camerata at Paulie's on Sept. 24th and cost \$100 per person; the partners raised \$11,600 via ticket sales and \$10,000 in cash donations the night of the

event. An online auction of wine and other items will run until Oct. 22 at wineabovewater.com/auction. Mr. Natarajan and his fellow collectors and wine professionals all donated bottles from their own cellars as well as tasting dinners and events.

"We got a lot of calls from winemakers, wine distributors. A lot of people really came out of the blue who wanted to help," said Mr. Natarajan, who marveled at the outpouring. He donated, among others, four bottles of the 2007 Domaine Huet Clos du Bourg Vouvray, a wine that has great personal resonance for him. "It was the first wine that gave me a real sense of place, and a vintage that made me love wine," he said.

Mr. Natarajan acknowledged that their ongoing fundraising efforts wouldn't begin to meet the overwhelming need for aid in the wake of such a disaster. And we both expressed hope that similar efforts might be organized on behalf of those dealing with tragic losses in Puerto Rico and Las Vegas.

While wine alone certainly can't offset the enormous challenges and the heartbreak in these places, there is consolation to be found in even the smallest of gestures. As Mr. Natarajan observed, "The power of wine is that even if you are in a terrible situation, you can have a moment of pleasure. And there is power in pleasure. There is power in joy."

► Email Lettie at wine@wsj.com.

SLOW FOOD FAST SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Apple and Pear Fall Slaw With Hazelnuts and Blue Cheese



The Chef
Erin French

Her Restaurant

The Lost Kitchen,

in Freedom, Maine

What She's Known For

Making her tiny town a dining destination.

Forthright New England cooking punctuated with fresh surprises.

NOT QUITE FIVE years ago, Erin French thought she'd lost everything. In a bitter divorce, she took on a custody battle and let go of her first restaurant and all her savings. With debts mounting, she moved in with her parents in the tiny town of Freedom, in rural central Maine. Then, two years later and against all odds, she turned an old gristmill in town into her second restaurant.

"I borrowed from friends and made the tables and napkins myself," she said. An air-conditioning unit was repurposed to create a makeshift walk-in refrigerator. Fortunately, she had held on to one thing from her old restaurant: a client email list. "I sent out a blast and let people know what was going on," she said. "We've been full ever since."

It's easy to see why her fans were hungry for more of Ms. French's cook-

ing. Her dishes are both pretty and robust, subtly elevated with a sprinkle of lavender here, a drizzle of honey there. "I cook food I want to eat and it changes every day," she said.

This fall-fruit slaw, Ms. French's first Slow Food Fast contribution, seizes on what's coming into season now. "Nature has a way of giving us ingredients that go together at the same time," she said. Sliced apples and pears mingle with cabbage and radicchio in a crunchy combination of sweet and bitter. Blue cheese, toasted hazelnuts and honey provide additional flavor and texture contrasts.

"The honey doesn't go everywhere, it just drips into pockets for a hit of sweetness," the chef said. "Then you get a nut or bit of cheese. Every forkful is different so you don't get bored."

—Kitty Greenwald

TOTAL TIME: 10 minutes SERVES: 4-6

1 small shallot, minced	cut into matchsticks	1/4 cup extra-virgin olive oil
3 tablespoons rice vinegar	3 cups shredded cabbage	1/2 pound blue cheese, crumbled
Flaky sea salt	3 cups shredded radicchio	1/2 cup toasted hazelnuts, roughly chopped
2 crisp apples, cored and cut into matchsticks	3 teaspoons fresh thyme leaves	2 tablespoons honey
2 firm pears, cored and		

1. In a small bowl, whisk together shallots, rice vinegar and a pinch of salt. Let shallots macerate until lightly pickled, about 10 minutes.

2. Meanwhile, in a large bowl, toss together

apples, pears, cabbage, radicchio and thyme. Toss in pickled shallots along with pickling vinegar and olive oil. Sprinkle blue cheese and hazelnuts over slaw. Drizzle honey over top. Season to taste with salt.



A NEW LEAF Radicchio's pleasantly bitter edge adds oomph to this autumnal slaw.

BRYAN GARDNER FOR THE WALL STREET JOURNAL, FOOD STYLING BY HEATHER MELDRUM, PROP STYLING BY VANESSA VAQUEZ; ILLUSTRATION BY MICHAEL HOEWELE

OFF DUTY



WHAT'S THE HURRY?

The Mercedes-AMG GT R is a two-seat, front engine-rear drive coupe that can reach speeds up to 198 mph.

MERCEDES-BENZ

RUMBLE SEAT DAN NEIL



2018 Mercedes-AMG GT R: Fast and Easy

YOUR VICARIOUS encounter with the 2018 Mercedes-AMG GT R today will include 15 hot, messy laps around the baffling Bilster Berg, a private race circuit in the monied heart of northern Germany. This is where the *grossen Kinder zum Speilen kommen*.

But we begin with what might seem like dull items in this \$157,995 bucket of parts: the engine mounts.

It's remarkable that this bewinged phallus of an automobile—with 577 hp under its goodly hood and its corners awash in high-speed rubber—would be defined by its engine mounts. Yet it could be argued the GT R is merely an engine mount life-support system. Actually, they should have just called it the Mercedes-AMG Engine Mount.

You see, luxury-performance automakers have a problem: Their cars keep getting faster but their clients don't get any more talented. Mercedes-AMG—the company's high-performance subbrand—calls the GT R a "racing car approved for use on public roads," but it's really the other way around. This is first a road car—and fairly zaftig, at that (3,594 pounds)—upholstered to the gills, loaded with A/C and surround-sound, and sitting on DOT-approved tires.

But with a top speed of 198 mph, and capable of +1g lateral acceleration (cornering) and +1g of longitudinal deceleration (braking), this Cars and Coffee celebrity is as quick as purpose-built sports racers of a decade ago.

The growing disparity between man and machine has given rise to what engineers discreetly refer to as CPT, "client preservation technology"—designed to make cars not faster but more controllable, more forgiving, less crashy-crashy, at or even over their dynamic limits. I also like to think of it as

Hand-of-God technology, whose divine interventions are yet so subtle that the driver comes to believe he's the genius.

The GT R is chock-full of CPT. And as I gamely chased racing master Bernd Schneider around Bilster Berg's 2.6-mile roller coaster at speeds approaching 150 mph, I was grateful for all of it. Bless me father, for I have missed my braking point.

Which brings us to the mounts. Under its skin, the GT R is built like a barbell, with the biturbo 4.0-liter V8 up front and 7-speed dual-clutch transaxle in the rear. They are connected by a torque tube about 10 inches in diameter and 5.6 feet long,

With 577 horsepower under its hood, the GT R is empowering. I got out feeling 10 feet tall and ready to eat an elk.

inside which thrives the carbon-fiber drive shaft. When the GT R snarls out of a corner at wide-open throttle, or whipsaws through high-speed esses, or plunges deep into a braking zone with its rotors aglow, this assembly would very much like to wrench itself free of the car.

Here's where the GT R's four computer-controlled mounts come in. These moorings are dynamic, which is to say, they can vary their elasticity/stiffness by the millisecond; and they are independently actuated. This allows them to coordinate in real time to null out and contain the unit's own inertial forces, including the engine-twisting caused by crankshaft torque (also called "shaft jacking," but I wouldn't).

A pro like Herr Schneider doesn't

need such sops. He has the reflexes and the hand-speed to catch a car convulsing on the brink of control. But for mere mortals and out-of-practice journalists, even these small force vectors can make a car feel spook.

Yet quelling them is eerie too. The GT R's mounts mute a lot of sense-data that otherwise would be pouring into the driver's position. The first impression is one of grim-forged solidity, like shaking hands with an anvil. But out in the asphalt maze, this tech imparts a weirdly incomputable calmness, even casualness, to the frame of a mega-fast sports car in the throes of ecstasy.

On their own, the dynamic mounts will not save you. They are more confidence-builders. The GT R's rear-axle steering system makes a more specific contribution to drivability at the limit. Below 62 mph, the rear wheels turn opposite the front. The initial turn-in, the bite, is strong with this one. The steering feel is heavy, sensitive, and full of authority. Yeah, boy.

Above 62 mph, the rear wheels rage in phase. With the 13.2-inch-wide Michelin casters left and right with up to 1.5 degrees of steering angle, the GT R rips fast sweepers a new one. Bounding over Bilster Berg's backside, the tires were singing, the wishbone-over-coilover suspension was pumping, and I was frequently sawing at the wheel trying to keep up. Herr Schneider was not waiting. Yet the GT R remained locked down, obediently following its girthy nose.

Would a skilled racer like Herr Schneider be just as fast, maybe faster, without the rear-steer complication? Almost certainly. But a tenderfoot like me could never hustle so.

More CPT: The latest Mercedes-AMG traction control system pro-

vides nine thresholds for anti-wheelspin intervention, like a MotoGP bike. It's a teaching tool: As clients gain confidence they can dial back the intervention to nothing, using the rotary controller in the center console.

Also on the list, the electromechanically locking, limited-slip rear differential. The e-diff does represent an added mechanical advantage; but on the circuit it's hard to know if it's the added grunt to the ground or the extra confidence that makes the GT R go faster. Personally, I got out of the car feeling 10 feet tall and ready to eat an elk.

Under that broad-beam rear end—57 millimeters wider than the standard GT—the GT R's lower alu-

minum wishbones feature spherical steel bearings. Love them. The bearings eliminate deflections in rear toe-in and camber that can make a car feel squirrelly under hard braking. These pretty much kill the squirrel.

The hand-built engine is also what you'd call nice. With its biturbo assembly nestled in the fiery bosom of the V8 cylinder heads, the GT R generates 516 lb ft of torque from 1,900-5,500 rpm, accompanied by a guttural war cry and crisp, crumpling upshifts. Dry-sump lubrication, too, to avoid oil starvation at high lateral loads and to lower the car's center of gravity.

It all makes the GT R a heinously fast car, easy to drive fast.



2018 MERCEDES-AMG GT R

Base price \$157,995

Powetrain twin-turbocharged 4.0-liter direct-injection DOHC V8 with active exhaust; seven-speed dual clutch

real transaxle with electronically locking rear limited-slip differential; five

drive modes.

Power/weight 577 hp @ 6,250

rpm/3,594 pounds

Torque 516 lb.-ft at 1,900-5,500 rpm

Length/width/height/wheelbase 179.0/79.0/50.6/103.5 inches

Tires 285/30 R19; 335/25 R20

0-62 mph 3.5 seconds

Top Speed 198 mph

EPA fuel economy 17 mpg combined

BOOKSHELF

A FALL READING LIST FOR GEEKS AND GEARHEADS

How to come up with great tech ideas, harness tech for the future or—temptation alert—avoid tech almost entirely

'The Runaway Species: How Human Creativity Remakes the World'

By Anthony Brandt & David Eagleman

Elevator pitch The authors look at art and science together to examine how innovations—from Picasso's initially offensive paintings to Steve Jobs's startling iPhone—build on what already exists and rely on three brain op-

erations: bending, breaking and blending. This manifesto of sorts shows how both disciplines foster creativity.

Very brief excerpt "Your brain is running its creative software under the hood all the time."

Surprising factoid In 1969, Bradford Phillips patented the folding umbrella, the design most of us use today. Inventors looking to one-up it persist however. The U.S. Patent office receives so many patent applications for umbrellas, it must employ four full-time examiners to indefatigably evaluate them.



'WTF: What's the Future and Why It's Up To Us'

By Tim O'Reilly

Elevator pitch Humans are at a crossroads. Income inequality has shifted power from nation states to a new global elite while technology continues to render ordinary jobs obsolete. But it doesn't have to be this way. How we choose to use technology and the impact it has on society is up to us.

Very brief excerpt "Might it not be the case that in a world where routine cognitive tasks are commoditized by artificial intelligence, it is the human touch that will become more valuable, the source of competitive advantage?"

Surprising factoid Bar-code data from U.S. sales reveals that from 2004 to 2013, the variety of products targeting high-income households increased, and that existing goods aimed at those households were less affected by inflation than goods targeting the poor.



'A Year in the Wilderness: Bearing Witness in the Boundary Waters'

By Amy and Dave Freeman

Elevator pitch The Freemans take readers along as they spend a year in the great outdoors canoeing and dogsledding through Minnesota's Boundary Waters Canoe Area Wilderness (BWCAN). Warning: They blog.

Very brief excerpt "Maybe it's best that the camera can't capture the cool moist air soothing trail-worn muscles or the sound of swans skimming the treetops and disappearing into the fog."

Surprising factoid The last person to live in the BWCAN was Dorothy Molter, a former local resort owner who started brewing root beer for canoeists and became known as the Root Beer Lady before she passed away in 1986. —Lane Florsheim

MANSION

HOMES | MARKETS | PEOPLE | UPKEEP | VALUES | NEIGHBORHOODS | REDOS | SALES | FIXTURES | BROKERS

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THE WALL STREET JOURNAL.

'No one is ever satisfied where he is....Only the children know what they're looking for....'
—Antoine de Saint-Exupéry,
'The Little Prince'

Friday - Sunday, October 6 - 8, 2017 | W9

The Amazon CEO's Prime Properties

Jeff Bezos owns multiple homes on the coasts and a ranch with over 300,000 acres in Texas. In choosing a site for a second HQ, will he seek a location close to home?



Washington, D.C.



BUYING HISTORY With an overall net worth reportedly over \$80 billion, Jeff Bezos, top left, can put a lot of homes on his wish list. In New York, he paid roughly \$12.95 million for four apartments in a building called the Century at 25 Central Park West, above. Last year he paid \$23 million for the former Textile Museum in Washington's Kalorama neighborhood, left, and is having it renovated.

BY NANCY KEATES

AS THE WORLD WAITS to see where Amazon locates its second headquarters, one clue might lie in the rule of thumb of second-home buying: Pick a location that's not too far from home. In the case of Amazon chief Jeff Bezos, that's still a pretty wide field.

Mr. Bezos has a number of homes across the U.S. and is currently the country's 25th-largest landowner, according to the Land Report, a publication that tracks land ownership in the U.S. Properties include several homes on over 10 acres of land on the shores of Lake Washington in Medina, Wash.; two neighboring houses in Beverly Hills, Calif.; a former museum in Washington, D.C.; four linked apartments in a landmark Art Deco tower on Manhattan's Central Park West; and over 300,000 acres in West Texas.

Amazon's wish list for what it's calling HQ2 includes a location near a metropolitan area, within 45 minutes of an international airport, a stable and business-friendly environment and an "overall high quality of life" with a diverse population and excellent institutions of higher education.

Please turn to page W12

HELSINKI IS HEADING HIGHER

The Finnish capital's real-estate market is on its way to a banner year, with buyers set to scoop up a record number of high-end homes; a new 35-story tower topped with luxury units; historic buildings get makeovers.



FINLAND'S FINEST Kruunuhaka, a waterfront neighborhood in the heart of the Finnish capital, is known for its high-end apartments.

BY J.S. MARCUS

HELSDINKI ENTREPRENEUR Mika Sulin has a prime view of his hometown's shipping lanes from the living room of

his seaside villa, so he figured something was afoot as he watched sea traffic begin to increase markedly over the past year.

Mindful of Finland's rebounding economy and buoy-

ant residential market, he is taking the opportunity to sell his home. Mr. Sulin, 58, and his wife bought their roughly 1-acre property in 2005 for about \$880,000, then spent an additional \$646,000 on a

grand upgrade. They converted a three-bedroom, 1960s bungalow into their four-bedroom, two-story villa, and added an outdoor pool and waterfront pavilion with a sauna. He is listing the

property for \$2.6 million.

The couple plan to relocate to a 1,100-square-foot apartment on an upper floor of a new 35-story tower now under construction that,

Please turn to page W10

HOUSE OF THE DAY
wsj.com/houseoftheday



New York
A townhouse with historic details



New Canaan, Conn.
A Georgian-style home with elaborate grounds



Mooresville, N.C.
Lake Norman home heads to auction

CLOCKWISE FROM TOP LEFT: BLUE ORIGIN/ZUMA PRESS; ANGELA OWENS/WSJ; FARRAH SKEKY FOR THE WALL STREET JOURNAL

Douglas Elliman

Steve Rossi

Harrison Architecture

MANSION

HELSINKI IS HEADING HIGHER

Continued from page W9

when completed in 2019, is set to be Finland's tallest residential building. Part of a planned waterfront complex with eight skyscrapers, the tower has average prices of \$763 a square foot, with luxury units clustered on the upper levels listed for as much as double that figure. On the top floor, two 1,400-square-foot units are selling for \$2.35 million each. Residents will have concierge service.

Helsinki may be settling in for another long winter, but there is a new spring in the step of the Finnish capital's real-estate market.

With an economy that had long lagged behind its Nordic neighbors, Finland is now in full recovery mode, with 2017 growth rate forecasts running as high as 3%. This year is on track to have the highest annual number of homes sold at or above 1 million euros in the so-called capital region, an area with a population of about 1.1 million over four municipalities, says Jukka Malila, managing director of the Central Federation of Finnish Real Estate Agencies.

Mr. Sulin lives at the eastern edge of Helsinki—which has a population of nearly 650,000—but the market for luxury homes extends in all directions along the metropolitan area's jagged coastline.

Helsinki's golden age dates back to the 19th century, when it was the Russian Empire's prosperous gateway to the West. Marked by a neoclassical splendor reminiscent of St. Petersburg, the city visually reinvented itself at the beginning of the 20th century with a distinct variation on Art Nouveau, then again remade itself as a

minimalist redoubt

following the rise of Alvar Aalto, the Finnish architect and designer who helped launch Nordic modernism starting in the late 1920s.

Today, buyers are looking in hipster Kallio, a once shabby area north of the city center now known for its nightlife as well as for its rising real-estate prices. But luxury apartments are still concentrated in the heart of the city, a peninsula marked by 19th- and early-20th-century low-rise buildings. Buyers can choose from among the Art Nouveau-era refurbishments in walking distance from a new thriving restaurant scene.

Buyers can choose from among the Art Nouveau-era refurbishments in walking distance from a new thriving restaurant scene.

\$1,100 a square foot. On Merikatu, a prestigious street that connects the two neighborhoods, a 1,500-square-foot apartment—with two bedrooms, two bathrooms, parquet floors and sea views—is on the market for \$2.7 million.

The capital region includes hundreds of islands. A few, just west of the historic center and reachable by bridge, have sought-after lavish waterfront villas. On Kaskisaari island, a 4,000-square-foot, four-bedroom villa with its own pier is on the market for \$5.8 million. Espoo, a capital-region city just west of Helsinki proper, is known for its late-20th-century villas. Espoo's Westend section, along with the island of Kulosaari, have Finland's highest concentration of high-end houses, says real-estate agent Matias von Schantz.

Professional hockey player Sean Bergenheim grew up in Westend, then spent more than a decade playing in America's National

Hockey League, including for the New York Islanders and the Florida Panthers.

In 2007, Mr. Bergenheim, now 33, bought his Westend childhood home from his parents for about \$1.1 million, and recently spent several hundred thousand to upgrade it for his own family, including his wife, Vilma, 34, and their son, Tyson, 5. Now splitting their time between Gothenburg, Sweden—where Mr. Bergenheim plays in Sweden's professional hockey league—Finland and Florida, the couple has decided to move into an Art Nouveau building in the center of Helsinki. They have put the 3,500-square-foot family home in Espoo on the market for \$1.8 million.

In Helsinki proper, not far from

the Bergenehm's new building, Cisco executive Essi Kurjenmäki, 33, and her husband have just completed their own refurbishment, converting a dilapidated 1,000-square-foot attic space in a landmark Art Nouveau building into a two-bedroom, two-bathroom apartment, with a new Nordic interior from Mr. Saukkonen. The couple paid \$587,000 for the space, which didn't even come with a working kitchen, and then another \$235,000 on the refurbishment.

Nearby, renovated Art Nouveau apartments of a similar size are priced close to a million euros. A short walk away, Anders Planting, 62, a Helsinki property developer, and Carolina Ramstedt, a 47-year-old office manager, are

ready to move from their own recently renovated home. In 2013, Mr. Planting paid \$2.29 million for the triplex attic conversion, which dates to the 1990s, then spent about \$610,000 on a makeover.

They kept some existing elements, such as a custom fireplace, but changed the layout to accommodate their family, which includes Ms. Ramstedt's daughter, Claudia, now 15, and the couple's son, Axel, 8. They turned the original kitchen into a third bedroom, created an open-plan cooking area and added six windows, giving them views of Helsinki's neoclassical cathedral.

The three-bedroom, three-bathroom, 3,500-square-foot apartment sits atop an Art Nouveau building. The list price is \$3.76 million.



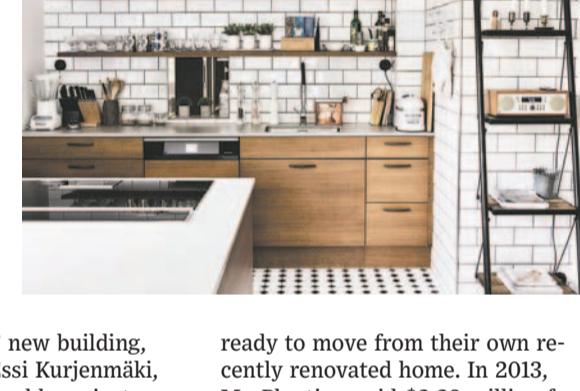
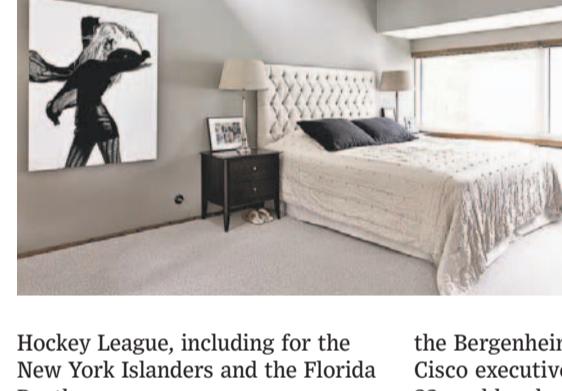
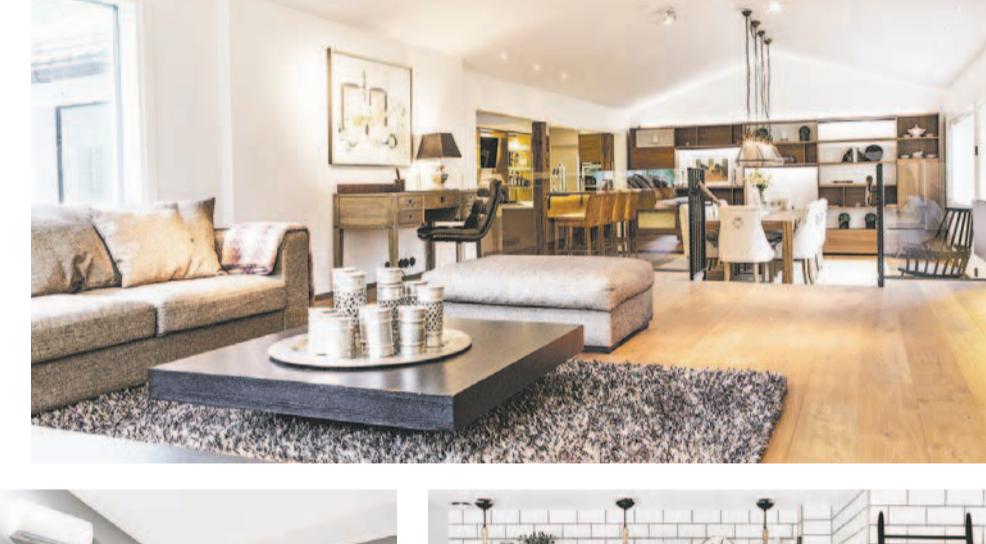
\$3.76 MILLION Carolina Ramstedt and Anders Planting in the home Mr. Planting bought in Helsinki's center in 2013. The couple renovated the three-bedroom triplex, but kept the existing, custom fireplace, above right. They are now selling the home, and plan to buy a smaller unit in the same building, top right.

configured to have a master suite with a bedroom-size walk-in closet, and one of the two full bathrooms will have a sauna. It is a short walk from Esplanadi, an elegant park-lined boulevard.

Mr. Waaralina and his wife want to be in what he calls "the dead center" of the capital. Teemu Saukkonen, Mr. Waaralina's interior architect, says high-end Helsinki renovations can run well into seven figures. He is currently working on a \$7 million renovation of a villa

dating to the late 19th century, located in Eira, at the southern tip of Helsinki's inner peninsula, characterized by tree-lined streets and old-money denizens.

In both Eira and nearby Ullanlinna, Helsinki's diplomatic quarter, apartment prices typically exceed



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RELATIVE VALUES

HOMES FOR SALE WITH DELICIOUS KITCHENS

Three luxury residences on the market in California, Texas and Arizona that have standout kitchens



\$40 million

Dana Point, Calif.

Six bedrooms, 11 bathrooms



\$8.75 million

Austin, Texas

Six bedrooms, four full bathrooms, two half-baths



\$16.95 million

Paradise Valley, Ariz.

Six bedrooms, 13 bathrooms

FROM LEFT: STANFIELD REAL ESTATE; CHRIS DIAZ

The kitchen in this ocean-view home has fixtures by Dornbracht, and LaCornue, Miele and Viking appliances, along with Calacatta marble. Glass walls overlook Dana Strands Beach. The 13,216-square-foot home has pools, hot tubs, a spa room with a sauna, a home theater and a golf simulator. Agents: Sean Stanfield, Stanfield Real Estate/HOM Sotheby's International Realty; Andrea Gilbert, Pacific Sotheby's International Realty

This 9,200-square-foot home is on about 5 acres. The chef's kitchen has Caesarstone quartz countertops, commercial appliances and eucalyptus cabinets. The home features five gas fireplaces, a custom-designed pool, a home theater, a tennis court with "vintage stadium seating," a 1-acre stocked pond, a boat house with slip and a tree house that sleeps three. Agent: Kathryn Scarborough, Engel & Völkers Austin

STEVEN THOMPSON

The 25,851-square-foot home overlooks Camelback Mountain in the desert near Phoenix. The main kitchen (of three) has Wolf, Miele and Sub-Zero appliances, plus three sinks, three ovens, warming drawers, a wine cooler and a 20-foot serving bar with Tortuga granite. The pantry is 25 feet with a marble top. Agent: Johnathon de Young, Russ Lyon Sotheby's International Realty

—Stacey Alther

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CÔTE D'AZUR, FRANCE
Villa Salmanazar - A Provencal-style dream with chic Saint-Tropez flair, amid privacy and seclusion in the hills of Ramatuelle. €19.9M. Eric Raphaël.
eric@michaelzingraf.com

Michael Zingraf Real Estate +33 (0)4 94 97 97 97



NEWPORT, RHODE ISLAND
Ker Arvor is an exceptional 9.1-acre estate off Ocean Drive inspired by the hunting lodge of La Lanterne (1787) at Versailles. \$12M. Kate Leonard. Web ID: 1154381
kate.leonard@ladelman.com

Lila Delman Real Estate +1 401 848 2101



MAHWAH, NEW JERSEY
Darlington, an architectural masterpiece within 25 miles of NYC. 50,000 sq. ft. of spectacular living space on over 12 acres. Price upon request. Sonja Cullaro.
+1 201 675 5799

Special Properties Real Estates Services, LLC



SAPPHIRE, NORTH CAROLINA
90 acres w/ multiple home sites located atop Cow Rock Ridge & part of Lonesome Valley development. \$6.495M. John Kent. Web ID: 3300153
+1 864 784 9918

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KAILUA-KONA, HAWAII
Big Island Estate - 90-acre estate on slopes of majestic Hualalai with expansive views of world-famous Kona coast. \$14.5M. Carrie Nicholson, R(B), BIC.
+1 808 896 9749 · carrie@hawaiilife.com

Hawaii Life Real Estate Brokers



LAKE FOREST, ILLINOIS
Built in 1916 by estate architect Harrie T Lindeberg, this Norman-style home, situated on 8.5 acres, is where dreams are made for generations. Price upon request. Rachael Mann +1 312 401 9588

CONLON: A Real Estate Company



BANGKOK, THAILAND
Prestigious Bangkok location. Beaux Arts-style building w/modern amenities and classic design. 3-bed, 4-bath, 251 sqm duplex. US\$5.1M. Tim Skevington.
tim@richmonts.com

Richmont's +66 80 598 7111



CHARLOTTE, NORTH CAROLINA
French Country estate nestled among gardens and situated on 5 wooded acres. Lisa McCrossan +1 704 620 0328 \$4.25M.
Reed Jackson. Web ID: 3299035
+1 704 713 3623

Ivester Jackson Distinctive Properties



TANGIER, MOROCCO
Villa Putman - Overlooks the Mediterranean Sea from a cliff above the Strait of Gibraltar. Sea-view terraces from all six levels. 6,200 sqm floor plan. €6M.
Marc Leon

Kensington Luxury Properties +212 524 422 229



WILTSHIRE, UNITED KINGDOM
A charming and immaculate Grade II listed house set in 27 acres of beautiful grounds. £3.95M. Edward Lucas.
+44 (0) 20 7318 5190

Strutt & Parker



DUPONT CIRCLE, WASHINGTON, D.C.
Rare, contemporary, bright, open floor-plan townhouse near Metro. 3-bed, 3.5-bath, 3,100 sq. ft. 2 parking spaces. \$2.75M.
Bob Mathew. Web ID: DC9963919
+1 202 902 9828 bobm@lnf.com

Long & Foster Real Estate, Inc.



DENVER, NORTH CAROLINA
Located on a private gated island. Unparalleled panoramic main channel view. Laura Pegrasm +1 704 728 5122 \$2.425M.
Lori Ivester Jackson. Web ID: 3240993
+1 704 996 5686

Ivester Jackson Distinctive Properties



FORT WORTH, TEXAS
The Baldridge House - One of Texas' prized architectural treasures. Possesses an artful balance of historic elegance and modern amenities. \$7.95M.
Rick Wegman +1 817 882 6450

Giordano, Wegman, Walsh and Associates



COOPERSTOWN, NEW YORK
The Lake House - Beautifully situated estate with direct lake frontage and access. First class education options. Short walking distance to downtown. \$3.25M.
Kathleen Coumou +1 212 468 7140

Christie's International Real Estate



LIGONIER AREA, PENNSYLVANIA
Galaxie Farm, a magnificent 504-acre equestrian estate. Fully renovated equine facility with 15 stalls. \$6.75M. Kathleen Coumou +1 212 468 7140.
kcoumou@christies.com

Christie's International Real Estate



KYOTO, JAPAN
Premium hotel-style living in the Four Seasons Hotel Residences Kyoto situated on over 20,000 sqm in the ancient capital. Price upon request. Sonny Saito.
info@jcrealty.jp

Japan Capital Realty, Inc. +81 3 5404 8570



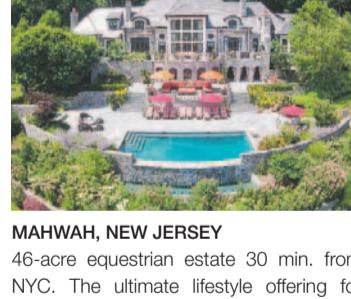
QUEBEC, CANADA
Westmount Estate - Located on the exclusive Clarke Ave Circle, this grand chateau is ideal for a large family and entertaining. C\$8,000,800.
Brian K. Grant and Vivian Grant

Profusion Realty Inc. +1 514 935 3337



NEW YORK TRI-STATE AREA, USA
Discovery Manor - Palatial 25,000 sq. ft. resort-style manor and family compound on 160 acres with 7 en suite bedrooms. Wine cellar, theater, gym, and pool. \$35M.
Kathleen Coumou +1 212 468 7140

Christie's International Real Estate



MAHWAH, NEW JERSEY
46-acre equestrian estate 30 min. from NYC. The ultimate lifestyle offering for equestrians and sports enthusiasts. Indoor riding arena. Price upon request.
Vicki Gaily +1 201 390 5880

Special Properties div. of Brook Hollow Group



LIGONIER, PENNSYLVANIA
Hidden Meadow Farm - Equestrian's dream. 17,500 sq. ft. manor on 133 acres. Conservatory, wine cellar/tasting room, saltwater pool, and more. \$5.75M.
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Christie's International Real Estate



WILSON, WYOMING
Aspensong is Jackson Hole's most distinctive contemporary residence on 35 private acres in Crescent H Ranch. \$16.95M.
The NeVille Group.
+1 307 690 3209 · tng@jhrea.com

Jackson Hole Real Estate Associates



NEW YORK, NEW YORK
785 Fifth Avenue - Phillip Johnson-designed Upper East Side corner apartment with unobstructed views of Central Park and iconic buildings. \$9.9M.
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Christie's International Real Estate



SAN JUAN CAPISTRANO, CALIFORNIA
Newly constructed estate on 6+ equestrian-zoned acres with panoramic views from all 3 floors. 14,000 sq. ft. main home. 8 minutes to the beach. \$9.95M.
Rich Encinas · rjencinas@cox.net

First Team Estates +1 949 240 7979



DIAMOND BAR, CALIFORNIA
This exquisite French-style estate enjoys 12,000+ sq. ft. of living space with spectacular views from the gated enclave known as The Country. \$8M.
Zackary Wright +1 310 385 2690

Christie's International Real Estate



TUSCANY, ITALY
Magnificent Tuscan estate in Chianti Classico. 30 minute drive from Florence. Formal gardens; 3 pools. 2 private villas and several apartments. €12.7M.
Riccardo Romolini. riccardo@romolini.com

Agenzia Romolini Immobiliare +39 335 6960 513



KILAUEA, HAWAII
Perched on a bluff above secluded Secret Beach with a 3 bedroom, 3.5 bathroom home, elevated, 28+ acre estate. \$29.5M.
Zackary Wright +1 310 385 2690

Christie's International Real Estate



ANGUILLA, BRITISH WEST INDIES
Cerulean Villa - Considered one of the most luxurious and exclusive beachfront properties in the Caribbean. Set amidst tranquil landscaped gardens. \$20M.
Rick Moeser +1 561 805 7327

Christie's International Real Estate



YUCATAN, MEXICO
Hacienda San Bernardo - Combining comforts and luxury of the modern era with the charm and elegance of the golden age. \$12M.
Rick Moeser +1 561 805 7327

Christie's International Real Estate

MANSION

THE AMAZON CEO'S PRIME PROPERTIES



West Texas

Continued from page W9
education.

Here's a snapshot of Mr. Bezos's properties, along with the nearby areas vying to be Amazon's second home. Mr. Bezos declined to comment on his property holdings.

BEVERLY HILLS, CALIF.

In July, Mr. Bezos, who has four children with his wife, MacKenzie, a writer, bought a circa-1956, 4,568-square-foot, four-bedroom contemporary home with a swimming pool on half an acre for \$12.9 million.

That would be an unremarkable purchase relative to his overall \$80 billion net worth, according to Forbes, which tracks the world's wealthiest people. But the transaction created a compound for the Amazon czar.

The new house is located right next door to the 11,891-square-foot, seven-bedroom, seven-bathroom mansion he bought in 2007 for \$24.45 million, advertised at the time as having a "rolling lawn, formal garden, long gated drive, sunken tennis court, soaring beam ceilings, extraordinary tile detail, fabulous master, huge pool, sensational kitchen, separate guest-house, six-car garage, huge motor court, most prestigious north of Sunset location."

The street is legendary, once home to stars including Jimmy Stewart, Walter Matthau and Donna Reed, according to news reports. A 28,000-square-foot spec house down the road is currently for sale for \$80 million.

In December, Mr. Bezos held a big bash at his house to celebrate the release of "Manchester by the Sea," produced by Amazon Studios, an entertainment division of the company. On hand were high-profile guests like Matt Damon, Casey Affleck, Michelle Williams, Faye Dunaway and Diane Keaton.

Still, neighbors say Mr. Bezos doesn't seem to be home very often. Jane Semel, an ophthalmologist whose father's house is located between Mr. Bezos's two houses, says her family has never met Mr. Bezos. "Never hear a peep," she said in an email. She describes the neighborhood as a quiet cul-de-sac where homeowners tend to keep to themselves.

Los Angeles has already confirmed it's bidding to be the home of Amazon's HQ2. Mayor Eric Garcetti called it "an environment that nurtures growth and innovation." Amazon already owns an 85,000-square-foot production facility in Santa Monica, Calif. Irvine, in Orange County, also announced it is bidding.

WASHINGTON, D.C.

When the former Textile Museum in Washington's Kalorama neighborhood sold for \$19 million in 2015, the locals feared it might be turned into condos. That's why news that Mr. Bezos bought it as a private residence last October for \$23 million (\$1 million over its list price) was greeted with joy at a meeting of the local neighborhood advisory commission. Architect Ankie Barnes, whose firm was hired to renovate the building, said the new owner intended it to be a private home. (Because of a non-disclosure agreement, he didn't identify Mr. Bezos.) "They're a re-



NEW FRONTIER A Blue Origin test launch in 2016, top, near Van Horn, Texas, where Mr. Bezos owns the Corn Ranch. Above, Mr. Bezos in Colorado at a space symposium in April.

ally nice family and they absolutely love it," he told the commission.

The former museum—originally two historic mansions that had been connected—features Georgian-style architecture, massive wood-paneled rooms with fireplaces, marble flooring and lush gardens. The two structures measure 27,000 square feet and include 10 bedrooms and 11 bathrooms.

Work has already begun on the renovation, which is supposed to be finished by December 2018. Mr. Barnes told the commission there will be only one major change: the addition of a limestone and glass garden room on the back of the property with French doors and two curved staircases. The one-bedroom caretaker's house, which is above a garage, will be renovated, too, he said.

Neighbors include Barack and Michelle Obama, who bought an eight-bedroom, 9½-bath home for \$8.1 million in May, and Ivanka Trump and Jared Kushner, who are renting a six-bedroom home from a Chilean billionaire who bought it for \$5.5 million in late December.

Ellen Goldstein, who sits on the neighborhood advisory commission, describes the proposed renovation as "painstaking." She jokes that neighbors are hopeful the Bezos's house will include a drone pad in back where everyone can collect groceries ordered from Whole Foods.

Mr. Bezos already has a presence in Washington. He bought the Washington Post for \$250 million in 2013.

There are expected to be at least five separate bids for Amazon's HQ2 in the capitol's metro area, including Montgomery and Prince George's counties in Maryland, Virginia's Loudoun and Arlington counties, and the District itself.

WEST TEXAS

Texas is abuzz over the prospects of Amazon's new HQ2, and Dallas, Houston and Austin are all in the running. Less known is that Mr. Bezos already owns over 300,000 acres in the state, in Culberson and Hudspeth counties, east of El Paso, according to the Land Report.

The base for Blue Origin, Amazon's burgeoning space-transportation company, is the 30,000-acre Figure 2 Ranch, about 30 miles from the town of Van Horn, Texas.

The seller, attorney Ronald Stasny, says he put "millions" into renovating the gray stucco, four-bedroom, one-story, U-shaped ranch house, originally built in the 1920s. He put a spa into the bathroom, redid the kitchen, refinished the porches and updated the tile on the floors. Mr. Stasny said Mr. Bezos called him once and told him he had videotaped the interior of the house and wanted to keep all the existing furniture, bedding and artwork when he bought the home for an undisclosed amount in 2004. Mr. Stasny describes it as having deer-antler chandeliers, ceiling fans, oak furniture, and old photos and paintings of the ranch, including horses and cattle. "Everything I put in was top quality," he says. Behind the house is a barn and a bunkhouse that sleeps 12.

In 2005 Mr. Bezos told the local newspaper, the Van Horn Advocate, that he wanted his family to get the chance to live on a ranch like he did, growing up going every summer to the Lazy G, a 25,000-acre ranch in Cotulla in South Texas, where his grandfather, Lawrence Preston Gise, had retired.

Mr. Bezos bought much of his Texas property, now called Corn Ranch, using limited-liability companies with famous explorers names like Joliet Holdings, Coronado Ventures and Cabot Enterprises—all under the name Zefram, a fictional character in the Star Trek universe, according to public records. (Mr. Bezos is said to be a lifelong fan of the series and had a cameo in the 2016 film "Star Trek Beyond.")

NEW YORK

In 1999, Mr. Bezos, under a limited-liability company called

"Jetima," bought three units at a building called the Century at 25 Central Park West in Manhattan's Lincoln Square neighborhood from then-Sony Music chief executive Tommy Mottola for \$7.65 million. In 2012 he paid \$5.3 million for an adjacent 1,725-square-foot unit, buying it from late filmmaker Otto Preminger's niece, Eve Preminger.

The 32-story Art Deco building with twin towers isn't the most glamorous structure around. It has been overshadowed by its neighbor 15 Central Park West, a newer building where British rocker Sting

square feet of commercial space across 23 different neighborhoods in all five boroughs.

MEDINA, WASH.

Mr. Bezos's neighbors in Medina, a Seattle suburb along the coast of Lake Washington, include Bill Gates and several top Microsoft executives. There are currently 22 homes for sale, priced between \$28 million for a six-bedroom, seven-bathroom, 5,330-square-foot house on 2.3 acres along the lake, and \$1.6999 million for a nondescript 1,720-square-foot, three-bedroom, two-bathroom house built in 1952.

Mr. Bezos paid \$10 million for his 5.3-acre property in 1998 that includes two residences.

One is a 20,600-square-foot, five-bedroom, four-bathroom house built in 2004 and renovated in 2012. It has a 5,460-square-foot finished basement and five fireplaces. The other is an 8,300-square-foot, five-bedroom, four-bathroom house built in 1940 and renovated in 2000.

In 2010, Mr. Bezos, under Aspen Ventures LLC, bought the property next door, a 24,000-square-foot house on 5 acres that once belonged to Peter and Sandra La Haye. Mr. La Haye, an entrepreneur, died in a plane crash in December 1999.

The Tudor-style, six-bedroom, six-bathroom mansion was listed at \$53 million in 2005, but public records don't say what the property sold for.

It's unlikely that Amazon's second headquarters would be built in Seattle. But other nearby cities vying for the headquarters are Tacoma and Everett in Washington and Portland, Ore.

Medina, Wash.



LAKE HOMES Mr. Bezos owns several homes on adjacent properties in this Seattle suburb.

Beverly Hills, Calif.



NEIGHBORS In July, Mr. Bezos bought a contemporary home for \$12.9 million next to his existing \$24.45 million home.