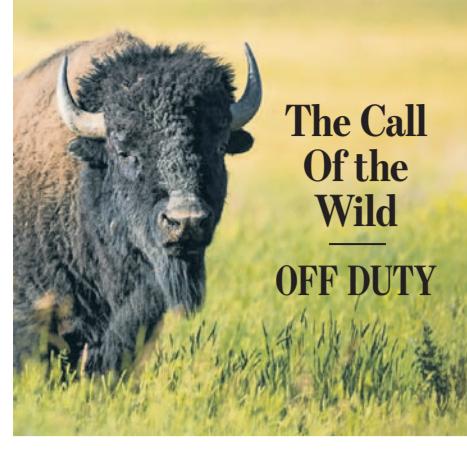




# WSJ

THE WALL STREET JOURNAL WEEKEND



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## What's News

### World-Wide

**N**egotiations between Republicans and lawyers for the woman accusing Kavanaugh of sexual assault stretched into late Friday, with both sides trying to shape terms of a hearing. **A1**

◆ **The economic cost** from Florence could be between \$38 billion and \$50 billion, according to an initial estimate by Moody's Analytics. **A1, A2**

◆ **Brexit negotiations** took a bitter turn as leaders from both sides accused the other of making unreasonable demands. **A6**

◆ **Rosenstein in spring 2017** suggested secretly recording Trump and recruiting cabinet members to remove him from office, according to memos by McCabe, assertions that Rosenstein disputed. **A3**

◆ **Trump, in a reversal,** said he no longer planned to swiftly declassify and release documents related to the Russia investigation. **A3**

◆ **A top lawyer** for the president this year sought to help pay legal fees for Manafort and Gates. **A4**

◆ **A deal to stabilize** German Chancellor Merkel's government collapsed, forcing the coalition back into talks to resolve the future of an intelligence official. **A6**

### Business & Finance

◆ **China scotched** trade talks with the U.S. that were planned for the coming days, further dimming prospects for resolving a trade battle. **A1**

◆ **Federal prosecutors** are probing whether some drug-makers potentially violated laws by providing free services to doctors and patients. **B1**

◆ **Airbnb asked the SEC** to change rules to potentially allow the online home-sharing platform to grant hosts stock while it is still private. **B1**

◆ **The Dow rose** 86.52 points, or 0.3%, to 26743.50, setting another record and capping off its strongest two-week stretch since February. **B13**

◆ **Google's CEO warned** employees in a memo Friday against letting their personal politics affect their work. **B3**

◆ **Saudi Arabia is said** to be running low on its most prized grade of crude, a development that could push oil prices higher. **B12**

◆ **The eurozone's economy** continued its slow-motion slowdown in September, as exports suffered and trade uncertainties persisted. **A6**

◆ **A U.K. agency said** that it is investigating British ties to a money-laundering scandal at Danske Bank. **B3**

**Inside**  
**INTERVIEW A11**  
Sen. Grassley  
On the Storm  
Over Kavanaugh

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A sign put up in Nichols, S.C., after the small town was devastated two years ago by Hurricane Matthew now stands in floodwaters caused by Hurricane Florence. On Friday, some rivers around the border of the Carolinas were still in major flood stages. **A2**

## Storm's Cost Nears \$50 Billion

By LESLIE SCISM  
AND ERIN AILWORTH

After a week of heavy rains and record flooding, initial estimates for the damage that Florence wrought on the Carolinas rank the storm among history's top hurricanes, but far below last year's trio of powerful cyclones.

Moody's Analytics on Friday estimated the economic cost of Florence to be between \$38 billion and \$50 billion including damage to property,

vehicle losses, and lost output. At the upper end of that range, Florence would rank seventh among the biggest storms, just after Hurricane Andrew in 1992, according to Moody's estimates.

The widespread damage, however, is lower than last year's Hurricane Harvey, which smashed into Texas and inundated the state with rain for days. Harvey's bill for the insurance industry was \$30 billion, according to Wells Fargo Securities, with its Cate-

gory 4 winds causing more severe damage than the Category 1 winds of Florence.

Based on Moody's estimates, last year's three hurricanes each caused more damage than Florence: Harvey's tally reached \$133.5 billion; Maria's \$120 billion; and Irma's \$84.2 billion.

Florence, which made landfall Sept. 14 and has claimed 41 lives in the Carolinas and Virginia, is continuing to wreak havoc. Rivers in the Carolinas are continuing to

rise, and more than 600 roads were still closed Friday in North Carolina. North Carolina Gov. Roy Cooper warned it still isn't safe for many people to return home including the 3,700 who remain in shelters.

Part of the Cape Fear River is forecast to crest Saturday while the Waccamaw River at Conway, S.C., isn't expected to crest until Tuesday or Wednesday next week, according to the National Weather

Please turn to page A2

## Star Painter's New Task: Holding On

Njideka Akunyili Crosby shot to fame in a market that pounces on favorites—then dumps them

By KELLY CROW

"Congratulations!"  
Njideka Akunyili Crosby was painting in her high-raftered studio in Los Angeles in early 2017, when she got the text from a friend. Just a few years earlier, she had been selling works for \$3,000 apiece. Now, one of her paintings had just sold at Christie's in London for \$3 million, more than six times its estimate.

It has been a jet-propelled rise to the top of the contemporary art world for Ms. Akunyili Crosby—a far cry from the small town in eastern Nigeria where she grew up. The artist, 35 years old, has since won a MacArthur "genius" grant. New York's Whitney Museum of American Art and London's Tate Modern have come calling. At least 20 public museums are on a waiting list for works she hasn't painted yet.



With works selling for millions, the artist has felt exploited, sometimes naively.

Yet when that text arrived, it made Ms. Akunyili Crosby uneasy. She'd seen what happened to others caught up in the market frenzy.

Collectors in the booming contemporary art world, the engine of the global art market, are voracious for fresh stars. They have started to throng around the handful of "it" artists who emerge in any given season. That drives prices sky high and often sets them up for a crash.

Four years ago, collectors were clamoring for abstracts by Parker Ito, another young artist. Over a matter of months, his auction prices tripled, to roughly \$94,000. Then sellers angling to profit from the attention flooded his market, and demand dropped off. Today, Mr. Ito's auction prices rarely top \$5,000. Mr. Ito declined to comment.

Buyers speculated on Sterling Ruby's spray-painted abstracts,

Please turn to page A10

## GOP, Accuser Dig In On Terms

Grassley says vote on Kavanaugh would go ahead if talks fail to resolve disagreements

WASHINGTON—Negotiations between Republicans and lawyers for the woman accusing Judge Brett Kavanaugh of sexual assault stretched into late Friday, with both sides

By Natalie Andrews,  
Kristina Peterson  
and Peter Nicholas

trying to shape terms of a hearing next week that would likely determine whether the Supreme Court nominee is confirmed.

Late Friday, there were several points of contention: the day of the week; whether Judge Kavanaugh or his accuser, California professor Christine Blasey Ford, would speak first; and whether other people would be brought in to testify and to question the witnesses.

In a statement Friday evening, Senate Judiciary Committee Chairman Chuck Grassley (R., Iowa) told Dr. Ford's attorneys that if they didn't

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◆ Memos claim Rosenstein targeted Trump in 2017 ..... A3

## China Pulls Out of Trade Talks With U.S.

By LINGLING WEI

China scotched trade talks with the U.S. that were planned for the coming days, according to people briefed on the matter, further dimming prospects for resolving a trade battle between the world's two largest economies.

The decision to pull out of the talks follows the latest escalation in trade tensions.

On Monday, President Trump announced new tariffs on \$200 billion in Chinese imports, prompting Beijing to retaliate with levies on \$60 billion in U.S. goods. Mr. Trump then vowed to further ratchet up pressure on China by kicking in tariffs on another \$257 billion of Chinese products.

Chinese officials have said they wouldn't bend to pressure tactics. By declining to participate in the talks, the people said, Beijing is following up on its pledge to avoid

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## New York Subway Officials Work on Fixing Riders

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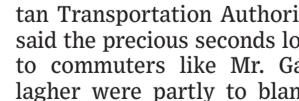
New campaign targets door-holding to reduce train delays

By PAUL BERGER

More than five million riders crowd into New York City's subway on an average workday. Officials say some of them are making everybody late.

At the 34th Street-Penn Station stop, Frank Gallagher thrust his foot between the closing doors of an uptown 2 train on a recent morning and wedged his way inside. "I made up my mind I was going to catch that train," said the 57-year-old entertainment industry union rep. "I'm five minutes late as it is."

Officials at the Metropoli-



Hurry up and wait.

tan Transportation Authority said the precious seconds lost to commuters like Mr. Gallagher were partly to blame for delays plaguing one in three subway trains. The MTA has ordered conductors to be more assertive closing doors and not allow limbs or bags to force them open.

The new policy is part of a broader push launched in August to reduce delays, in part

by training riders to stand clear of closing doors. If subway workers can shave seconds off a train's journey at intervals along its route, transit officials said, the MTA can significantly improve punctuality.

"You want reliable transit. We want to give it you," said MTA subway chief Andy Byford. "You have a part to play in this."

The New York City subway can be a daily adventure. Waterfalls cascade down stairways in storms. Ceilings drip and sometimes collapse. Elevators, when they work, seem

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## EXCHANGE



LIGHTS, CAMERA, APPLE—  
THE TECH GIANT'S  
TV BALANCING ACT

## U.S. NEWS



In a drone photo released by Duke Energy, flooding from the swollen Cape Fear River overtops a dam at the L.V. Sutton Power Plant near Wilmington, N.C.

## Flood Shuts Down Power Plant

BY KRIS MAHER  
AND ERIN AILWORTH

River flooding caused the shutdown Friday of a natural-gas plant near Wilmington, N.C., after several breaches in a cooling lake were discovered and some waste tied to the facility's past as a coal-fired plant entered waterways.

Duke Energy Corp. said Friday that the rising Cape Fear River overtopped the dam at a cooling pond next to a coal-ash landfill at its L.V. Sutton Power Plant. The plant burns natural gas after coal-fired units were retired in 2013.

The company believes the coal ash—which was about 5 feet below a steel wall at last check—is still contained, but Duke Energy spokeswoman Paige Sheehan said she couldn't rule out the possibility that coal ash was moving

into the Cape Fear River.

The company said another type of waste from burning coal to generate electricity—lightweight hollow beads of alumina and silica known as cenospheres—was entering the river, and environmental groups warned people to stay out of the affected water.

Friday's breaches came in the aftermath of Hurricane Florence, which hit North Carolina a week ago bringing record rainfall over days. Rivers are continuing to rise.

Though Florence made landfall a week ago, the process of draining away the water the storm dumped on the region is proving painfully slow.

Some rivers around the border of the Carolinas near the coast are still in major flood stages, or have yet to crest.

The Cape Fear River near the Duke Energy power plant

was forecast to crest sometime over the next few days.

Duke Energy has been in the process of moving coal ash at the Sutton power plant from ponds into a lined landfill meant to store the material permanently. Environmental groups that sued the company to install the new system have expressed concern about the risks from storms and flooding.

At a midday press conference Friday, Michael Regan, secretary of the North Carolina Department of Environmental Quality, said water from Sutton Lake had spilled over into Duke's transmission yard, prompting an evacuation there.

"What we don't know at this point is if any coal ash has filtered into the Cape Fear River," Mr. Regan said. He said the department was planning flyovers to check.

Ms. Sheehan said floodwa-

ters have submerged one of two coal-ash basins that sit next to Sutton Lake—a 1,100 acre cooling pond built to support coal plant operations. The basin is separated from the cooling pond by a steel wall that has also been submerged.

The company said water was flowing out of the south end of Sutton Lake in a second breach, and that cenospheres are leaking into the Cape Fear River.

Cape Fear Riverkeeper Kemp Burdette said he was assessing the situation on-site Friday, and called any seepage of coal ash into the river a serious concern.

"Cenospheres are coal ash, so if cenospheres are moving into the Cape Fear River, then that means coal ash is moving into the Cape Fear River," he said. If that happens, then floodwaters could be carrying metals like arsenic, boron and chromium, he said.

## Hazardous Breach

Breaches in the Lake Sutton cooling pond at Duke Energy's L.V. Sutton power plant in North Carolina are raising the possibility that coal ash from two storage basins could enter Cape Fear River.



Source: Duke Energy; Google Earth (image)

THE WALL STREET JOURNAL.

cut significantly—to under \$5 billion from a potential loss of \$20 billion," Wells Fargo analyst Elyse Greenspan said.

Assuming \$3.2 billion as the estimated industry cost, she expects big car and home insurer Allstate Corp. to post pretax catastrophe losses of \$222 million, based on its market share of about 7% in North Carolina, South Carolina and Virginia.

An Allstate spokesman said the insurer would release catastrophe figures at the end of the month. For now, the insurer is using aircraft, satellites and other technology to help size up damage and pay claims.

Much of the damage will be the responsibility of the federal government's flood-insurance program, but much also will hit people's pocketbooks directly because many homeowners don't own the policies.

"We need to do more to provide a functioning flood market," Verisk Analytics Inc. Chief Operating Officer Mark Anquillare said. Government flood maps "have been relatively narrowed as to where they've identified flood risk because there's a political influence in there. Politicians and a lot of people don't want houses in flood plains where it would potentially hurt home values."

—Jon Kamp and Ben Kesling contributed to this article.



The cleanup has begun in the historic district of New Bern, N.C., in the wake of Hurricane Florence.

level damage," the firm said.

USAA, one of the biggest insurers in the Carolinas, is up to 38,000 Florence claims. It had roughly 49,000 claims from Harvey.

Its large number of claims so far is partly because it specializes in insuring military members, analysts said. Large Army and Marine Corps installations are located in the eastern part of North Carolina, and the Carolinas also are home to many military retirees.

A spokesman for the insurance company, Richard

Johnson, said "we have just been starting to get access to the area" hardest hit.

State Farm, the biggest home insurer by market share in North Carolina, said it had received about 12,400 homeowner claims and 1,900 automobile claims in North Carolina related to Hurricane Florence as of Sept. 20. Policyholders in South Carolina, where it also is a top insurer, had filed 1,610 home and 500 auto claims.

The Federal Emergency Management Agency's flood-

insurance program has received some 8,000 claims for a program that allows policyholders to get \$5,000 of their claim without having to get a visit from an adjuster.

The current estimates for the insurance industry's bill are dramatically lower than some of the figures discussed about when Florence was spinning offshore at Category 4 wind strength.

"Since the storm weakened from a Category 4 to a Category 1 at landfall, losses for the insurance industry were

## CORRECTIONS &amp; AMPLIFICATIONS

**The Syrian regime** holds one of the areas outside of a proposed demilitarized zone in Syria. A map of the areas around the proposed zone that accompanied a World News article Friday about Syria incorrectly labeled the Syrian regime's area as "Iranian regime."

**Mazama, Wash.**, has a population of 190. A Mansion article Friday about the Methow Valley incorrectly

said the population was 970.

**High-pressure weather** systems in the Northern Hemisphere rotate in a clockwise direction. A graphic with a U.S. News article Tuesday about the aftermath of Hurricane Florence incorrectly showed high-pressure systems moving counterclockwise.

**Walt Disney Co.** in 2019 plans to launch a family-fo-

cused streaming service, drawing on Disney classics. In April it launched sports-streaming service ESPN+. A Heard on the Street column on Tuesday about Disney incorrectly said it is planning to launch two streaming services in 2019.

**Meiji Jingu Stadium** in Tokyo has a capacity of almost 32,000. An Aug. 25 Off Duty article about baseball in Japan incorrectly said 38,000.

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

## Notice to Readers

The Numbers column will return next week.

## Puerto Rico Finds Solace In Solar

BY ERIN AILWORTH AND ARIAN CAMPO-FLORES

SAN JUAN, Puerto Rico—Rafael Guzmán and Leinaí Romero spent more than four months without power after Hurricane Maria struck last September, relying on a generator to run a refrigerator, two fans and cellphone chargers. When the married couple learned in April they were having a baby, they made a pledge: "We aren't going through that again."

They installed 16 solar panels on the roof of their home in Caguas, south of San Juan, and a battery that charges during the day and allows them to run appliances and a television at night, said Mr. Guzmán, a 29-year-old accountant.

With a financing plan to cover the \$21,000 price tag, their monthly payment of \$220 is about the same as their average electric bill before the switch.

Residents and businesses in Puerto Rico increasingly are investing in renewable-energy technologies, mainly solar, to guard against power outages from the island's still-rickety electric grid. Solar-panel and battery makers like Tesla Inc., Sunrun Inc. and Sonnen are pushing into the market. As Puerto Rico seeks to wean itself off imported fuels to generate power, it is emerging as a proving ground for renewable energy.

There has been "exponential growth for the solar and storage industries in Puerto Rico," said Adam Gentner, Sonnen's director of business development and Latin American expansion.

The renewable-energy push comes as the U.S. territory's debt-ridden public power utility, the Puerto Rico Electric Power Authority, or Prepa, grapples with its future. Last year's hurricanes devastated the system. All of Prepa's nearly 1.6 million customers lost power after Hurricane Maria, and only last month did the utility announce it had restored power to all of Puerto Rico.

Even before that, the island's electric grid was vulnerable to disruptions. Its power plants are nearly 30 years older than the U.S. average and prone to outages at a rate of 12 times the national average, according to the federal Energy Information Administration.

Puerto Rico depends on imported fuels, mainly petroleum, which alone accounted for nearly half of its electricity production in the fiscal year ended June 2017, with natural gas and coal accounting for most of the remainder, according to the EIA. About 2% of the island's power came from renewable resources, including solar and wind.

Homeowners and small-and medium-size businesses are setting up solar systems to supply backup power in the event of an outage and reduce dependence on the grid. Since Maria, demand for batteries—which allow customers to store solar-generated power—has soared, said Alejandro Uriarte, chief executive of New Energy Consultants & Contractors LLC, a solar installation company in San Juan.

"We have not sold a single system without batteries after the hurricane," said Mr. Uriarte, who projects his company will reach \$20 million in sales this year, up from \$11 million last year.

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## U.S. NEWS

# Memos Claim Aide Targeted Trump in '17

BY ARUNA VISWANATHA  
AND SADIE GURMAN

Deputy Attorney General Rod Rosenstein in spring 2017 suggested secretly recording President Trump and recruiting cabinet members to remove him from office, former FBI Acting Director Andrew McCabe wrote in memos at the time, assertions that Mr. Rosenstein disputed on Friday.

One person in the room when Mr. Rosenstein mentioned secret recordings said that he was clearly sarcastic and didn't seriously consider it, according to an email from the person provided by the Justice Department on Friday.

The New York Times first reported about the matter on Friday, citing people briefed about the events and memos written by top Federal Bureau of Investigation officials, including Mr. McCabe. The existence of the McCabe memos was confirmed to The Wall Street Journal by a person familiar with them.

Mr. Rosenstein called the Times report "inaccurate and factually incorrect."

Around the time that Mr. Trump fired then-FBI Director James Comey in May 2017, Mr. Rosenstein told Mr. McCabe that he might be able to persuade top administration officials to invoke the 25th Amendment, which allows cabinet members to deem the president incapable of performing his duties, the Times reported.

In a statement, Mr. Rosenstein said, "I never pursued or authorized recording the President and any suggestion that I have ever advocated for the removal of the President is absolutely false."

The White House had no immediate comment.

At a rally Friday night in Springfield, Mo., Mr. Trump attacked the "bad ones" at the FBI and Justice Department, and claimed he had gotten rid of most of them. "There is a lingering stench, and we're going to get rid of that, too," he said, without naming anyone in particular.

Earlier in his tenure, Mr. Rosenstein had a rocky relationship with Mr. Trump, say people familiar with the mat-



Deputy Attorney General Rod Rosenstein says that reports that he sought to secretly record President Trump are 'factually incorrect.'

ter. He was a regular target of Mr. Trump's complaints about special counsel Robert Mueller's investigation into Russian interference in the 2016 presidential election and any possible collusion between Moscow and Mr. Trump's campaign.

Mr. Trump, who denies any collusion, was warned by aides in April against firing Mr. Rosenstein, according to people familiar with the matter. Mr. Rosenstein appointed Mr. Mueller as special counsel and oversees the Mueller probe.

Mr. Rosenstein led White

House officials to believe last year that he would quit over what he viewed as the administration's inaccurate depiction of his role in the firing of Mr. Comey, which led to the appointment of Mr. Mueller.

One former administration official said Mr. Rosenstein might have been in a state of "shock and disbelief" during his early exposure to Mr. Trump. This person said that it was evident from Mr. Rosenstein's demeanor that he was bewildered by the tumultuous start to the new administra-

tion, and might have told colleagues about his concerns.

But in recent months, the relationship between the two men has improved, people familiar with the matter say, as Mr. Rosenstein has regularly visited the White House and navigated sometimes-competing demands from the president and his own department.

Mr. Trump last month described his rapport with Mr. Rosenstein as "fantastic."

Despite the warmer relationship, Democrats have expressed concern that Mr.

Trump would try to remove Mr. Rosenstein, given his role overseeing the Russia probe.

A lawyer for Mr. McCabe, Michael Bromwich, said that Mr. McCabe, when he was deputy FBI director, had drafted memos to memorialize "significant discussions" with high-level officials, and had given all of them to Mr. Mueller.

"He has no knowledge of how any member of the media obtained those memos," Mr. Bromwich said.

—Peter Nicholas contributed to this article.



John Patchcoski, at home in Tampa Bay, Fla., says he was about 12 years old when he was abused by a priest in Pennsylvania in the 1970s.

## Reports of Alleged Abuse by Priests Rise

BY IAN LOVETT

Growing up in Scranton, Pa., John Patchcoski would often play kickball at the church down the street from his house. One of the priests took an interest in him and would sometimes join the games and give John gifts.

Eventually, Father Michael J. Pulicare invited John to go on a fishing trip. On that trip, he says, the priest sexually assaulted him. It was the mid-1970s, and John was around 12 years old.

"It's something that's engraved in you and will never go away," Mr. Patchcoski, 56, said.

Mr. Patchcoski is among a number of victims who have come forward following a report by the Pennsylvania attorney general last month, to allege they also were abused by Roman Catholic priests.

Though the grand-jury report, which documented the abuse of more than 1,000 children by priests in the state over more than 50 years, was the most comprehensive look yet at sexual abuse within the U.S. Catholic church, it still isn't a complete account.

Pope Francis has expressed "shame and sorrow" about the abuse detailed in the report.

Since it was published, more than 900 calls have poured into a hotline set up to report additional abuse allegations. An official with the attorney general's office said some have drawn interest from prosecutors.

Mr. Patchcoski's story stands as just one additional allegation. Father Pulicare isn't named in the attorney general's report or in a list of accused priests released by the



A photograph of Mr. Patchcoski with his mother before going to church. The family went to church every week.

Diocese of Scranton.

When asked about allegations against Father Pulicare, a spokesman for the diocese said: "If an allegation against Father Pulicare is presented to the diocese and deemed credible, his inclusion on the list would be revisited."

Church records show that Father Pulicare, who died in 1999, worked at the St. Joseph's parish in Scranton around the time of the alleged abuse.

Mr. Patchcoski didn't tell anyone about the abuse until more than a decade later, when he told some of his siblings. One of his siblings confirmed this account.

But after the attorney general's report came out, he said, he was motivated to speak publicly. "I don't want to die without telling this story," said Mr. Patchcoski, who didn't use the hotline.

The next morning, Mr. Patchcoski recalled, he demanded Father Pulicare take him home. He said the priest told him, "You can't tell anybody about this. If you do, God will take your parents away."

Before the assault, Mr. Patchcoski had been questioning his sexuality, and he blamed himself for what happened, wondering if he had somehow invited the abuse.

"Everything just hurt so much," he said, "and I had no one to talk to."

Meanwhile, Father Pulicare served at nine different churches in the Scranton area following his ordination in 1971 and at four Catholic high schools, according to his obituary in a local newspaper.

Mr. Patchcoski says he saw Father Pulicare only once more after the alleged assault, when he was a high-school junior and walked into a religion class the priest was teaching. He demanded to be transferred, he said, but didn't tell school administrators why.

While in college, Mr. Patchcoski stopped going to church and came out as gay. He now lives in Tampa Bay, Fla., where he is single and hosts a radio show.

Though four decades have passed, one aspect of the assault has continued to eat at him: The comment Father Pulicare's mother made about the previous kid wetting the bed.

"I thought, 'What did he do to these kids?'" Mr. Patchcoski said. "I blamed myself for anybody after me. I should have said something."

Now, he said, "I don't need to be ashamed anymore. I'm releasing it."

## Trump Backs Off Release of Documents

BY BYRON TAU  
AND SADIE GURMAN

President Trump, in a reversal, said he no longer planned to swiftly declassify and release documents related to the investigation into his campaign's links to Russian election interference, instead sending the matter to the Justice Department's internal watchdog for further investigation.

In a Friday tweet, Mr. Trump said the inspector general of the Justice Department would "review these documents on an expedited basis," backing away from a previously announced plan to make public a secret surveillance warrant and the text messages of top law-enforcement officials.

Mr. Trump's decision defused a brewing conflict with the Justice Department, which was opposed to the release of sensitive Russia-related material, fearing that the declassification order could reveal sensitive sources and methods in a continuing investigation.

Mr. Trump didn't specify which allies had called him, but British intelligence and

government officials have long expressed concern to the U.S. about the release of classified information, according to a former law-enforcement official familiar with the Justice Department's thinking.

Months ago, alarmed by news reports about Mr. Trump's congressional allies making increasingly far-reaching requests for sensitive information, British officials asked U.S. officials for advance notice of what the department planned to produce, this person said.

Mr. Trump's decision to rely on the Justice Department's inspector general comes after he repeatedly has attacked his attorney general, the FBI and the intelligence community, this week referring to federal law-enforcement officials and the Russia probe as "truly a cancer in our country."

The exact nature of the review, and whether it will be a prelude to a later release, isn't clear. A spokesman for the inspector general, Michael Horowitz, directed questions to the White House, which didn't respond to a request to comment.

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## U.S. NEWS

## CAMPAIGN WIRE

## Senate Adopts E-Filing Requirement

Senators and Senate candidates must immediately begin filing their campaign finance reports electronically, rather than on reams of paper that government employees scan and upload to the Federal Election Commission.

In an interview this week, Mr. Dowd said he was motivated by frustration with how Mr. Manafort had been treated by investigators, not by a desire to interfere in the probe.

"I care about a lot of people," Mr. Dowd said, criticizing investigators' handling of the probe as overly harsh. "I was offended as a citizen and a lawyer." Mr. Dowd said he was "not concerned at all" about Messrs. Manafort and Gates cooperating in the Mueller investigation into whether Trump associates colluded with Russia's efforts to interfere in the 2016 U.S. election. Mr. Trump has denied collusion, and Moscow has denied interfering in the election.

—Julie Bykowicz  
and Aruna Viswanatha  
contributed to this article.

The move also will save taxpayers money.

The FEC estimated last year that Senate e-filing would shave about \$900,000 a year off the budget.

—Julie Bykowicz

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1  
**BEST HOSPITALS**  
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## WORLD NEWS

# Brexit Impasse Triggers Unease

Pound drops 1.4% against the dollar as U.K.'s May and EU leaders trade blame

BY MAX COLCHESTER  
AND WILLIAM HORNER

LONDON—Negotiations over the U.K.'s departure from the European Union took a bitter turn Friday as leaders from both sides accused the other of unreasonable demands, leaving investors panicked about an impasse with only six months left until Britain and the bloc part ways.

Following a tense meeting earlier this week in Salzburg, Austria, where European leaders rejected her post-Brexit plans as unworkable, British Prime Minister Theresa May said it was now up to them to smooth the path for a Brexit that doesn't cause both sides undue economic pain.

"We now need to hear from the EU what the real issues are and what their alternative is so that we can discuss them," Mrs. May said, standing in front of two Union Jack flags on Downing Street. "Until we do, we cannot make progress."

Investors are getting more nervous that talks will break down, leaving the U.K. to plunge out of the EU without an exit deal. The pound ended the day 1.4% lower against the dollar and down 1.2% against the euro, its biggest one-day drop since November.

European Council President Donald Tusk responded to Mrs. May's remarks with a statement Friday evening in which he laid responsibility for the tensions in Salzburg largely on London. He sent no signal the EU would meet her demand to present a detailed response to her so-called Chequers plan, which aims to secure British firms frictionless access to the EU market in goods after the U.K.'s exit. The British stance, Mr. Tusk said, "was surprisingly tough and in fact uncompromising."



Prime Minister Theresa May making a statement Friday at Number 10 Downing Street on Brexit talks with the European Union.

Mrs. May's remarks appeared aimed at showing resolve ahead of the Conservative Party conference this month, where she will have to unite a party deeply fractured by Brexit. She has faced heavy criticism in the U.K. for the perceived humiliation of the slap-down by EU leaders at the conference in Austria. Mr. Tusk said the EU's remaining 27 members thought Britain's proposed economic framework "will not work."

"Yesterday Donald Tusk said our proposals would undermine the single market," Mrs. May said on Friday. "He didn't explain how in any detail or make any counterproposal. So we are at an impasse."

The U.K. government's Brexit proposal may now need to be altered from July's so-called Chequers proposal, analysts say. With less than 200 days until the U.K. formally quits the EU in late March,

EU leaders have warned that time is running out. A final deal should be wrapped up by November to leave enough time for it to be ratified by governments on both sides.

Looming over both sides is the threat of a "no deal" Brexit that sees the U.K. crash out of

**Investors are becoming increasingly nervous that the negotiations will break down.**

the EU, a scenario that has the potential to cause economic upset in the U.K. and the bloc alike. Both sides have said they wish to avoid that outcome.

Yet the point of departure for such work remains uncertain. On Friday Mr. Tusk said the EU had studied the British

Chequers proposal seriously. "The results of our analysis had been known to the British side in every detail for many weeks," he said.

Still, the EU leader said he believed "a compromise, good for all, is still possible." Earlier Friday, Mrs. May had also offered an apparent olive branch to her EU counterparts, assuring EU citizens living in the U.K. that their rights would be protected in the event of a "no-deal" Brexit.

A key sticking point remains what happens to Northern Ireland should the Brexit talks collapse. The EU wants Northern Ireland, which is part of the U.K., to continue following a swath of EU rules and for customs and regulatory checks to take place between mainland Britain and Northern Ireland. Mrs. May said cleaving Northern Ireland being from the U.K. was unacceptable. Her government will set out an al-

ternative plan, she added, but didn't specify when.

Meanwhile, Mrs. May is battling to shore up support at home. With the Conservative Party conference less than two weeks away, the prime minister used the intervention to try to bolster her credentials with the Brexit contingent of her party. She reiterated that she would not "overturn the results of the referendum" and stated that she was working "day and night" for a deal that would see the U.K. leave the EU.

Only after the conference will Mrs. May be in any position to re-engage with Brussels and the leaders of the other 27 EU countries. Both sides will need to find common ground during a crucial two-week period ahead of an October summit, which the bloc says will be a moment of truth for the negotiations.

—Laurence Norman contributed to this article.

## Trade Tensions Weigh on Eurozone

BY PAUL HANNON

The eurozone's economy continued its slow-motion slowdown in September, as exports suffered from a dropoff in global demand and uncertainty about future trade relations between the U.S. and other countries.

Data firm IHS Markit said Friday its composite purchasing managers index for the currency area—based on survey responses from 5,000 businesses—fell to 54.2 in September from 54.5 in August. A reading above 50 signals an expansion in activity. That was a weaker outcome than the drop to 54.4 forecast by economists who were surveyed by The Wall Street Journal.

The slowdown was concentrated in the manufacturing sector, with export orders failing to grow for the first time since June 2013.

"Trade wars, Brexit, waning global demand, growing risk aversion, destocking and rising political uncertainty both within the eurozone and further afield all fueled the slowdown in business activity," said Chris Williamson, IHS Markit's chief business economist.

The eurozone economy enjoyed its strongest performance for a decade in 2017 but cooled in the first three months of the year, and to a lesser degree in the second quarter. That hasn't deterred the European Central Bank from pressing ahead with its plans to withdraw some of the exceptional stimulus it has been providing to the economy since 2014, since growth continues to exceed the economy's speed limit, or the pace at which it can expand without pushing inflation higher. That is reckoned at around 1.25% by many economists.

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## German Coalition Deal Over Spy Chief Collapses

BY ANDREA THOMAS  
AND BERTRAND BENOIT

BERLIN—An agreement reached this week to stabilize German Chancellor Angela Merkel's fractious government collapsed Friday, forcing the coalition to hurry back into talks to resolve the future of a top intelligence official.

Citing public outrage at the deal, the center-left partner in Ms. Merkel's coalition said it no longer agreed to the transfer of the domestic intelligence chief to a new position at the interior ministry. The three-party alliance on Tuesday had struck what effectively was a face-saving promotion for the official, who had publicly questioned reports about anti-immigrant riots in eastern Germany.

The decision had appeared to end days of wrangling between the center-left Social Democratic Party, whose leaders had insisted the chief should go, and Horst Seehofer, the conservative interior minister, who had pushed for him to stay.

But the SPD shattered the uneasy peace on Friday, when Andrea Nahles, the party's chairwoman, said she wanted to renegotiate a deal that had outraged the public.

"We have destroyed confidence instead of restoring it. That should be a reason to pause and reconsider the agreement," said Ms. Nahles. "We were all three wrong."

Weakening poll numbers and rising support for populist parties on the right and the left have left the coalition parties with a smaller and more-polarized pool of supporters, eroding their ability to strike compromises. The resulting tensions have in turn fed the perception of a government too busy tackling in-house disputes to govern, pollsters say.

Ms. Merkel said she wanted to resolve the dispute this weekend. "We have agreed to reassess the situation," Ms. Merkel said. "We want to find a common, viable solution."

Mr. Seehofer said new talks



Angela Merkel said she wanted the issue resolved over the weekend.

were now being considered.

The promotion of Hans-Georg Maassen to deputy interior minister from his position as head of the Office for the Protection of the Constitution—equivalent to the intelligence arm of the FBI—has gone down badly with voters.

An Insa poll published Thursday showed only 9% of respondents supported the decision.

The deal caused particular consternation among the SPD rank-and-file and mid-ranking elected officials. As the backlash worsened throughout the week, Ms. Nahles eventually yielded, withdrawing her support for a compromise she had signed four days earlier.

Government and party officials this week said that the deal had been difficult to hammer out and that the coalition had come close to a split, suggesting a recalibrated compromise could take days to emerge, if at all.

The increasing frequency of the flare-ups between Ms. Merkel's partners is raising questions about the future of a coalition few analysts now ex-

pect to run its four-year term.

The government, formed in March, came dangerously close to collapsing in June when Mr. Seehofer clashed with Ms. Merkel over proposals to tighten immigration rules.

The constant bickering is testing the patience of German voters, according to polls, and the SPD is suffering the most for it. A survey for public broadcaster ARD, released this week, showed support for the SPD falling to 17%, down from the 20.5% it scored at last September's election and one point behind the anti-immigration Alternative for Germany.

But Ms. Merkel's conservative alliance is suffering too, with its support falling to 28%, almost 5 points below its last election score and the lowest rating for the alliance in the survey's 21-year history.

While the SPD allowed both its leadership and its grass-root members to vote on the coalition's terms before entering it—hoping to silence the many in-house opponents—the strategy failed to impose order on its increasingly unruly troops.

## WORLD NEWS

# Afghan Shiites Prepare Defense

BY CRAIG NELSON  
AND EHSANULLAH AMIRI

KABUL—Among the thousands of Afghans who marched through the streets here on Thursday to commemorate Ashura, one of Shiite Islam's holiest days, was an unassuming 24-year-old named Sadiq.

Like other Shiites riding on vehicles festooned in green, red and black banners to honor a legendary martyr who was the grandson of the Prophet Muhammad, Sadiq said he was willing to fight to the death to defend his faith.

Unlike many of the others, however, he has the battle-hardened skills to do it.

Sadiq was among the at least 20,000 Afghan Shiites that have traveled to Syria to fight Islamic State militants and other rebels opposed to President Bashar al-Assad's Iranian-allied regime in recent years.

Now back in Afghanistan, he said he and many Shiite veterans of the Syria war are ready to answer the call of community leaders to protect western Kabul's Dashte Barchi neighborhood, home to the largest concentration of the minority in Afghanistan.

"We're ready to take up arms and defend our neighborhoods, die if necessary," said Sadiq, who agreed to speak on the condition his surname not be used.

The sense of alarm is justified. Attacks against Shiites in

Dashte Barchi have escalated in recent months, most of it claimed by Islamic State's anti-Shiite affiliate. In the latest massacre, on Sept. 5, at least 30 people were killed in a double bombing at a wrestling club.

Sadiq and other Dashte Barchi residents say they are more scared than ever. With each recent suicide bombing, their trust in the government's promises of more security has eroded and their resolve to defend themselves has hardened.

Following the attack at the Maiwand wrestling club, homeowners brandishing Turkish-made, semiautomatic shotguns and AK-47s emerged on the streets, waving flashlights in the faces of even longtime neighbors as they searched for strangers. Now, Facebook users share rumors about locations of possible attacks.

"Once upon a time, Dashte Barchi was the most secure place in Kabul," Mohammed Reza, a shopkeeper, said Thursday. "Now it's a military zone, with guns everywhere."

Some neighborhood residents say they are reconciled to the government's inability to protect them. Others blame racial discrimination in predominantly Sunnis and ethnic Pashtuns in Afghanistan. Most Afghan Shiites hail from the country's Hazara ethnic minority.

Authorities vehemently deny both allegations. They point to stepped up patrols by security



Afghan Shiites at a checkpoint in Kabul. Residents of the city's Dashte Barchi neighborhood say they are frightened after recent bombings.

OMAR SOBHANI/REUTERS

forces and their distribution of 500 guns to Shiite civil defense groups last year. They also cite the recent arrest of 26 suspected Islamic State militants and President Ashraf Ghani's proposal this month to create a "green zone" in Dashte Barchi similar to the one that protects embassies and international organizations in central Kabul.

Still, Dashte Barchi residents say they must arm themselves. Almost every mosque in the neighborhood has a gun placement at its gate, a rare sight a year ago. There have not been revenge attacks, but one mosque's guard warned that could change.

"It's the job of the government to go after terrorists, but if attacks by Daesh on our people continue, we'll have no choice but to start carrying out attacks ourselves," he said, referring to Islamic State by its Arabic acronym.

Waiting in the wings for such a scenario are Sadiq and thousands of other Shiite fighters.

Angered by what he said were YouTube videos showing Islamic State fighters beheading their captives, Sadiq said he went to Iran in 2016 and en-

listed in an all-Afghan Shiite unit run by Iran's Revolutionary Guard Corps, known as the Fatemiyoun Brigade.

The motivations of his co-fighters were mixed. Some, he said, went for the money, others to escape Afghanistan's instability, and others to get permanent residency in Iran.

"Like me, though, most went to Syria to defend the holy shrine," he said, referring to Sayyidah Ruqayya in Syria's capital Damascus.

After one month of training in Yazd, Iran, Sadiq was deployed to Aleppo, Syria, where his unit

fought alongside Iranian troops and forces of the Lebanese Shiite movement Hezbollah. His shooting skills, learned in the Afghan army, came in handy as he was given a Russian-made Dragunov sniper rifle and made a sharpshooter. Sadiq said he rotated out of Aleppo and back to Iran after a two-month stint, never returning to Syria.

Thousands of Afghan Shiites have died or been injured fighting in Syria. But the risks don't appear to faze Sadiq.

"We'll fight 100% against Daesh in Afghanistan if our community is in danger," he said.

## WORLD WATCH

## TANZANIA

## Arrests Ordered in Fatal Ferry Accident

Hundreds of people watched Friday as body after body was pulled from a capsized ferry that Tanzanian authorities said was badly overcrowded and upended shortly before reaching shore.

The death toll was more than 130, but witnesses feared it

would rise as a second day of searching neared an end.

"This is a great disaster for our nation," President John Magufuli said, ordering the arrests of all responsible as a criminal investigation began.

He also announced four days of national mourning and urged calm in the East African country with a history of deadly maritime disasters.

In a televised address, the

president said the ferry captain already had been detained.

The MV Nyerere's capacity was 101 people but the ferry had been overloaded when it capsized Thursday afternoon, the government's Chief Secretary John Kijazi said.

Tanzania Red Cross spokeswoman Godfrida Jola said, "no one knows" just how many people were on board.

—Associated Press

## ROMANIA

## Ruling Party Backs Embattled Chairman

Romania's ruling Social Democratic Party on Friday endorsed its chairman despite his recent conviction for abuse of power.

Colleagues had called for Liviu Dragnea to step down, but party members voted in support of Mr. Dragnea, who is barred from be-

coming prime minister because of a 2016 conviction for electoral fraud. There were conflicting figures about the vote tally Friday.

Mr. Dragnea later vowed he would do all he could to "destroy...this odious system" of what he calls "the parallel state," which he thinks has too much power. Those institutions include an anticorruption movement, Romania's secret services, the anti-corruption prosecutors agency

and President Klaus Iohannis, a political rival.

However, Mr. Dragnea indicated that he would allow more autonomy for the Romanian government, which has been under party control. In June, Mr. Dragnea was convicted of abuse of power in office and sentenced to 3½ years in prison. Party colleagues say he should be considered innocent pending a final ruling.

—Associated Press

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## WORLD NEWS



Palestinians ran from Israeli fire and tear gas on Friday during a protest at the Israel-Gaza border. One person was killed and 41 injured.

## Clashes Shake Israel-Gaza Border

Enclave run by Hamas militants steps up protests, as Israel says it is acting in defense

Hamas, the Islamic militant group that rules Gaza, is stepping up protests at its border with Israel to signal frustration with stalled talks with its neighbor, sparking new deadly clashes with Israeli forces.

Response is necessary to defend its borders from explosive devices, flaming kites, rocks thrown at Israeli forces and attempts to breach the border security fence.

Abdelateef Al Kano, a Hamas spokesman, said Israel is "burning time" and that the uptick in protests is aimed at showing frustration in Gaza, as prospects dim for a long-term truce with Israel and an easing of the blockade.

Talks this summer between Israel and Hamas—with Egypt as an intermediary—aimed at calming tensions that have bubbled up after relative calm since the end of a 2014 war between them haven't yielded results. The two sides remain at an impasse over a prisoner exchange and other issues.

The Palestinian Authority, which leads Palestinians in the West Bank and is the international community's only recognized negotiating partner, has refused to engage in a peace process led by the Trump administration, which they say is biased toward Israel and has taken unduly harsh measures

against them.

Jason Greenblatt, President Trump's special envoy for international negotiations, said on Twitter Friday: "Sadly Hamas continues to choose violence over building a better future for Palestinians."

Humanitarian conditions are worsening in Gaza. Economic growth is near zero, un-

Refat Fora, a 48-year-old protester, said Friday that Palestinians are seeking a change in the dire conditions in Gaza.

"People are jobless and no one makes money. People need jobs," he said. "I believe we can put enough pressure on officials. The Israelis don't feel comfortable; we will keep it this way."

A political solution for their problems appears far off.

Egypt has mediated reconciliation talks between the two Palestinian factions in the West Bank and Gaza that have yielded little. Much of the international community sees the talks as critical to begin longer-term efforts to improve the dire humanitarian situation in Gaza.

Protests at the Gaza border fence have been consistent since March 30, but participation peaked at 40,000 in May when the U.S. moved its embassy to Jerusalem from Tel Aviv.

More than 180 Palestinians have been killed in clashes with Israel's military since March. One Israeli soldier was shot by a sniper in Gaza.

## Turkish Woes Test A Vulnerable Egypt

By JARED MALSIN

CAIRO—Turkey's economic crisis has heightened concerns in Egypt about whether the Arab world's largest country—which is wrestling with some of its worst economic woes in years—is positioned to withstand falling confidence in emerging markets worldwide.

Egypt's stock market touched its lowest point of the year in recent days, a sell-off triggered by an insider-trading probe that has ensnared people associated with two of the nation's largest investment houses. But the downturn also comes amid fears of contagion from Turkey, which has seen its currency shed 40% of its value against the dollar this year.

Government-spending cuts and a devalued currency since 2016 have lowered Egypt's standard of living through rising prices and stagnant wages.

Government debt stands at 86% of gross domestic product, among the highest rates in the world. "It is a big problem if we can't tap international debt," Ahmed Kouchouk, Egypt's vice minister of finance, said in a recent interview.

He said Egypt was taking the right steps to remain attractive to international investors, including an economic overhaul the International Monetary Fund mandated as part of a \$12 billion loan program agreed upon in 2016.

"Imagine if this happened before our reform program," he said, arguing that the impact of the Turkish crisis had been muted by the government's economic overhaul.

Mr. Kouchouk said Egyptian officials are closely watching as Turkey struggles to contain its crisis. Turkey on Thursday slashed projections for growth, and last week the central bank defied President Recep Tayyip Erdogan and raised its benchmark rate to 24% to rein in rising prices. Investors fear other emerging economies will eventually suffer from the same ills.

## Tighter Pinch

Prices of basic goods like food, fuel and medicine have soared, while wages have remained stagnant.

## Egypt's consumer-price index

Change from a year earlier



Source: Central Bank of Egypt via CEIC Data

THE WALL STREET JOURNAL.

For Egypt, the current troubles mark the latest in a succession of economic problems.

Egypt struggled to stabilize its economy following the turmoil of the 2011 revolution that ousted President Hosni Mubarak from power and a 2013 coup that ushered in a military-led regime under President Abdel Fattah Al Sisi.

Mr. Sisi accepted billions in loans from the IMF in 2016, agreeing to float the Egyptian pound and cut Egypt's outsize spending on energy subsidies. Those changes stabilized Egypt's broader economy but have been massively unpopular with Egyptians, whose wages have remained stagnant amid soaring prices of basic goods like food, fuel and medicine.

The recent selloff in Egypt began on Sunday, a day after a Cairo criminal court ordered the arrest of the two sons of Mr. Mubarak, along with a non-executive vice chairman at EFG-Hermes and the head of investor relations at Qalaa Holdings. The arrests triggered the largest single-day fall in the Egyptian Exchange since January 2017, a drop of 3.6%. Since Sunday, around \$4.1 billion of wealth has been wiped out by the selloff.



The latest exchange of tariffs, which take effect Monday, brings China and the U.S. closer to a full-blown trade war. Previous rounds of negotiations have ended without any breakthroughs.

## China Pulls Out of Talks With U.S.

Continued from Page One  
negotiating under threat.

"Nothing the U.S. has done has given any impression of sincerity and goodwill," Chinese Foreign Ministry spokesman Geng Shuang said at a news briefing Friday. "We hope that the U.S. side will take measures to correct its mistakes."

The latest exchange of tariffs, which take effect this coming Monday, brings China and the U.S. closer to a full-blown trade war.

Still, Beijing is leaving open the possibility of engaging in fresh negotiations with Washington next month, said the people familiar with the matter.

Treasury Secretary Steven Mnuchin sent an invitation to Vice Premier Liu He, President Xi Jinping's economic czar, two weeks ago asking for a fresh round of talks this month.

Previous negotiations had ended without any breakthroughs.

Trump officials perceived the offers from Beijing—largely involving more Chinese

purchases of U.S. agricultural and other products—as inadequate in addressing the White House's demand for a fairer playing field for American businesses in China.

Originally, Vice Commerce Minister Wang Shouwen, who led China's negotiating team in the last round, was to again lead a group for the talks in the U.S. and then Vice Premier Liu himself would follow up with a trip to Washington on Sept. 27 and Sept. 28. Both of those trips have now been called off, the people said.

## Beijing is leaving open the possibility of fresh negotiations next month.

"There are no meetings on the books right now," a senior White House official said Friday. "The President wants us to continue to engage to try to achieve a positive way forward, but it does take China to come to the table in a positive way."

Whether the two countries resume high-level trade negotiations could shape the path of future tariffs threatened by the Trump administration. People familiar with the administration's plans have said Mr. Trump is expected to issue a formal statement to begin

the process of crafting the next tranche of tariffs that, if fully implemented, would cover virtually all U.S. imports of Chinese goods, which totaled \$505 billion in 2017.

While the threat of more tariffs might intensify the rhetorical pressure on Beijing, these people have said, the actual administrative process—including holding public hearings, receiving written public comments and conducting internal impact studies—would take weeks before any fresh measures would take effect.

With the new tariffs imminent and the threat of possibly more coming, Chinese officials in recent days have questioned whether now is the time to negotiate. Many in China's policy circles believe that Beijing should wait to negotiate until after the U.S.'s November midterm elections. They say Mr. Trump isn't ready to cut a deal and is bashing China now to appeal to his political base, though he may be more amenable after the elections.

Meantime, Beijing is hoping that a possible summit in late November, around the time of the Group of 20 meetings, could provide an opportunity for both sides to reach a settlement. To prepare for the potential top-level meeting, Chinese officials are still looking for ways to restart negotiations, the people said.

—Vivian Salama contributed to this article.

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## OBITUARIES

MARK W. OLSON  
1943 - 2018Small-Town Banker  
Rose to Fed Board

**A**s a young banker in Fergus Falls, Minn., Mark W. Olson sometimes received loan applications from young entrepreneurs who wanted to use their parents' home as collateral. He asked these applicants if, in the event of a default, they would be willing to help him evict their folks from the house. It was his polite way of saying no.

The diplomatic Mr. Olson later became president of the American Bankers Association, a member of the Federal Reserve Board and chairman of the Public Company Accounting Oversight Board. A moderate Republican, he frequently appeared as a guest on business television shows to give pithy, jargon-free assessments of the financial news.

KENT ROSENBLUM  
1944 - 2018Wine-Making Hobby  
Led to Second Career

**H**e called it "a hobby gone wild." Kent Rosenblum, a transplant from Minnesota, already had a thriving career as a veterinarian in the San Francisco Bay Area when he first tried making wine at home in the early 1970s. His veterinary training gave him knowledge of chemistry. The wine was surprisingly drinkable.

In 1978, he formed Rosenblum Cellars and went commercial, renting space in a West Oakland building that formerly housed the Dead End Bar. The rent: \$125 a month.

Despite low costs, the winery still wasn't making money six years later. Dr. Rosenblum's wife, Kathy, was ready to give up. He promised to sell the business if it

wasn't making money within a year. "I bought a little time," he said later.

Then his Zinfandel started winning awards. Sales surged, the business turned profitable and Dr. Rosenblum was among a handful of California winemakers who revived interest in Zinfandel.

The British wine and spirits giant Diageo PLC bought Rosenblum Cellars for a total of \$105 million in early 2008. He later formed Rock Wall Wine Co. in Alameda, Calif., now run by his daughter Shauna.

Dr. Rosenblum died at home in Alameda Sept. 5. He was 74 and had been under treatment for an infection that set in after knee-replacement surgery.

—James R. Hagerty

## FROM PAGE ONE



A New York City subway rider tries to squeeze into a train car in Midtown Manhattan.

threatened to issue \$100 tickets to people holding doors. In 2009, the MTA tried a public-service campaign. Nothing worked.

Mr. Byford, the MTA chief, said it wasn't unusual for trains to sit at a station while conductors try again and again to close doors, sounding "bing-bong" on each try. When you open doors, he said, "the next bunch of people come through and you never get away."

Gov. Andrew Cuomo declared a state of emergency last year following a pileup of rush-hour disruptions and a subway derailment that injured dozens. The MTA is spending more than \$800 million fixing and cleaning tracks and upgrading signals. That is far short of the \$40 billion Mr. Byford said was needed to overhaul the system to the transit standards of Paris and London.

Yuduz Makhamova, who arrived from Tashkent, Uzbekistan, some months ago, said the subway back home was as "clean as my home" and smelled good. New York, she said, not so much: "There's a lot of rats and garbage, some stations are very dirty, it smells bad. But I think it's OK."

At a crowded Manhattan subway platform during a recent evening commute, riders barreled into train cars as others exited, slowing everyone.

When riders jam a body part between closing doors, subway conductors are instructed under the new MTA directive to open doors only enough wide for riders to retreat—not wide enough for them to board.

Transit union officials say they have been doing that for years. In the late 1990s, police

yelled over the sound of rattling trains and screeching brakes: "Let 'em off. Step aside. Let them off the train."

The MTA wants controllers at the busiest stations to use their whistles to move people along. "It's not really catching on, if you ask me," one controller said.

Adding platform workers might not solve delays, but it has improved courtesy. "People do behave a little nicer if they think you are watching them," the controller said. "It's like you shame them almost."

Jose Yax, who works as a painter in Midtown Manhattan, said his boss docks his pay if he is late. Mr. Yax, 28, earns \$20 an hour and has a wife and three children to worry about. He said the D train was slow enough from Coney Island without the added delays caused by people holding doors. "They should give tickets," he said.

Some good Samaritans, like Eric Moreno, routinely hold open subway doors for people running to board. "Time in New York is valuable," said Mr. Moreno, a building superintendent from Harlem, who was riding a D train through Brooklyn.

Other New Yorkers see both sides. "I guess it's 50-50," said Sean Styrmacks, a corporate finance manager.

Sometimes you are the person on the train trying to get to work, he said, and "sometimes you are the person with the foot in the door."

RICHARD FURLAUD  
1923 - 2018Depression-Era Comedown  
Spurred a CEO's Career

BY JAMES R. HAGERTY

**R**ichard Furlaud's earliest memories included his grandparents' turreted four-story mansion in Tuxedo Park, N.Y., his English nanny and the Shetland pony he shared with his little brother.

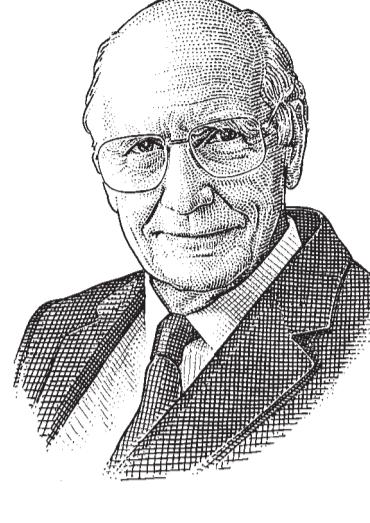
After the 1929 stock-market crash, that life of ease crumbled. His mother complained about his father's disastrous investments; he blamed her spending. His feuding parents eventually struggled to pay his school fees. "This reinforced my determination never, ever to be poor," he wrote later.

After his first year at Harvard Law School, he took a temporary job with the U.S. Treasury in Germany shortly after the Nazis' surrender in 1945. His job as a minor official in the occupation force came with unexpected perks, including access to military PX stores selling cigarettes for 40 cents a carton. He quit smoking but kept buying Chesterfield cigarettes. On the street in Berlin, Mr. Furlaud and his colleagues could sell those cartons for \$200. He piled up more than enough money to finance his education.

Mr. Furlaud worked as a lawyer in New York, moved into the pharmaceutical industry and became CEO of what became Squibb Corp., where he helped turn a sleepy company into a drug-research powerhouse. He later served briefly as chairman of American Express Co.

Mr. Furlaud died Sept. 10 at his home in East Hampton, N.Y. He was 95.

Richard Mortimer Furlaud was born April 15, 1923, in New York. His mother, Eleanor Mortimer, came from a wealthy family whose ancestors included John Jay, the first chief justice of the U.S. His father, Maxime Furlaud, was born in France into a family that produced cognac. He emigrated to the U.S.



around age 20 and became a promoter of business ventures, including at one point radiation treatments for arthritis.

Amid litigation over some of the securities Mr. Furlaud sold, the family moved to France in 1933, living in Biarritz and later Paris. Young Richard was sent to a school in England near Hastings. "The other students mocked our American accents," he wrote in a memoir. "The food was terrible."

A 1936 Christmas vacation in Villars, Switzerland, inspired a lifelong love of skiing. He talked his parents into letting him enroll in a school there rather than returning to the hated English school.

When World War II began, his father was confident the French Army could repulse the Nazis. After the German triumph, the family joined the disorderly exodus and drove to Portugal, where they boarded an ocean liner headed for New York.

Enrolled at Princeton in September 1940, Richard felt like a misfit with his European clothing and haircut, and worried he wasn't prepared for the school work. "I remember lying on my bed that

first night at Princeton and breaking into tears," he wrote. Yet, fearing failure, he studied hard and soon realized "I was actually starting to become interested in what I was studying."

He played for the Princeton tennis team, majored in international affairs and thought about a diplomatic career. A heart murmur prevented him from joining the military during World War II. After completing his degree at Princeton in 1943, he joined an executive-training program at Goodyear Tire & Rubber. Within months, he gave up that job to study law.

His Harvard law degree, received in 1947, and fluency in French helped him win a job at the New York law firm of Root Ballantine. "Blissfully unaware of how little I knew and of how much I would have to learn, I then set off, with great confidence, for New York City to make my way in the world," he wrote in his memoir.

His legal career, including work for the U.S. House Ways and Means Committee, gave way to business after he joined Olin Mathieson Chemical Corp. in 1955. In 1968, he became CEO of Squibb Beech-Nut, an Olin spinoff.

In 1989, Mr. Furlaud accepted what was generally regarded as a generous merger offer from Bristol-Myers Co. Squibb shareholders received about \$12 billion of stock in a new company, Bristol-Myers Squibb Co.

Mr. Furlaud is survived by his wife, Isabel, three children from a previous marriage and seven grandchildren.

He was relaxed about the fleeting nature of corporate fame. Six years after retiring from Bristol-Myers Squibb, he told The Wall Street Journal that when he called the headquarters, "the telephone operators don't know my name."

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Officials  
Try Fixing  
Riders

CLAUDIO PAPAPIETRO FOR THE WALL STREET JOURNAL

**C**ontinued from Page One to double as urinals. Panhandlers, dancers and musicians hustle for tips. People jostle, argue, clip their nails and eat smelly foods.

But nothing enrages commuters more than train delays. Except, maybe, blaming commuters for train delays. "That's ridiculous," Keith Randall said. "What's causing the delays is their incompetence."

Mr. Randall, a legal editor, had time to stew about it as he waited for an E train to Queens from Manhattan after a night shift. The line was delayed. Again, he noted.

Radek Juriga, a project manager at Citibank, said the MTA doesn't need to blame riders. It needs more trains. "You have to fight for your place," he said, cramming into an E train headed for Long Island City in Queens.

Many commuters make it a practice to never let a subway train leave without them, even if it takes prying a door open with bare hands. They operate from experience.

The MTA runs more than 8,000 trains each weekday and as many as 6,000 on weekends. In June, 72,000 trains were delayed, about 32% of service.

Marianne Russo, an architect, said riders hold doors because they don't trust that another train is coming. Platform Clocks that display the number of minutes before the next train sometimes show infuriating double-digit delays, if they show correct information at all.

When riders jam a body part between closing doors, subway conductors are instructed under the new MTA directive to open doors only enough wide for riders to retreat—not wide enough for them to board.

Transit union officials say they have been doing that for years. In the late 1990s, police

IMPRESSIONS OF PARIS  
EDOUARD LÉON CORTÈS

Gifted artist. Luminous beauty. Belle Époque reverie. The bustling Place de la Bastille is the subject of this beautiful original oil by Post-Impressionist artist Edouard Léon Cortès. With an invitingly warm palette and masterful technique, the artist dutifully captures the vibrance of Belle Époque Paris unlike any artist before or since. Signed "Edouard Cortès" (lower right). Circa 1940. Canvas: 13" h x 18" w; Frame: 20 5/8" h x 25 3/4" w. #29-6477

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## FROM PAGE ONE

# Art Star Tries to Avoid Bust

*Continued from Page One*  
ing as much as \$1.7 million four years ago for pieces like "SP51." Last year, works from the same series were auctioned for roughly a third as much. Mr. Ruby declined to comment.

And then there are artists who have all but disappeared from rotation in major auction catalogs after enjoying a few seasons of ubiquity.

"A lot of people in the art business get young artists and just wreck them—they ruin them," said Randall Exxon, a studio art professor at Swarthmore College who taught Ms. Akunyili Crosby.

Ms. Akunyili Crosby's dealer at London's Victoria Miro Gallery, Glenn Scott Wright, said he's not worried about her longevity and told her this pump-and-dump initiation is "the nature of the beast now."

Last year, global auction sales totaled roughly \$28.5 billion, up 27% from the year before. Contemporary art—created by those born after 1910—accounted for about 46% of fine-art auction sales last year, according to Clare McAndrew of research firm Arts Economics.

Ms. Akunyili Crosby said she's grateful for her success, but wishes someone had taught her how to navigate the attention. She's felt naively exploited at times. She's skittish about showing in New York galleries after getting entangled in a legal dispute with one. Auctions are particularly nerve-racking. If bidders push up prices too quickly, her gallery may not be able to persuade new buyers to pay similarly high amounts. That can gut an artist's price levels permanently.

She is getting savvier, learning ways to steer her works to buyers who might not resell them quickly for profits. But the ultimate control over her work and her career remains elusive.

"My friends tell me I should just be happy my works are selling, and I am," she said. The marketplace is now her tightrope. "It's scary how vulnerable I still feel."

## Home to Harlem

Njideka Akunyili (in-jee-deck-uh ack-un-YEE-lee) Crosby grew up far from the frenzied art market, in Enugu, Nigeria.

Her father was a doctor at a local university hospital; her mother was a pharmacology professor who went on to oversee Nigeria's food and drug agency. Money was tight for luxuries such as toys, so the children usually made their own.

In 1997, her mother applied for and won America's green-card lottery, offered to 50,000 people a year selected at random. Ms. Akunyili and her husband stayed in Nigeria, but with the green card they were able to send their children to the U.S. to study.

Ms. Akunyili Crosby first attended a community college in Philadelphia, then was admitted to Swarthmore College. She intended to become a doctor. On a lark, she took an art class and fell in love with drawing and painting.

After graduating in 2004 with a degree in biology and studio art, she moved home for six months and realized the Nigeria she knew as a girl—a culture that prized tea and tins of corned beef over local fare because of its colonial connections—was rapidly changing.

The stylish young women she saw were wearing traditional Nigerian fabrics and going to Hollywood films made by and starring Nigerians.

She decided she had to paint contemporary Nigeria, and the disconnect she felt living so far away. Back in the U.S., she attended the Pennsylvania Academy of the Fine Arts before eventually ending up in the prestigious master of fine arts program at Yale. She initially struggled—a friend and former classmate, Christian Flynn, recalls students staring perplexed at one of her nude-couple paintings.

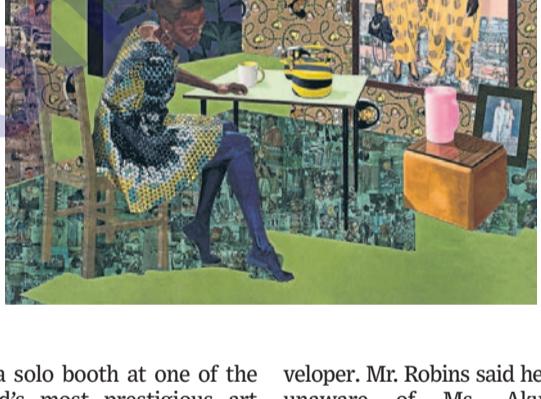
The fall of her second year, she hit upon the style she is known for today: lush scenes of herself and her family members hanging out in homes. Her interiors are embedded with objects like teapots that touch on her feelings about intimacy, migration and juggling old traditions with new. She often tops her



PHOTO AND ILLUSTRATION: MAXINE HELEMAN FOR THE WALL STREET JOURNAL

*'My friends tell me I should just be happy my works are selling, and I am. It's scary how vulnerable I still feel.'*

**Njideka Akunyili Crosby, above, in a portrait made in collaboration with the artist. Below, her 2017 'Dwell: Aso Ebi.'**



names of people to whom they had sold her early works.

She didn't know that dealers often closely guard identities and afterlives of the pieces they sell, even keeping artists in the dark. Some worry artists may start selling directly to their collectors, cutting out dealers as middlemen. Other galleries might poach their collectors as well. Some artists don't care, but when they do, disputes can arise. This is what happened with Ms. Akunyili Crosby and Fredericks & Freiser.

Ms. Akunyili Crosby said she isn't allowed to discuss the details of the legal dispute she raised with the gallery in 2012 because she later reached a confidential settlement. She referred questions about the dispute to her lawyer, Sergio Muñoz Sarmiento.

According to other dealers and friends she discussed the matter with at the time, including her Yale classmate Mr. Flynn, Ms. Akunyili Crosby started sending emails to the gallery asking for the names of the people who had bought her works from the show just after graduation.

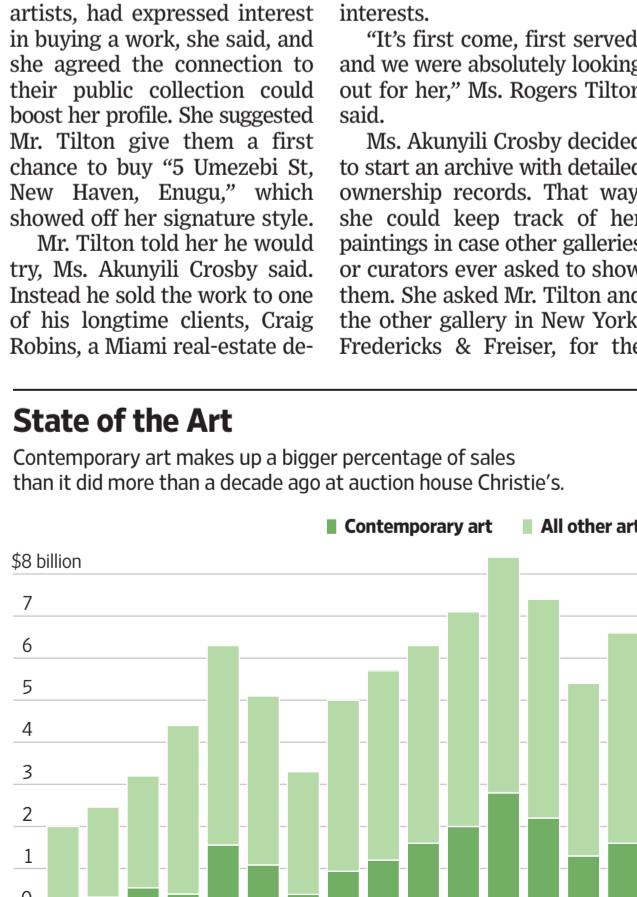
At first, these people say, the gallery told her it sold two of the pieces to collectors, in addition to the one painting the gallery bought. After she pressed for more specifics, the gallery said the buyers were actually one person. Moreover, this buyer had changed his mind and sent the paintings back, friends said.

Ms. Akunyili Crosby told friends she hired Mr. Sarmiento, who sent the gallery a letter seeking the whereabouts of the works. She told them she worried the gallery hadn't sold the works and instead was holding them to potentially resell for a higher price later. This stockpiling move is relatively common among galleries, and it isn't frowned upon so long as the artist is aware of the arrangement.

James Greenberg, a lawyer for the gallery, said the gallery couldn't discuss the matter and confirmed that "an agreement was reached privately." Mr. Sarmiento also confirmed a set-

## State of the Art

Contemporary art makes up a bigger percentage of sales than it did more than a decade ago at auction house Christie's.



tlement was signed but declined to discuss the dispute further.

As part of the 2013 settlement, Ms. Akunyili Crosby's friends said the artist was allowed to buy one of her works back for around \$20,000.

Around this time, Christie's expert Vivian Brodie said she and her colleagues started getting inquiries from collectors. Did the auction houses have any work by the artist coming up for bid?

## Auction Fever

In early September 2016, David Galperin and three other experts at Sotheby's auction house huddled around a computer in their New York office to look at an image emailed to them by a potential consignor. The 5-foot-tall work on offer, "Drown," showed a naked couple in bed, the woman's coffee-colored limbs wrapped around a pale man.

In today's contemporary art market, frustrated collectors who can't wrangle a work by a coveted artist from their galleries often turn to auction houses. Sotheby's, Christie's and Phillips can promise vast sums to sellers to entice them to part with pieces by hot-right-now artists.

Mr. Galperin and his team agreed to try out Ms. Akunyili Crosby for Sotheby's high-stakes November sales in New York. "Drown," which had a low estimate of \$200,000, sold for \$1 million.

Mr. Galperin said that soon "works were coming out of the woodworks," supplied by people who had collected her pieces early on. The following spring, six more works surfaced in major sales.

In March 2017, a 2013 portrait of her eldest sister titled "The Beautiful Ones" sold in London at Christie's for \$3 million—prompting the congratulatory text from her friend. The seller was a Belgian diamond jeweler, Charles Berkovic, who had bought it three years earlier for around \$20,000.

After the sale, Ms. Akunyili Crosby said she asked Mr. Tilton to contact his buyers of her paintings to ask if they would be willing to hold on to her works for the time being—or at least resell pieces privately, rather than at auction. She wanted to make sure her prices didn't climb to levels she couldn't sustain after the fever invariably cooled off.

Roughly a month later, Mr. Tilton, who was battling cancer, called to tell Ms. Akunyili Crosby that his gallery had consigned her seminal early work, "I Refuse to Be Invisible," to Christie's marquee May sales, she said. Christie's estimated it could resell the work for between \$1.5 million and \$2 million.

He died on May 7, nearly two weeks before the sale. His wife said the sale was a way to get his affairs in order.

The winner, who remains anonymous, paid \$2.6 million.

The following night at Sotheby's, Miami collector Eric Feder auctioned off another work by Ms. Akunyili Crosby, "Thread," that he had bought for around \$30,000 in 2011. The painting sold for \$1 million.

Minutes later in the same sale, Theo Danjuma, the son of a Nigerian ex-general, sold the artist's "Harmattan Haze" for \$1.2 million after paying roughly \$32,000 for it less than two years before.

Back in Los Angeles, Ms. Akunyili Crosby was flattered that people bid on her work, but she couldn't shake the fear that she had lost control over her prices. Her new London gallery, Victoria Miro, promised to hold off on selling any works to private collectors and sell only to museums.

Since then, another six pieces have filtered into auctions, but most have been minor, early works. She managed to convince at least one Los Angeles collecting couple to resell another portrait in her "Beautyful Ones" series through her gallery instead of putting it up for auction.

She continues to funnel new paintings like "Dwell: Aso Ebi" to museums such as the Baltimore Museum of Art. Ms. Akunyili Crosby said she tries to sell pieces to museums for prices in the low six figures.

She's also created murals in Los Angeles and in Brixton, England, that can't be auctioned because they are temporary pieces.

In a recent twist, she donated one of her paintings to the Studio Museum of Harlem to resell in a benefit auction. Sotheby's estimated her 2017 botanical piece, "Bush Babies," would sell for up to \$800,000 on May 18. It sold for \$3.4 million, a record for the artist.

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## OPINION

THE WEEKEND INTERVIEW with Chuck Grassley | By Tunku Varadarajan

## In the Eye of the Kavanaugh Storm

**T**he tale of Brett Kavanaugh turned in a few venomous hours from being about a hitherto unblemished man and his body of jurisprudence—pitch-perfect to Republicans, anathema to many Democrats—into a narrative of sexual assault by a teenage boy 36 years ago.

But there's another man in the scorching public glare alongside Judge Kavanaugh. He's Chuck Grassley, chairman of the Senate Judiciary Committee. Sen. Grassley is a politician of overwhelming experience and calm, and there are few in this company town of incurable politicians who'd argue that he isn't notably equipped for this scrutiny. He began his political career in 1958 when he was voted into the Iowa House of Representatives, and he was first elected to the U.S. Senate in 1980, where he has sat on the Judiciary Committee every year since. Those who know him say that while he's a judiciary "lifer," he isn't jaded or cynical about its business, but is, instead, open-minded and evenhanded—within the bounds of modern American convention.

**The Judiciary Committee chairman talks about the prospects of confirmation, the effort to give the accuser a hearing, and the #MeToo movement.**

The Kavanaugh hearings took place over a seemingly interminable week after Labor Day, and had proceeded as serenely as possible in an age when such auditions are less an occasion to evaluate a candidate's fitness than an opportunity for political grandstanding by the party in opposition. The hearings had the appearance of a circus at times, with screaming spectators hostile to Judge Kavanaugh ejected periodically by police.

"The demonstrators," Mr. Grassley tells me, "were exercising the constitutional right to expression of free speech, in a very unconventional way." Democratic senators—notably New Jersey's Cory Booker and California's Kamala Harris—resorted to a range of tactics to prolong the hearings and delay a vote to send the nomination to the Senate floor. As is now customary, the matter was destined to be decided along party lines. There are 11 Republicans and 10 Democrats on the committee.

Yet on Sept. 12, the day before the committee vote was to be scheduled, the Intercept—a self-styled "adversarial" publication—ran allegations of a sexual assault that Judge Kavanaugh might have committed as a 17-year-old against a girl of 15. Within hours, Sen. Dianne Feinstein, the committee's ranking Democrat, confirmed that she'd passed on to the Federal Bureau of Investigation a confidential letter from the alleged victim—a letter Mrs. Feinstein had since July 30. Four days later, the Washington Post published an interview with Judge Kavanaugh's accuser and identi-

fied her as Christine Blasey Ford, now a professor in Northern California.

In response, Mr. Grassley—who has appeared unfazed by breaking news that rewrites the story every few hours—announced that a vote on Judge Kavanaugh would be postponed until his committee had a chance to talk to Ms. Ford. That hearing is scheduled for Monday. Through her lawyer, Ms. Ford issued a series of demands, including for an FBI investigation. As we go to press, she has said she will not show up Monday but may do so later next week if her conditions are met. What follows is culled from two interviews conducted in his senatorial office with Sen. Grassley, on Sept. 13 and 19.

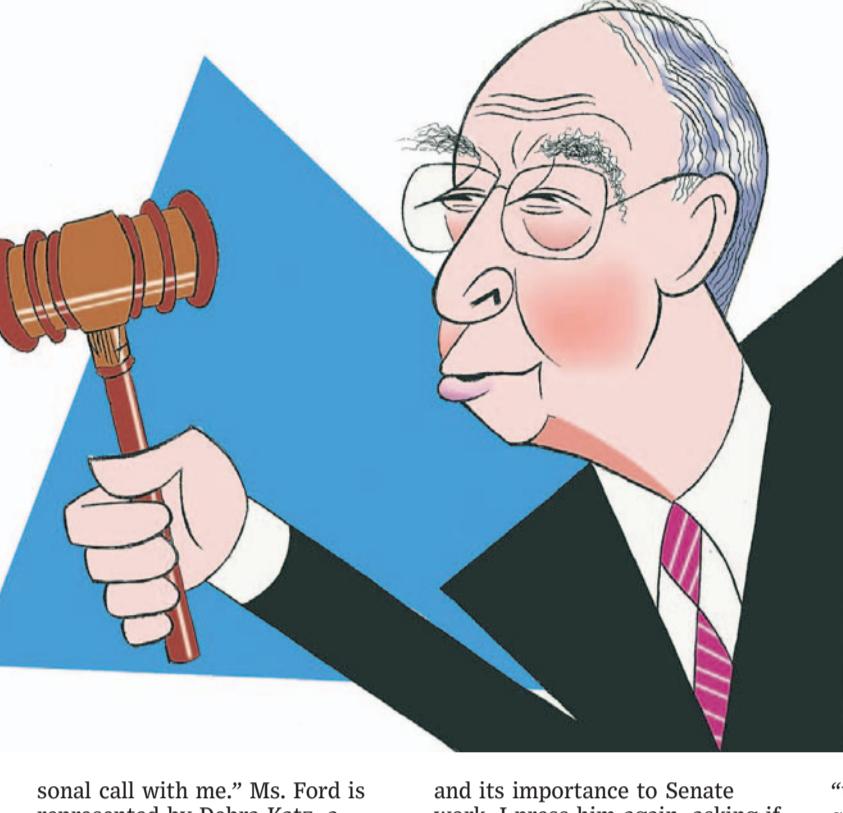
"We've got to accommodate her, and we need to accommodate her," Mr. Grassley says on Sept. 19. His face is scrunched with emphasis, and he looks around at his aides for affirmation. There are five in the room, most so young that one imagines their combined ages barely exceed Mr. Grassley's 85 years.

"I'm thinking about contacting her lawyer," he continues, "and letting her talk to me directly, if the lawyer will advise her to do that. Because I think I can conduct a fair and thorough—and respectful—meeting." He can, he says, "keep order. The only order I can't keep is demonstrators, but everything else, I ought to be able to keep order."

Mr. Grassley says he's extended a menu of forensic options to Ms. Ford, "because we need to hear from her." He acknowledges that "she may be reluctant to get in front of national audiences. So that's why we've offered an open or closed session. We've offered two varieties of questioning by bipartisan staff, public and private."

As of Wednesday, when this conversation takes place, Ms. Ford has stated publicly that she will not attend the hearings scheduled for five days later. But Mr. Grassley appears eager to cut her as much slack as he can. "We're scheduled to meet at 10 o'clock on Monday, and we've got to be ready for that. And if she isn't going to come, then we don't want to cause inconvenience for anybody else." At some point, he says, he'll have to call off the meeting if she isn't coming. "But I'm going to wait until the last minute to do that, whether that's Sunday or Saturday. I don't know, but whatever that last minute is. And we're going to give every opportunity we can for her to come."

Around us, Mr. Grassley's aides are chewing on chocolate. His chief of staff has been to Spain and brought back big wedges of nougat for everyone. The senator abstains and continues on the subject of Ms. Ford. "So we've got to encourage her to show up," he says. "So we're going to make every possible encouragement we can to come." What form would such encouragement take? "Well, the best way I could do it is if I could have a personal phone call with her, but maybe her lawyer doesn't want her to have a per-



sonal call with me." Ms. Ford is represented by Debra Katz, a prominent Washington lawyer whose specialties include sexual harassment, and who is close to the Democratic Party.

What would Sen. Grassley say to Ms. Ford if he did, perchance, get her on the telephone? "I'd say, you probably don't know me, but if you'd studied my reputation as an oversight senator, [you'd see] that we do things thoroughly and fairly, and even confidentially. We would maintain confidence." He'd tell her, he continued, that "I have a reputation in an open session of running a committee that's fair."

None of the six female Republican senators sits on the Judiciary Committee, and Mr. Grassley acknowledges it may not look good for Judge Kavanaugh's accuser to receive skeptical questions only from male senators. "It's part of the discussion, among our caucus," he says, "and we give serious consideration to it." But committee assignments are made according to a senator's interest, not sex, and the only way to solve the problem is to "get more Republicans in women" into the Senate.

**O**ur conversation turns to the other woman in the Kavanaugh drama, Sen. Feinstein, with whom Mr. Grassley has enjoyed—by the standards of contemporary Washington—a remarkably smooth working relationship. At our first interview, on Sept. 13—hours before the mainstream media started noticing the previous day's Intercept story—he pointed to a tall (and not unobtrusive) potted plant at the mention of his colleague's name: "Those orchids are from Dianne Feinstein for my 64th wedding anniversary."

Six days later, I ask Mr. Grassley if the manner in which Mrs. Feinstein handled the Ford letter—concealing it from him and other Judiciary Committee Republicans and handing it to the FBI instead—made him lose trust in her. His response is cautious, perhaps chivalrous. "Let me tell you how I can say that I'm going to work with her," he says, "regardless of this." He then kicks into a minispeech about bipartisanship

and its importance to Senate work. I press him again, asking if he feels let down by Mrs. Feinstein. It is, I suggest, a perfectly natural question.

If there is some fidgeting among his aides, Mr. Grassley doesn't pay close attention. "I think that she realized that she made a mistake, by not talking to me about this early in August," he says. "You're hearing that they want an FBI investigation. Well, why wasn't this turned over to the FBI on July 30?"

Pressed on this last question, Mr. Grassley says that he doesn't want to "speculate." So I ask him to meditate on the question instead, which he is sporting enough to do. "Let's put it this way," he says. "There's a lot of rumors around this town, and I'm quoting rumors. I'm not saying this from myself." He pauses here for a kind of conspiratorial emphasis, and continues. "[This] is part of the stall tactic, by Democrats, probably led by Sen. [Chuck] Schumer—the minority leader—not necessarily led by Feinstein. Because they don't like the balance in the court."

Mr. Grassley talks also about the senatorial math of the Kavanaugh nomination. A pair of Republican senators, Jeff Flake of Arizona and Bob Corker of Tennessee, appeared to waver in light of the Ford accusations. Two others, Alaska's Lisa Murkowski and Maine's Susan Collins, have not committed to vote for confirmation. "Well, I would say it's legitimate," he says of those in his party who have expressed the need to look more closely at Ms. Ford's claim. "Because you see someone that comes forward with accusations of sexual harassment, and has accused somebody. And we're working on approving, or not approving, that person. The people that raise these questions feel that we have a responsibility to get to the bottom of it. I don't consider it a problem."

A straight party-line vote, 51-49, would be sufficient to confirm Judge Kavanaugh, but Mr. Grassley would like at least a few Democratic votes—not merely as insurance, but also to add a dash

of bipartisanship. Before the Ford accusations emerged, conventional wisdom in Washington had averred that three red-state Democratic senators—North Dakota's Heidi Heitkamp, Indiana's Joe Donnelly and West Virginia's Joe Manchin—all ran the risk of losing their seats in November if they were to vote against the Kavanaugh nomination. All three voted to confirm Justice Neil Gorsuch last year. There is a growing belief that the cloud over Judge Kavanaugh offers them new cover to vote against him.

Mr. Grassley doesn't share that view. "My feeling is, they're going to vote for Kavanaugh in the end. And they're only going to vote for Kavanaugh if we have at least 50 Republicans." But, he continues, "if they want to show their sincerity about their vote, they should . . . not wait until the 50th Republican vote is cast." Otherwise,

"their constituents are going to question their seriousness." A judge, Mr. Grassley says, is "supposed to interpret law, interpret the Constitution, not try to change everything. It's my job to change things! And that's what the people in North Dakota want, as far as I know, with their Midwestern ethic."

Mr. Grassley says that he'd tell the three red-state Democrats "to confirm Judge Kavanaugh, as long as we know he isn't lying." And the environment for that would be to make a determination after our hearing on Monday. That's the purpose of the hearing: to hear out her, and to hear out him."

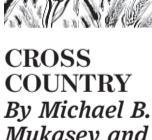
**O**n Wednesday we spoke of President Trump, who said after Ms. Ford made public her accusation that she ought to be afforded a hearing, and that a little delay in the confirmation timetable was no bad thing. "Well, it's kind of surprising me," says Mr. Grassley, "the temperate approach that he's taken." The president's approach, he says, "fits right in with the same concerns I have. This woman has charges, and they ought to be heard. So I compliment the president on his approach."

Why, I ask, is Mr. Grassley surprised that the president has been so temperate? "Because a lot of times, he isn't." Sure enough, on Friday the president reverted to form, tweeting that "if the attack on Dr. Ford was as bad as she says, charges would have been immediately filed with local Law Enforcement Authorities by either her or her loving parents."

Mr. Grassley, by contrast, recognizes that times have changed. "How America has come around in the last few years has affected this case," Mr. Grassley says. There's "more appreciation of the charges of sexual misconduct, and treatment of women, and not giving women enough attention to their—to what happened to them." Is that good for the country? "Oh, absolutely."

*Mr. Varadarajan is executive editor at Stanford University's Hoover Institution.*

## What Punishment Is Cruel and Unusual for a Crime Committed at 17?



What happens when a state supreme court fails to follow the precedents of the U.S. Supreme Court? Over the past decade, the high court has applied the Eighth Amendment ban on cruel and unusual punishment to limit penalties for juvenile crimes.

First the justices barred capital punishment for defendants who committed their crimes—including murder—while they were under 18. Later they barred life without parole for juveniles who committed noncapital offenses, and eventually even for juvenile murderers, unless they were found to be in that "rare" group that "exhibits such irretrievable depravity that rehabilitation is impossible."

These decisions reasoned that the immaturity of juvenile defendants made such sentences impermissibly disproportionate. Dissenters argued that the Eighth Amendment was written simply to forbid cruel methods of punishment, not to impose a judicially created sentencing proportionality regimen. The dissenters also cited numerous state sentencing

laws permitting life without parole for juveniles to show that such sentences weren't unusual.

Whether one agrees with the majority or the dissenters in those cases—a question on which the authors of this article take different views—a case the high court is now considering for review could unite those positions. In *Chandler v. Mississippi*, the sentencing judge imposed life without parole after pronouncing the defendant "mature" and noting that 17-year-olds—the age at which Joey Chandler committed the murder in question—may engage in numerous adult activities, from driving to obtaining an abortion. The judge also recounted the story of a 17-year-old who received a Medal of Honor during World War II, adding that he couldn't have been called "immature." As a final fillip, in recognition of the Supreme Court's "talk" about prospects for rehabilitation, the judge pointed out that the executive is empowered to commute sentences.

What the judge did not do before imposing life without parole was consider whether he could find that the defendant was irretrievably depraved. Yet the Supreme Court of Mississippi affirmed the sentence over a strong dissent.

The circumstances of Mr. Chandler's crime include the social pathology that often surrounds such cases. He shot his 19-year-old cousin in 2003 for stealing marijuana. Mr. Chandler intended to sell to support his pregnant girlfriend. As also happens occasionally in such cases, while in prison Mr. Chandler appears to have turned around his life, or what there is of it. He earned a high-

school diploma, trained extensively in two trades, married and maintained an unblemished disciplinary record. Lawyers and advocates routinely present that sort of evidence to parole boards in aid of release, often successfully.

The mitigating factors in Mr. Chandler's postconviction history, and the undeniable fact of his youth at the time he murdered his cousin, are presented in the friend-of-the-court brief that 45 current and former prosecutors and judges, includ-

ing us, recently filed urging the U.S. Supreme Court to hear this case. Those mitigating factors may be of less concern to the court in determining whether to hear this case than the requirement that the court's own rulings be adhered to—also presented in our brief—and perhaps the chance to articulate standards for applying them.

Some might argue that these achievements were simply part of a strategy to undo his sentence, or that being a model prisoner provides no assurance that Chandler would be a model citizen, or that denying another person the right to live in an act of revenge over a trivial matter, and denying to his family members their right to his presence, demands that Mr. Chandler never even have the opportunity to seek parole. But the Supreme Court has required that most juveniles be given that opportunity.

The high court doesn't sit simply to correct mistakes, even egregious ones. A case generally must present a question beyond whether it was rightly or wrongly decided to merit the justices' attention. This case would provide an opportunity for the court to make clear that a finding of "such irretrievable depravity

that rehabilitation is impossible," based on factors meaningfully considered by the sentencing court, is a prerequisite to imposing life without parole for murder convicted by a juvenile. The circumstances of the crime itself—whether it involved wanton cruelty—and the defendant's criminal history, are obvious matters that a sentencing court should take into account. The justices could suggest others.

One thing is certain: That 17-year-olds may drive cars or get abortions, or that a 17-year-old was decorated for battlefield heroism, that the executive can grant clemency—all these things are irrelevant to whether Joey Chandler exhibited "such irretrievable depravity that rehabilitation is impossible."

*Mr. Mukasey served as U.S. attorney general (2007-09) and a U.S. district judge (1988-2006). Ms. McCord is a visiting professor of law and senior litigator at Georgetown University Law Center's Institute for Constitutional Advocacy and Protection, where she co-authored a friend-of-the-court brief in *Chandler v. Mississippi*. She has served as acting assistant attorney general for national security and a federal prosecutor.*

## OPINION

## REVIEW &amp; OUTLOOK

## The Presumption of Guilt

*"As Judge Kavanaugh stands to gain the lifetime privilege of serving on the country's highest court, he has the burden of persuasion. And that is only fair."*

—Anita Hill, Sept. 18, 2018

*"Not only do women like Dr. Ford, who bravely comes forward, need to be heard, but they need to be believed."*

—Sen. Maize Hirono (D., Hawaii)

The last-minute accusation of sexual assault against Supreme Court nominee Brett Kavanaugh is an ugly spectacle by any measure. But if there is a silver lining, it is that the episode is providing an education for Americans on the new liberal standard of legal and political due process.

As Ms. Hill and Sen. Hirono aver, the Democratic standard for sexual-assault allegations is that they should be accepted as true merely for having been made. The accuser is assumed to be telling the truth because the accuser is a woman. The burden is on Mr. Kavanaugh to prove his innocence. If he cannot do so, then he is unfit to serve on the Court.

This turns American justice and due process upside down. The core tenet of Anglo-American law is that the burden of proof always rests with the person making the accusation. An accuser can't doom someone's freedom or career merely by making a charge.

The accuser has to prove the allegation in a court of law or in some other venue where the accused can challenge the facts. Otherwise we have a Jacobin system of justice in which "J'accuse" becomes the standard and anyone can be ruined on a whim or a vendetta.

Another core tenet of due process is that an accusation isn't any more or less credible because of the gender, race, religion or ethnicity of who makes it. A woman can lie, as the Duke lacrosse players will tell you. Ms. Hirono's standard of credibility by gender would have appalled the civil-rights campaigners of a half century ago who marched in part against Southern courts that treated the testimony of black Americans as inherently less credible than that of whites. Yet now the liberal heirs of those marchers want to impose a double standard of credibility by gender.

A third tenet of due process is the right to cross-examine an accuser. The point is to test an accuser's facts and credibility, which is why we have an adversarial system. The denial of cross-examination is a major reason that campus panels adjudicating sexual-assault claims have become kangaroo courts.

It's worth quoting from the Sixth Circuit Court of Appeals ruling this month in *Doe v.*

## The New Censors

America's progressive censors have claimed another victim: Ian Buruma, editor of the reliably left-of-center New York Review of Books. Mr. Buruma was swept away in a #MeToo fury not because he is accused of untoward behavior or harassment. His sin was to publish an article by someone else who was—and admit he didn't know enough about the facts to say if the man was guilty.

The offending article was by Jian Ghomeshi, a Canadian broadcaster who was dismissed four years ago after, as the NYRB says in a new online introduction to his piece, "more than twenty women accused him of sexual abuse and harassment, which included hitting, biting, choking and verbal abuse during sex." In a subsequent criminal trial, he was acquitted on all of the five legal counts against him. In its Oct. 11, 2018, issue, the NYRB carried an article by Mr. Ghomeshi called "Reflections from a

Baum on a sexual-assault case at the University of Michigan.

"Due process requires cross-examination in circumstances like these because it is 'the greatest legal engine ever invented' for uncovering the truth," wrote Judge Amul Thapar. "Not only does cross-examination allow the accused to identify inconsistencies in the other side's story, but it also gives the fact-finder an opportunity to assess a witness's demeanor and determine who can be trusted. So if a university is faced with competing narratives about potential misconduct, the administration must facilitate some form of cross-examination in order to satisfy due process."

Consider the limited facts of Christine Blasey Ford's accusation against Judge Kavanaugh. It concerns an event some 36 years ago that she recalls in only partial detail. She remembers the alleged assault and rooms she entered with some specificity, but not the home where it occurred. She doesn't know how she traveled to or from the home that evening.

She told no one about the incident for 30 years until a couples therapy session with her husband. Her therapist's notes say there were four assailants but she says there were only two. Two of the three other people she says were at the drinking party that night say they know nothing about the party or the assault, and Mr. Kavanaugh denies it categorically.

Democrats claim that even asking questions about these facts is somehow an unfair attack on her as a woman. Her lawyer is demanding that Ms. Ford testify after Mr. Kavanaugh, and that only Senators ask questions—no doubt to bar Republicans from having a female special counsel ask those questions.

We're told Ms. Ford even wants to bar any questions about why she waited so long to recall the alleged assault and who she consulted in finally going public this year. Such a process is designed to obscure the truth, not to discover it. None of these demands should be tolerable to Senators who care about finding the truth about a serious accusation.

We don't doubt that Ms. Ford believes what she claims. But the set of facts she currently provides wouldn't pass even the "preponderance of evidence"—or 50.01% evidence of guilt—test that prevails today on college campuses. If this is the extent of her evidence and it is allowed to defeat a Supreme Court nominee, a charge of sexual assault will become a killer political weapon regardless of facts. And the new American standard of due process will be the presumption of guilt.

Hashtag" about his experience. Mr. Buruma is a longtime political intellectual who was insufficiently woke to appreciate the rage of current progressive identity politics. He declined comment to us but told a Dutch magazine that he stepped down because of pressure from social media and academic book publishers skittish about advertising.

He also hasn't apologized, putting his case this way: "It is rather ironic: as editor of the New York Review of Books I published a theme issue about #MeToo-offenders who had not been convicted in a court of law but by social media. And now I myself am publicly pilloried."

The goal of an intellectual publication is to inform and prompt people to think, not to enforce political conformity. What happened to Mr. Buruma is a loss for free and open debate—and a sign that the #MeToo movement is increasingly showing an intolerant face.

## Grapes of Union Wrath

Workers at Dan Gerawan's third-generation family farm in Fresno, Calif., voted five long years ago to decertify the United Farm Workers. Their ballots were finally counted this week following a tortuous battle that illustrates how liberal government often subjugates individual worker rights to union politics.

Soon after winning an election at Gerawan Farming in 1990, the United Farm Workers disappeared. Two decades later the union returned to claim its orphaned members and demand that Gerawan's 5,000 workers—few of whom were employed there in 1990—agree to a labor contract skimming 3% of their wages for dues.

Labor conditions on farms have greatly improved since the days of Cesar Chavez, and the UFW's membership has shrunk by more than 90% since the 1970s. Gerawan pays its workers on average \$21.96 per hour for picking grapes in addition to covering their children's Catholic school tuition. Its workers had no interest in joining the union and launched a decertification petition.

The union then began a harassment campaign that included home visits and physical threats. After workers obtained some 3,000 signatures, the UFW complained without evidence that Mr. Gerawan was promoting the petition. The state Agricultural Labor Relations Board required that Mr. Gerawan give its staff access to his fields ostensibly to edu-

cate workers about their rights.

But following the November 2013 election, the union and the board's labor-friendly general counsel howled that Mr. Gerawan had interfered by offering workers a "well-timed" raise. The board sided with the union and impounded the ballots. Meantime, the union invoked a state labor law championed by Democrats to impose a contract over the objections of workers.

Mr. Gerawan supported by workers sued the Agricultural Labor Relations Board. Last November California's high court ruled that the compulsory contract did not violate Mr. Gerawan's due process rights, though the Supreme Court is considering a petition for a rehearing next week.

Some good news finally came last week when the state Supreme Court sustained an appellate-court decision that rebuked the board for failing "to accord sufficient value, weight and importance to the employees' fundamental right to choose via secret ballot election." The board "was apparently so zealous to punish this employer, it lost sight of the importance of the election itself" and "unnecessarily disenfranchised the workers," the court ruled.

According to the final ballot tally, workers had voted by a 5 to 1 margin to decertify the union. It's shameful that workers had to wait five years for this vindication, and their saga is another example of the often abusive power of a Big Labor-government condominium.

## The saga of workers at Gerawan Farming finally has a happy ending.

## OPINION

## LETTERS TO THE EDITOR

## AI Revolution Seems Closer Than It Will Be

"The Human Promise of the AI Revolution" (Review, Sept. 15) delivers another heavy-breathing commentary on the future of artificial intelligence. The real problem is the technologists who are trying to sell us a vision premised on grandiose, unsubstantiated claims about the capabilities of modern AI systems.

Computers still cannot reason in any way that resembles what humans or other animals can do. At their core, modern AI systems are essentially computer programs augmented with neural networks that enable them to do better statistical prediction when trained on vast amounts of data. But this is not intelligence, and it is not how our brains work.

Getting computers to the point where they can replace human workers will require overcoming some fundamental obstacles. Chief among these is the ability to endow computers with common-sense knowledge about the world. Evolution designed our brains with this remarkable capacity. Despite decades of research, we are nowhere close to understanding how it is done. Nature guards her secrets well.

As a neuroscientist who works with engineers to understand how brains process visual information, I long for the day when we can claim to build machines that meaningfully emulate the capabilities of humans or

other animals. It will be a scientific triumph, and it will surely come with many societal dilemmas. But to pretend that an AI revolution is looming is a disservice to the public and a distraction from far greater problems we face in adopting new technologies.

PROF. BRUNO OLSHAUSEN  
*University of California, Berkeley*

The author answers the disruption artificial intelligence might cause in the workforce by proposing a "respectable government salary" aimed at "rewarding socially beneficial activities just as we now reward economically productive activities."

There is a disingenuous sleight of hand in the "just as" phrasing. The value of products is now set in the free market, but I infer that these future rewards would be determined by the government and entail compulsory regulations and taxes that set the value for "socially beneficial activities."

Why not trust the health-care and education systems and other humanistic endeavors to evolve and to create value freely? The author claims that AI "is inherently monopolistic," yet we have found ways in the past to deal with the threat of monopolies that don't succumb to the threat of legislation.

KEVIN COLLINS  
*Chicago*

## King Coal Has Had Its Day as Gas Triumphs

I suggest that Paul H. Tice ("Trump's Half Measures Won't Save the Coal Industry," op-ed, Sept. 17) take a brief look at the Energy Information Administration's data before blaming regulators. He never uses the words "natural gas." Fossil-fuel usage for U.S. electricity production is unchanged—it's production has very quickly shifted from coal to natural gas. Many new fossil-fuel power plants continue to be developed and built, but they all are fired by natural gas.

Excluding hydroelectric power, renewable energy generates 2% of U.S. electricity. Maybe it will grow to 4% in the next 10 years.

So don't blame regulators, President Trump or renewables for coal's struggles. Regulators haven't killed coal, innovation has. If coal needs someone to blame, try the inventors

ALEX PRIEGER  
*Malibu, Calif.*

## Consider the More Positive Aspects of Hell

More fundamental than the question "Do We Still Need to Believe In Hell?" (Review, Sept. 16) is if we still need to believe in God. Hell only makes sense if God exists, that is the Judeo-Christian God whose essence is love, as referred to in 1 John 4:16. Hell isn't a flaming underworld where demons wield pitchforks and torture its denizens. Hell is much more simple than that. It is eternal separation from the God who is love. If we believe that a God of love truly exists, and clearly many people do, then Hell is the result of the choice to reject this God, which many others do. The Hell which follows from such a rejection can exist either in this world or in the world to come.

FR. DANIEL KETTER  
*Archdiocese of Atlanta  
Atlanta*

The article's author and many other respectable intellectuals have the notion that society is destined to

CHRISTOPHER SMITH  
*St. Paul, Minn.*

Truth never depends on someone's willingness to believe it.

JON WALKER  
*Sioux Falls, S.D.*

## Exposing a False Richard Nixon Tale Again

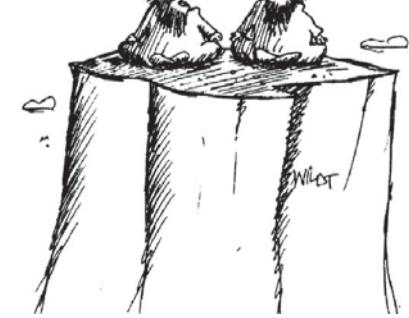
Edward Kosner's review of Arnold A. Offner's "Hubert Humphrey: The Conscience of the Country" (Books, Sept. 1) contains the significant inaccurate statement that President Johnson "kept from him intelligence that Nixon was secretly urging the South Vietnamese to stall peace talks until he could get them a better deal." Humphrey was fully aware of the claim against Nixon, but as he stated clearly in his memoir, there was no evidence to support it.

Saying Nixon "secretly" urged the South Vietnamese "to stall the peace talks" is false. This spurious charge has circulated for 50 years in search of proof. It recently reared its ugly head in a biography by John A. Farrell in which he claimed to have found evidence of Nixon's involvement. His "evidence" consists of handwritten notes by Bob Haldeman of a telephone conversation with Nixon on Oct. 22, 1968. They prove nothing. The "evidence" is labeled "In re bombing halt," which refers to President Johnson's plan to halt the bombing in Vietnam days before the election, which Nixon had learned about after being assured by Johnson

JOHN H. CARLEY  
*Director  
The Nixon Foundation  
Boca Grande, Fla.*

## Pepper ... And Salt

THE WALL STREET JOURNAL



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## OPINION

# The United States of Free Trade

By John Steele Gordon

**T**he Constitution requires free trade, the U.S. Supreme Court held in 1824. In *Gibbons v. Ogden*, the state of New York had awarded a monopoly in its waters to Robert Livingston and Robert Fulton for the emerging technology of steamboats. Further, the state had defined New York waters as running to the high-tide mark in neighboring states. Thomas Gibbons, who ran a steamboat between New York and New Jersey, sued.

The court ruled unanimously against the monopoly, declaring that the power to regulate interstate commerce lay exclusively with the federal government and that states couldn't

**In 1824 the Supreme Court held protectionist state laws unconstitutional. Wild prosperity ensued.**

impose impediments to that commerce in their parochial self-interest. The economic effect of the ruling was immediate. In one year the number of steamboats operating in New York waters rose from six to 43, while fares fell by 40%.

Charles Warren, the great historian of the Supreme Court, called *Gibbons v. Ogden* "the emancipation proclamation of the American economy." The case made the U.S. the world's largest free market by flattening state-imposed barriers to "commerce," a word the court had defined broadly to include trade and navigation. Within a half-century, the American economy rose to become the mightiest in the world, due in no small part to the precedent created by that decision.

The reason is simple enough. Free trade allows maximal use of "comparative advantage" to minimize the price of goods for everyone. The lower the prices, the higher the demand and thus the larger the economy. If T-shirts, for instance, can be made more cheaply in Bangladesh, thanks to low labor costs in that country (and the price of a T-shirt is determined mostly by the labor input), then it makes little economic sense to manufacture them in New York City's Garment District. Equally, the U.S. can make far better movies than Bangladesh, thanks to Hollywood's unmatched infrastructure and talent pool. So the U.S. sells Bangladesh movies and buys its T-shirts. Both nations are better off. Both are richer because of the trade.

With its own example of the power of free trade to produce wealth for everyone, one would think that the U.S. would have promoted it world-wide. But for most of the country's history, Americans have been anything but free traders beyond their own borders. Instead the federal government used high tariffs to protect American industry even long after it had become more efficient than European industry. Only when U.S. tariff policy produced disaster did Washington change its ways.

In 1930, hoping to safeguard the American domestic market for U.S. producers in the looming Depression, Congress passed the Smoot-Hawley tariff, the highest in American history. Despite the pleas of more than 1,000 economists, President Herbert Hoover signed it into law. The results were catastrophic. With the U.S. erecting higher tariff walls to protect its internal market, other countries naturally did the same in a game of



beggar-thy-neighbor. American exports fell from \$5.241 billion in 1929 to \$1.161 billion in 1932, a 78% decline. World trade in that period declined from \$36 billion to \$12 billion—less, adjusted for inflation, than it had been in 1896.

After World War II, much of the world economy was in shambles. The U.S., having learned its lesson, moved to lower tariffs world-wide. In 1947, 23 nations signed the General Agreement on Tariffs and Trade and began negotiations to lower tariffs, which then averaged 22%, as well as other barriers to trade.

In a series of seven negotiations, involving more nations as colonies became independent and the Soviet empire collapsed, the average tariff had been lowered to only 5% by 1999. Today there are only a handful of countries that aren't members of the World Trade Organization, successor to the GATT.

The results of this long and often

arduous process have been spectacular. World trade has increased exponentially. Merchandise trade amounted to about \$58 billion in 1950. By the end of the century it was \$5.4 trillion. Only 17 years later, merchandise trade had increased to \$17 trillion. Trade in agricultural products and services has increased similarly. Even taking inflation into account, world trade since World War II has increased by a factor of about 30, making the whole world vastly more prosperous.

To be sure, the spike in trade—and prosperity—can't be attributed entirely to the reduction in tariffs. New technologies and better trade policies were mutually-reinforcing. The development of the shipping container, for example, greatly reduced shipping costs beginning in the 1950s.

What prevents the world from becoming a total free-trade zone, as the U.S. has been for almost two centuries? Start with domestic politics:

The handful of American sugar producers, for instance, exert a powerful influence on Congress, which protects the domestic industry with quotas. As a result, Americans pay much more for sugar (and everything that contains sugar) than the world price.

Strategic considerations are also an obstacle to a global free-trading system. Great powers such as the U.S. must maintain domestic sources of supply for vital war materiel, such as steel and jet aircraft.

Then there is the persistent though discredited belief that countries should strive to maintain a positive balance of trade, with more exports than imports. It is, of course, no more possible for all countries to have a positive balance of trade than it is for all people to be above average in height.

Rapidly growing and maturing economies usually run foreign trade deficits, as the U.S. did throughout the 19th century while it grew into an economic superpower. The U.S. is again running large trade deficits, but those deficits are balanced by large capital inflows from foreign investors.

Totally free international trade probably isn't possible in a world made up of sovereign nation states. There is no court that could hand down a global *Gibbons v. Ogden*. But it should be treated as an economic ideal that the nations of the world aspire to, even if they can never quite reach it.

*Mr. Gordon is author of "An Empire of Wealth: The Epic History of American Economic Power."*

Peggy Noonan is on leave and will return on Oct. 6.

## The Humanities' Decline Makes Us Morally Obtuse

By Paula Marantz Cohen

**T**he great works of literature, history and philosophy that used to be at the center of a college education have been shunted to the sidelines or discarded entirely over the past two decades or more. This is a loss on many fronts, but one example is the debate around Asia Argento. One of the first whistle-blowers against Harvey Weinstein, Ms. Argento has since been accused of sexually assaulting a 17-year old boy.

For some, Ms. Argento's action cancels out her earlier complaint. Others feel the need to dismiss the accusation against her as either fraudulent or trivial. Both approaches strike me as ignorant. This woman could certainly have been the victim of abuse and still be herself a perpetrator. One doesn't negate the other. It simply shows that people can be blind where they should be most acutely conscious. We see this all the time when our friends complain

about traits in others that are prominent in themselves.

Few people seem to be able to reconcile two overlapping truths—that someone can have a valid grievance in one context and be guilty of some version of the same thing in another. I see this as a failure of education. By "education," I do not mean the workshops that teach us what not to say or do to avoid offending others. That is training, not education (and I'm not sure how well it actually sticks).

The assumption these days is that people are monolithic—either completely good or completely bad. The best way to repudiate that assumption is to study the humanities, which illuminate human life in all its complexity. How can you think about crime or misconduct in such an unimaginative way if you've read great literature: adultery after "Anna Karenina," bad parenting after "Death of a Salesman," political extremism and even murder after "Julius Caesar"?

The greatness of these works is that they don't excuse the conduct in

question, but they do help explain it as a function of human frailty and misguided motives, sometimes of the most high-minded sort. They expose the back story that otherwise would be hidden from us so that we can, if not sympathize, at least go some way

**Many 'educated' people are too ignorant to realize the same person can be a victim and a villain.**

toward understanding what happened. They humanize what would otherwise look like simple stupidity or evil.

When we read the U.S. Constitution and Bill of Rights as first written, the disjunction between their call for freedom and equality and their maintenance of a slave-holding society is appalling. These documents imply an ideal of which the

founders fell abysmally short. But this need not negate the greatness of their vision or incite us to denounce these men as entirely benighted. Both the ideal and the reality are part of the story that needs to be taught.

Education is the immersion in "the best which has been thought and said in the world," as the 19th-century critic and poet Matthew Arnold put it. That "best" can be difficult, unclear, even contradictory. Part of being "the best" is that a work doesn't reduce to a formula. It can also be written by people who are far from exemplary.

The emphasis on STEM fields in higher education reflects the need for expertise in a high-tech world. But this has tended to make the "soft" fields of the humanities seem weak and easy. Science, engineering and finance may be hard, but literature, history and philosophy are complex—impossible to resolve with a yes-or-no, right-or-wrong answer. This is precisely what constitutes

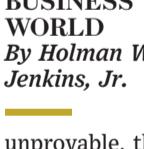
their importance as a tool for living. Metaphysics takes its name from the idea that it goes beyond "hard" science into the realm of moral and intellectual speculation, where no empirical proof is possible.

The humanities teach understanding, but they also teach humility: that we may be wrong and our enemies may be right, that the past can be criticized without necessarily feeling superior to it, that people's professed motives are not the whole story, and that the division of the world into oppressors and victims is a simplistic fairy tale.

We speak about the decline of the humanities without fully recognizing how it has hurt our society. If we want our nation to heal and thrive, we must put the study of literature, history and philosophy back at the center of our curricula and require that students study complex works—not just difficult ones.

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

## A Kavanaugh Hearing Without Facts Would Be a Sham

  
By Holman W. Jenkins Jr.

A thinking person realizes that even if the charges themselves remain unprovable, there are plenty of unknown but potentially knowable facts about the alleged events in question—facts that could have been found out.

She doesn't remember at whose house the party was held, is uncertain of the year or what the occasion was, but she can name four other people who were present. Not much digging in these people's circle of ac-

quaintance by a competent and motivated Democratic investigator might well have yielded answers that could have led to more witnesses and more answers.

Unclear in her accounts is how well she knew Brett Kavanaugh before the alleged incident, or on what basis she now identifies the Supreme Court nominee as the 17-year-old who attacked her when she was 15. This information could have been nailed down as well by a discreet investigator without necessarily even describing Ms. Ford's complaint, which she had wished to keep confidential.

At least some of the facts, if they exist, were ripe to be fleshed out weeks ago if Democrats had bothered to make a conscientious determination: Either pursue the matter or drop it. Instead Sen. Dianne Fein-

stein did both. She sat on the allegations for weeks, perhaps judging them unprovable. Then she changed course when she apparently feared her own re-election might be endangered if fellow liberals found out she had been sitting on them.

Republicans, who recognize the horrible precedent of a nominee (of any party) being blockable by a single, last-minute, ancient, unprovable allegation, will also realize that confirming Judge Kavanaugh doesn't end it. The knowable facts will be pursued and come out eventually.

One thing we can be grateful for: A public hearing seems unlikely, which could only have been a clown show, a "he said, she said" circus of no dispositive value in the absence of senators' first getting to the bottom of the knowable facts.

We pause here to make a point

### Notable & Quotable

*From a New York Sun editorial, Sept. 13:*

Jamie Dimon . . . fetched up at the top of the Drudge Report with a boast, made at his bank's headquarters, that he could defeat Mr. Trump in a presidential contest. . . . Good for him, we thought—until Mr. Dimon backtracked faster than a lobster at a clambake. "I should not have said it," he confessed. . . . He is quoted by CNBC as saying about running for president, "Anyway my wife wouldn't let me." What a contrast to Mr. Trump. With all the newspapers that got it wrong and all the billionaires who shrank from the fray, the only advice his wife, Melania, is on record as having given to him is to bear in mind that if ran he would win.

that can't be made often enough. Americans who are horrified by the election of Donald Trump have not reckoned with the fact that, by the well-informed lights of millions of their fellow citizens, our existing leaders have been nothing to write

**Liberal voters should save their fury for Senate Democrats rather than Republicans.**

home about. The idea that Mr. Trump is some great derogation from the normally high quality of officeholders is much exaggerated.

To hold hearings without nailing down the knowable facts would be purposeless except to show respect for Ms. Ford's accusations. Judge Kavanaugh would likely be peppered with absurd questions meant to suggest a connection between a propensity to rape and skepticism about *Roe v. Wade*. From Republicans, who would fear being accused of badgering a victim, there would have been no searching questions about Ms. Ford's motives, the relationship troubles that 30 years after the fact she evidently blamed on Mr. Kavanaugh, or the clarity of her memories.

If you take Ms. Ford at her word, her story still leaves room for doubt about whether the episode was, as she characterizes it, attempted rape. Her interpretation of the incident, by her own reported account, changed in hindsight. Plus the idea that memory is a reliable stenographer of events is so thoroughly discredited that it's no wonder we constantly have to be reminded of the fact.

On the flip side, a rite of passage of the American teenager is discovering what sort of person he or she becomes under the influence of alcohol. In many cases it is not a happy discovery. Mr. Kavanaugh has conducted himself ever since in a manner that suggests that, even if the alleged acts occurred in some fashion, they are unrepresentative.

Let us hope, when this episode is over, the reputational damage falls where it should: less on the two protagonists than on senators who have so completely botched their own job. Take Sen. Mazie Hirono, who decried far and wide: "Not only do women like Dr. Ford, who bravely comes forward, need to be heard, but they need to be believed. . . . I believe her."

This is not the attitude of a responsible adult, let alone one whose job is making the factual determinations on which national policy is based. Your wishes don't make facts. A claim is not true because it comes from the mouth of a woman or false because it comes from the mouth of a man (or vice versa).

That such a person is in a position of power, of course, is less worrisome in a democracy than in any other system. In a democracy, the frequent imbecility of decision-making is a vice we willingly live with because of democracy's great virtue: its many and constant feedback loops that allow idiotic policies to be reversed or ameliorated.

America has been demonstrating this proposition for 242 years. It's a chief selling point of the U.S. model.

This is also why we might be wise to worry a bit less about Donald Trump (who is democracy personified in this sense) and a bit more about some of the antidemocratic means used to oppose him.

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# SPORTS



FRANCK FIFE/AGENCE FRANCE PRESSE/GETTY IMAGES (2)

## GOLF

# How France Landed the Ryder Cup

The choice of Le Golf National reflects the business of hosting the event in Europe

BY BRIAN COSTA

**EUROPE IS HOME** to some of the oldest and most iconic golf courses in the world. But the Ryder Cup isn't being played at any of those courses next weekend.

Instead, it will be played at Le Golf National, a 28-year-old track in a suburb of Paris. It is a bit like bringing an international wine competition to Scotland.

"I'm going to be very nasty with my country," said Franck Riboud, who oversees the Evian Championship, a major women's golf tournament held in France. "My country is not a golf country."

The choice of venue, though improbable on the face of it, perfectly reflects the business of hosting the Ryder Cup in Europe: who controls it, what drives it and who benefits.

Unlike in the U.S., where the biennial event is run by the PGA of America, in Europe it is controlled primarily by the European Tour, the continent's main professional golf circuit. Le Golf National annually hosts the French Open, a key stop on a series of high-purse tournaments that the tour hopes will attract more top players away from the U.S.

First played in 1927, the Ryder Cup has only once been held in mainland Europe, when Spain hosted in 1997. In bringing the event to Paris this year—and to Rome in 2022—the European Tour is using it as a developmental jolt to its primary business.

To land the Ryder Cup, both France and Italy had to commit to prop up their stops on the European Tour through a combination of course renovations and guaranteed prize money for the players.

"These are historical events and iconic cities, but golf is still a relatively niche sport in those countries," said Keith Pelley, chief executive of the European Tour. "If we can use the Ryder Cup to grow it, to increase the engagement, the awareness of our game, then that is something critical."

In the U.S., the PGA of America typically pays courses to host the event, often as part of deals in which a course hosts both the

Ryder Cup and the PGA Championship in a span of several years. In Europe, the process more closely resembles an auction. To earn the right to host, France had to beat competing bids from Germany, the Netherlands, Portugal and Spain in 2011. It is as much a contest between countries

as it is between courses, requiring the logistical and financial support of governments. Victory doesn't come cheaply. Pascal Grizot, the head of France's Ryder Cup committee, estimated the total cost of the bid at nearly €43 million (around \$50 million), which included an €18

million-fee to Ryder Cup Europe and €7 million in course upgrades. He said the costs were shared by the government, sponsors and recreational players.

To help fund the bid, the roughly 425,000 registered golfers in France—who make up less than 1% of the national population—agreed to pay an annual levy of €3 over 13 years. That adds up to around €17 million. "It was the first crowdfunding done in France at such a high level," Grizot said.

Part of the bid also included a commitment to build 100 short courses—typically six or nine holes—to boost the sport at the grass-roots level in France. Grizot said the total will exceed that projection, with 99 built and another 50 expected to open in the next five years.

Between that and the visibility of the Ryder Cup, Grizot said, "It can be the only way to transform golf in my country."

There remains no small amount of skepticism about how much of a difference a three-day event can make in a country where golf barely registers in the national consciousness. Speaking at the Evian Championship last week, Riboud said what French golf really needs is a French golf champion. Only twice have French women won a major championship, most recently Patricia Meunier-Lebouc in 2003, and not since the 1907 British Open has a French male won one.

"We don't have a golf culture," Riboud said. "We have to build it. It's a small—I don't know, 400 people but nothing else. Do we speak a lot about the Ryder Cup? The Ryder Cup, the best golf competition of the world. It's within two weeks. Have you read something [about it in] the newspaper? Yes? No? I don't know."

Pelley said 43% of tickets have been purchased by people in France, which is slightly more than the share of ticket-buyers represented by Scottish fans when the Ryder Cup was held at Gleneagles in 2014.

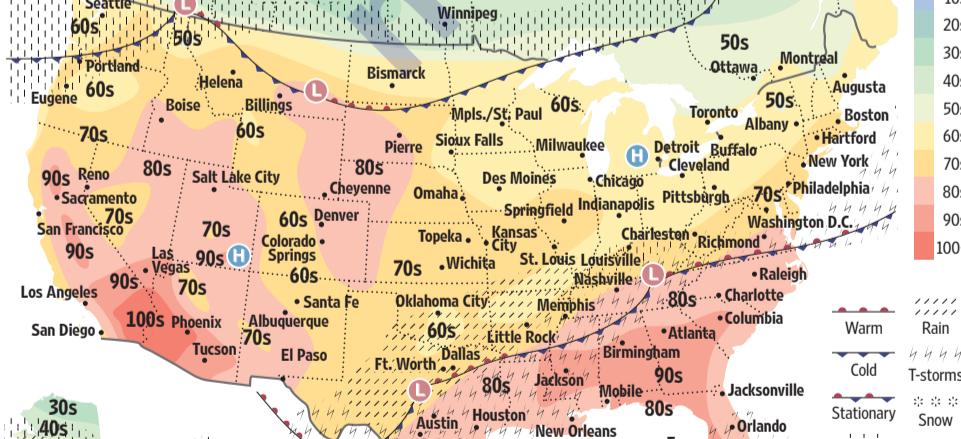
The European Tour doesn't need golf to become a French obsession. What it needs more than anything is the cash that the Ryder Cup brings in. According to the Tour's financial statements, it posted operating losses of roughly €11 million in 2017, €3 million in 2016 and €9 million in 2015. The only year in the last four that it turned a profit was 2014, the last time Europe hosted the Ryder Cup. That year, the tour reported an operating profit of more than €16 million.

In its most recent filing, the Tour cited this year's Ryder Cup as the reason it projects to break even overall from 2015 to 2018. What makes the event especially lucrative is a longstanding quirk: Unlike almost every other professional golf event in the world, the 12 players on each team earn no prize money and are not paid for their participation.

Said Pelley: "We thank them all the time."



## Weather



## U.S. Forecasts

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

**Today** Hi Lo W **Tomorrow** Hi Lo W

**City** **Today** Hi Lo W **Tomorrow** Hi Lo W

**Today** Hi Lo W **Tomorrow** Hi Lo W

**International** **Today** Hi Lo W **Tomorrow** Hi Lo W

**City** **Today** Hi Lo W **Tomorrow** Hi Lo W

## THE COUNT

### BELICHICK'S UNKIND SHADOW

Nov. 7, 2010, was a bizarre day in Cleveland. That's not just because the Browns won a football game. Or that they absolutely clobbered the Patriots.

All of those things made Cleveland's 34-14 win that day bewildering. But it's made even more notable because it was the last time one of Bill Belichick's former assistants, in this case Eric Mangini, beat him.

This Sunday, the Lions and Matt Patricia, who had been the Patriots' defensive coordinator, will get a chance to end this nearly eight-year drought. The chances for the student taking down the teacher seem pretty slim in this case. The Lions are 0-2 and had an ignominious start to the season in which they were pulverized by the Jets. But oddly enough, Belichick's former assistants have been—relatively—successful against arguably the greatest coach ever.

Here's the thing about former Belichick assistants: For the most part, they haven't made especially good NFL coaches. His eight former assistants—Eric Mangini, Bill O'Brien, Nick Saban, Al Groh, Jim Bates, Romeo Crennel, Josh McDaniels and Jim Schwartz—have a combined 40% winning percentage.

But against Belichick, they have a 9-14 record, which at 39% is essentially indistinguishable from how they perform normally. Which is strange because Belichick is better than every single other coach. Or another way of looking at it: Belichick has won 68% of his career games, but only 60% against his former assistants.

Mangini had a 3-5 record against his former boss, but he had that big win with the Browns and an even more famous spat back when he was Jets coach. You probably remember it as Spygate. O'Brien, the Texans coach, has had the hardest time against Belichick. The two have faced off five times, including the playoffs. O'Brien has lost all five.

McDaniels had a different experience. In 2009, the Patriots offensive-coordinator



### Boss vs. Protégé

How Bill Belichick's former assistants have fared against their ex-boss

COACH	RECORD VS. BELICHICK	CAREER RECORD
Eric Mangini	3-5	33-48
Bill O'Brien	0-5	32-37
Nick Saban	2-2	15-17
Al Groh	2-0	9-7
Jim Bates	1-0	3-4
Josh McDaniels	1-0	11-17
Romeo Crennel	0-1	28-55
Jim Schwartz	0-1	29-52

Source: Stats LLC

turned-Broncos coach led his team to a win against New England. It looked like a coronation for a hotshot, young coach. It wasn't. McDaniels was fired midway through the next season, his second on the job.

But nobody knew that was his fate at the time, especially McDaniels. He famously stomped around the field, wildly pumping his fist in jubilation. Right before that, he gave a big hug to a former colleague: Matt Patricia.

—Andrew Beaton

MADDIE MEYER/GETTY IMAGES

**Oklahoma City** 69 58 r 73 63 c

**Edinburgh** 56 40 p 53 38 sh

**Dublin** 54 46 r 59 55 r

**Zurich** 64 50 sh 77 48 c

**Frankfurt** 65 49 pc 72 47 r

**Geneva** 71 54 t 81 51 c

**Havana** 88 73 pc 87 72 t

**Hong Kong** 88 80 pc 87 78 sh

**Istanbul** 81 66 pc 78 65 pc

**Jakarta** 93 76 sh 91 75 sh

**Jerusalem** 82 64 s 82 64 s

**Johannesburg** 79 55 t 79 55 pc

**London** 60 52 r 58 42 r

**Madrid** 92 64 pc 93 65 s

**Manila** 89 76 t 89 79 s

**Melbourne** 67 48 pc 55 42 c

**Mexico City** 75 56 t 74 55 t

**Milan** 84 61 pc 77 63 pc

**Moscow** 78 57 s 60 45 r

**Mumbai** 88 78 c 87 80 pc

**Paris** 64 53 c 73 47 c

**Rio de Janeiro** 82 71 s 86 73 s

**Riyadh** 106 77 s 107 78 s

**Rome** 81 65 pc 81 67 pc

**San Juan** 88 76 sh 88 77 sh

**Seoul** 78 57 s 73 57 pc

**Shanghai** 82 72 sh 84 69 pc

**Singapore** 86 79 t 88 79 pc

**Sydney** 73 56 pc 67 54 pc

**Taipei City** 92 79 pc 93 77 t

**Tokyo** 84 73 pc 82 72 pc

**Vancouver** 64 49 sh 62 47 pc

**Warsaw** 65 47 pc 63 48 pc

**Zurich** 64 50 sh 77 48 c



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NASDAQ 7986.96 ▼ 0.5%

STOXX 600 384.29 ▲ 0.4%

10-YR. TREAS. ▲ 2/32, yield 3.068%

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GOLD \$1,196.20 ▼ \$10.00

EURO \$1.1749

YEN 112.58

# EXCHANGE

THE WALL STREET JOURNAL.

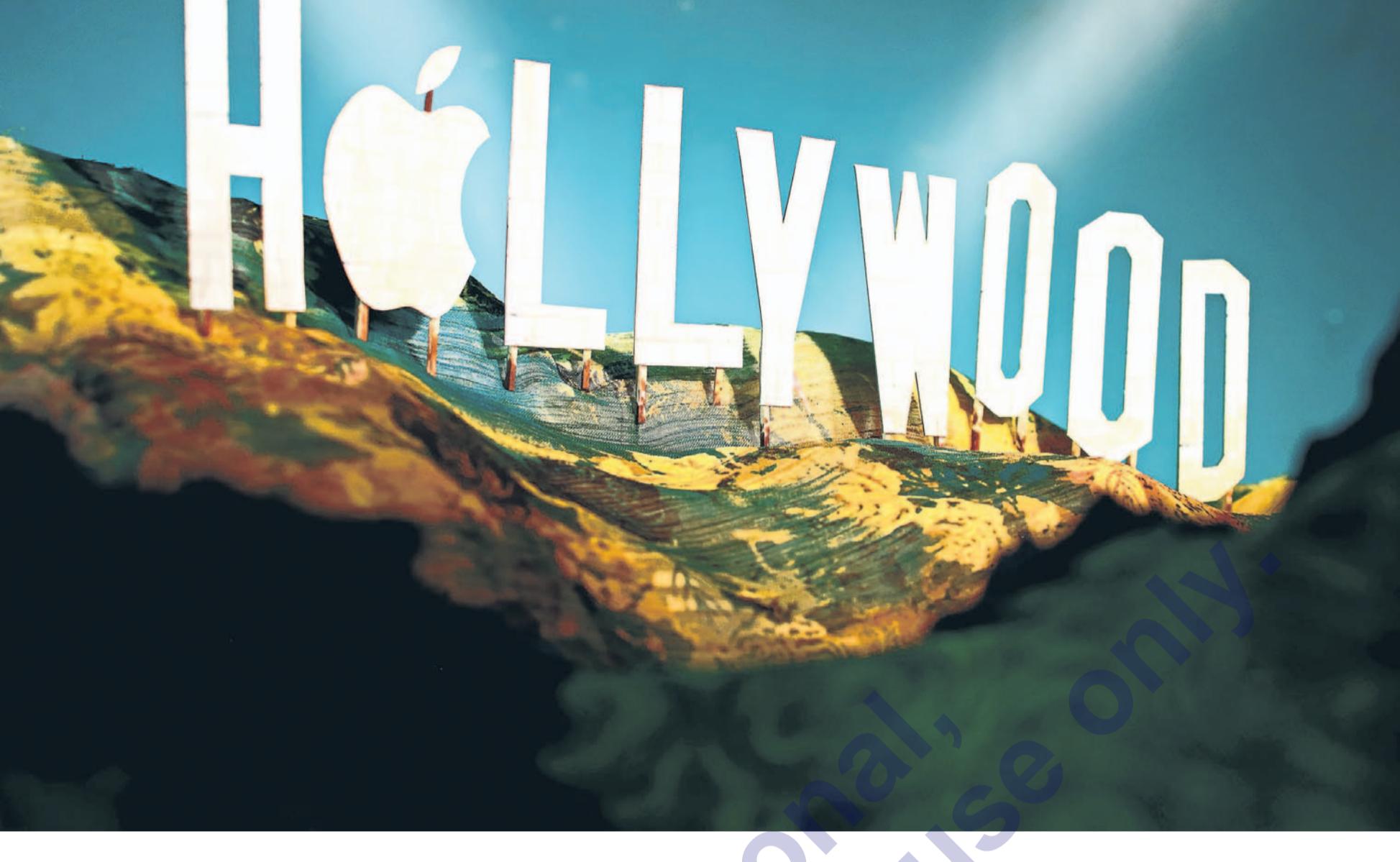
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SATURDAY/SUNDAY, SEPTEMBER 22 - 23, 2018 | **B1**

**Big Deal**  
Tiny electric cars are  
kings of the road  
in China **B4**



ILLUSTRATION BY RED NOSE STUDIO; INVESTOR (BOTTOM); ALEX NABAUM; WASHINGTON; CORBIS/GETTY IMAGES



**T**im Cook sat down more than a year ago to watch **Apple** Inc.'s first scripted drama, "Vital Signs," and was troubled by what he saw. The show, a dark, semi-biographical tale of hip hop artist Dr. Dre, featured characters doing lines of cocaine, an extended orgy in a mansion and drawn guns.

It's too violent, Mr. Cook told Apple Music executive Jimmy Iovine, said people familiar with Apple's entertainment plans. Apple can't show this.

Across Hollywood and inside Apple, the show has become emblematic of the challenges faced by the technology giant as it pushes into entertainment. Apple earmarked \$1 billion for Hollywood programming last year. But in the tone CEO Mr. Cook has set for it, whatever Apple produces mustn't taint a pristine brand image that has helped the company collect 80% of the profits in the global smartphone market.

Apple's entertainment team must walk a line few in Hollywood would consider. Since Mr. Cook spiked "Vital Signs," Apple has made clear, say producers and agents, that it wants high-quality shows with stars and broad appeal, but it doesn't want gratuitous sex, profanity or violence.

The result is an approach out of step with the triumphs of the video-streaming era. Other platforms, such as HBO and Amazon.com Inc., have

## Apple Gets Ready for Its Close-Up

The tech giant wants to make its own TV shows, but without the sex, violence or edgy content that might damage its brand

BY TRIPP MICKLE AND JOE FLINT

made their mark in original content with edgier programming that often wins critical acclaim. Netflix Inc., which helped birth the streaming revolution, built its original-content business on "House of Cards," a drama about an ethically bankrupt politician, and "Orange Is the New Black," a comedic drama about a women's prison. Both feature rough language and plenty of sex.

As a consumer-product company, Apple is especially exposed if content strikes a sour note, said Preston Beckman, a former NBC and Fox programming executive. For Netflix, the only risk is that people don't subscribe, he said. "With Apple, you can say, 'I'm going to punish them by not buying their phone or computer.'

Apple has twice postponed the launch of its first slate of shows, moving it to March from late this year, agents and producers said. One leading producer with projects at Apple expects the date to be pushed back yet further.

Hollywood routinely humbles big companies that try to join its club. In 2014, Microsoft Corp. closed its Hollywood unit, Xbox Entertainment Studios,

Please turn to the next page

**\$1 billion**

Earmarked by Apple for entertainment programming last year

## Drugmakers Probed Over Free Services

Prosecutors examine growing area of industry

BY PETER LOFTUS

Federal prosecutors are probing whether big drugmakers including **Sanofi SA**, **Gilead Sciences** Inc. and **Biogen** Inc. potentially violated laws by providing free services to doctors and patients, according to a Wall Street Journal review of securities filings.

The investigations, along with a number of related lawsuits, suggest

Actions are drawing scrutiny about whether they serve an illegal commercial purpose.

that this growing area of the drug industry is starting to draw the same kind of attention that had been trained on once-common company sales practices such as lavishing high-prescribing doctors with fancy dinners and trips.

Drug companies say the services, such as nurses and reimbursement assistance, help doctors and pa-

tients. But the practices, which have become more prevalent as drugmakers have introduced more complex and expensive drugs, are drawing scrutiny about whether they serve an illegal commercial purpose by introducing sales.

**Amgen** Inc., **Bayer AG** and **Eli Lilly & Co.** face whistleblower lawsuits alleging the services are illegal kickbacks. Meanwhile, California's insurance commissioner has sued **AbbVie** Inc., accusing the company of providing kickbacks in the form of nursing support and help with insurance processing to prompt doctors to write prescriptions for its arthritis drug **Humira**.

In whistleblower lawsuits, employees or other people claiming to have evidence that a company or person defrauded the government can seek damages on behalf of the government. Those filing the suits can be eligible to receive a share of any money recovered by the government via a settlement or court judgment.

**AbbVie**'s share price has declined more than 3% since the California lawsuit was filed Tuesday. The state is seeking monetary damages on behalf of private insurers that have paid \$1.29 billion since 2013 to cover **Humira** prescriptions for California patients.

The company said the state's allegations, as well as a previous whis-

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THE INTELLIGENT INVESTOR | JASON ZWEIG



## No Need to Be Spooked By the Turn of the Season



Every year, as the end of summer approaches, monarch butterflies head for Mexico, birds migrate south for the winter, and financial pundits predict that the stock market is about to crash. Is the longstanding popular belief that September and October are the worst months for stocks valid?

Yes and no—mostly no.

Yes, some of the worst days in

Wall Street's history have hit during September and October.

On Sept. 24, 1869, the original Black Friday, the price of gold collapsed roughly 20% and took the stock market down with it.

On Sept. 18, 1873, the investment bank Jay Cooke & Co. suspended payments, setting off a series of bank failures that triggered one of the worst depressions in U.S. history.

On Oct. 16, 1907, a busted spec-

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## Airbnb Wants Hosts To Get Stock

Home-sharing site asks SEC for rule change

BY AISHA AL-MUSLIM AND MAUREEN FARRELL

**Airbnb** Inc. has asked the Securities and Exchange Commission to change its rules to potentially allow the online home-sharing platform to grant its hosts stock in the company while it is still private.

The San Francisco-based firm sent a letter to the SEC Friday after the regulator sought comments in mid-July about possibly overhauling rules to allow private "gig-economy" companies to offer equity to their so-called contractors, in the same way they do now to employees.

Such a change, if it were made, would give select Airbnb hosts a title coveted among investors: Airbnb shareholder. Access to invest in such Silicon Valley companies, sometimes called unicorns because of their billion-dollar valuations, has been limited as the firms continue to raise money in the private markets rather than going public. Airbnb was valued by investors at \$31 billion as of a capital raise in March of 2017.

"We would like our most loyal

Please turn to page B2

## THE SCORE

THE BUSINESS WEEK IN 6 STOCKS

## SANDERSON FARMS INC.

**SAFM** Flooding from Hurricane Florence left a trail of devastation across North Carolina's poultry and hog industries. State officials said Tuesday that 5,000 of the state's 8.9 million pigs and hogs were killed, as well as 3.4 million chickens and turkeys. Sanderson Farms said it lost 1.7 million of its roughly 20 million broiler chickens, though it said it experienced no significant damage to its processing facilities, feed mill or hatcheries in the state and expected insurance to cover a substantial portion of damages. Shares of Sanderson, the country's third-largest poultry producer, fell 1.5% on Monday.

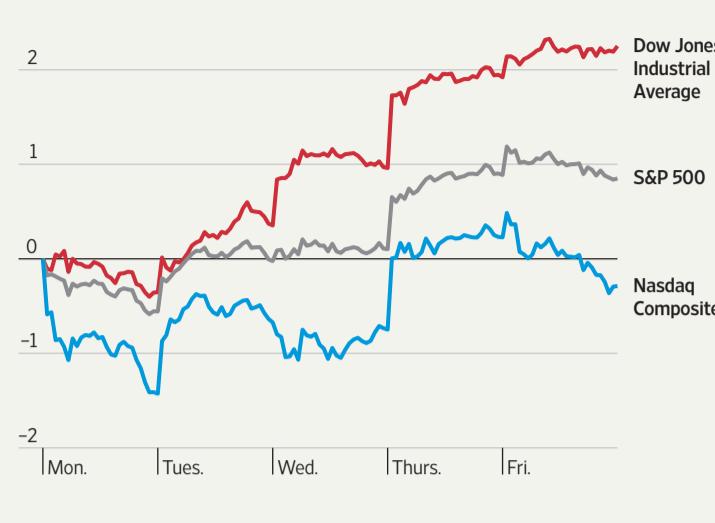
## AMAZON.COM INC.

**AMZN** As Amazon works to stop seller scams and fake reviews, it's turning its focus to its own employees. The Wall Street Journal reported Sunday that the e-commerce giant is investigating suspected data leaks and bribes in which employees, often with the help of intermediaries, offered internal data and other confidential information that can give an edge to independent merchants selling their products on the site. The suspected violations of company policy have been most pronounced in China, though some U.S. employees have also been investigated. Shares declined 3.2% Monday.

## PERFORMANCE OF MAJOR U.S. INDEXES THIS WEEK

Source: SIX

3%



## DOW JONES INDUSTRIAL AVERAGE

**DJI** The 30-stock Dow Jones Industrial Average passed its Jan. 26 high to close at a record of 26656.98 on Thursday, a sign that upbeat economic conditions are outweighing investors' concerns about trade tensions. The S&P 500 also notched a record close Thursday of 2930.75, besting the mark set Aug. 29, and the Nasdaq Composite Index finished within 1% of its high. The Dow extended its record Friday, but the other indexes fell.

## TILRAY INC.

**TLRY** Shares of Canadian marijuana producer Tilray Inc. were lit up this past week, climbing 38% on Wednesday after gaining as much as 96% intraday on news that the U.S. Drug Enforcement Administration granted permission to import the drug for a clinical research trial at the University of California, San Diego. The company's stock has soared more than 800% since its July initial public offering and is one of many cannabis-related stocks that have been on fire in the months ahead of Canada's October legalization of recreational marijuana use.

## UNDER ARMOUR INC.

**UAA** Under Armour said Thursday that it plans to reduce its global workforce by about 400 employees, the athletic retailer's latest attempt to cut costs and combat weak sales figures. The layoffs will add \$10 million in pretax restructuring charges and come a little over a year after Under Armour eliminated 280 jobs as part of what CEO Kevin Plank at the time called a "reset." Under Armour expects the move to help its bottom line and raised the low end of its adjusted earnings guidance for 2018, giving Class A shares a 6.6% boost on Thursday.

## TWITTER INC.

**TWTR** The S&P 500 got a major shakeup Friday, as the index reclassified 23 companies—including Twitter, Facebook Inc. and Google parent Alphabet Inc.—valued at a combined \$2.7 trillion. With the reshuffling, the S&P 500's former telecom sector is now called "communications services" and includes high-growth former tech companies, an attempt to rebalance the segment after industry consolidation shrunk membership to just three stocks. Shares of Twitter were down 4.5% on Friday, while Facebook and Alphabet lost 1.9% and 1.6%, respectively.

—Laine Higgins

## Apple Gets Ready for Its Close-Up

Continued from the prior page before it got off the ground. Coca-Cola Co., which owned Columbia Pictures in the 1980s, found its success with "Ghostbusters" and "Stand by Me" was outweighed by expensive flops such as "Ishtar." Entertainment is "irrational and unpredictable," said Peter Sealey, a consultant who led marketing for Coke's Hollywood business. Apple excels at devices and Coke at soft drinks, he said, but "movies and TV are none of that. They're emotional."

Mr. Cook told analysts in July that Apple wasn't ready to detail its Hollywood plans, but he felt "really good about what we will eventually offer." The company didn't make executives available for interviews for this article.

Hollywood is central to Apple's strategy. As growth slows in the number of iPhones sold, Apple is trying to accelerate its services business, which includes the App Store, mobile payments and entertainment, including its music-subscription offering. It wants shows to support a video service on its TV app that could be bundled with subscriptions such as iCloud storage, said the people familiar with Apple's entertainment plans.

Apple's arrival coincides with upheaval in Hollywood. Declining pay-TV subscriptions and the rise of Netflix have set off an entertainment land grab. Tech giants such as Amazon and Facebook Inc. are offering video services to deepen ties with existing customers. Traditional media and telecom companies are trying to fend them off with mergers, such as Walt Disney Co.'s deal for 21st Century Fox Inc. assets and AT&T Inc.'s acquisition of Time Warner Inc.

The tumult has fueled an explosion in the number of scripted shows, to 487 last year, up more than two-thirds in five years. There is a rush to sign up top show creators, as in Warner Bros.'s \$300 million long-term deal to keep prolific producer Greg Berlanti.

Apple has bought more than a dozen shows, favoring broadly appealing, family-friendly fare. They include a series about poet Emily Dickinson and a "Friday Night Lights"-style drama about basketball star Kevin Durant. Apple signed partnerships with Oprah Winfrey, perhaps entertainment's most wholesome star, and Sesame Workshop, the producers of "Sesame Street."

Of roughly two-dozen shows Apple has in development or production, only a few could veer into "TV-MA" territory, television's equivalent of R-rated films.

Apple's sensitivity affects how its top Hollywood executives, Zack Van Amburg and Jamie Erlicht, approach their jobs. The duo, who previously shepherded "Breaking Bad" at Sony Pictures, devote considerable time to winning a nod for shows from Mr. Cook and Eddy Cue, a senior vice president who oversees services, said someone well-versed in company dynamics.

Messrs. Van Amburg and Erlicht have successfully pushed some edgier shows. Apple signed a deal for a series made by M. Night Shyamalan about a couple who lose a young child.

Before saying yes to that psychological thriller, Apple executives had a request: Please eliminate the crucifixes in the couple's house, said people working on the project. They said executives made clear they didn't want shows that venture into religious subjects or politics. Mr. Shyamalan wasn't available for comment.

Not every moviemaker has found Apple imposing boundaries. Early work on a comedy called "Little America" with Kumail Nanjiani "feels like a typical development process," said co-producer Lee Eisenberg.

And graphic content certainly isn't the only path to success in TV and streaming. There's little or none in some of Netflix's hits, such as "Stranger Things," and in some popular broadcast-TV shows such as "The Big Bang Theory."

## Streaming Service

Apple's services business is surging as it elbows into a streaming-video industry that is boosting the number of scripted series being made

## Apple revenue

Total Services



Estimated number of scripted original series

Basic cable ▲40% since 2012

Broadcast ▲29%

Online services\* ▲680%

Pay cable ▲45%

487 total original series in 2017 168% since 2002

▲No online series in 2002. Includes Amazon Prime, Crackle, Facebook Watch, Hulu, LouisCK.net, Netflix, PlayStation, Seeso, Sundance Now, Vimeo, Yahoo, and YouTube Red.

Sources: FX Networks (series); Apple (revenue)

Apple is making big commitments to win projects. It outbid Netflix and CBS Corp.'s Showtime to land a drama about a morning news show starring Jennifer Aniston and Reese Witherspoon, ordering two seasons and skipping the usual requirement of a pilot episode. The show's price could top \$12 million an episode, according to people familiar with it.

Apple's venture entails behind-the-scenes drama unusual for the tech company's typically regimented operations. Apple replaced the person in charge of the Aniston-Witherspoon show, known as the showrunner, before filming. The executive producer's inexperience was an issue, but Apple also wanted a more upbeat show and took exception to some of the humor proposed, according to people working on the project. The show now is de-

sex-filled "Game of Thrones" and the sci-fi "Westworld."

The two men started exploring a video-programming strategy almost three years ago. With investors calling for Apple to buy Netflix, and Apple's effort to launch a bundle of cable channels founders, the executives invited in Hollywood executives such as Creative Artists Agency people and award-winning producer Brian Grazer, said people involved in the discussions. Apple wanted to know about how the business works, who was doing well and why.

Apple discussed with CAA afterward a confidential initiative to procure and develop programming for its app store, according to these people. They said the talent agency secured funding for the effort and scooped up several projects, including a Keanu Reeves show about a hit man and a risqué Michael Fassbender show about a rally-car driver.

Apple Music pursued projects of its own. The division, built partly through the \$3 billion 2014 acquisition of Beats Electronics LLC, was led by Mr. Iovine, who figured video would differentiate Apple's streaming-music service. In addition to the ill-fated "Vital Signs" project with Beats co-founder and Apple executive Dr. Dre, Mr. Iovine worked on a show called "Planet of the Apps" and partnered with CBS on "Carpool Karaoke."

Some content on both shows, which now are available on Apple Music, originally troubled Apple brass. The company edited out "Planet of the Apps" segments with swearing, frustrating stars of the show, said a person familiar with the editing.

In "Carpool Karaoke," which won an Emmy this week, Apple sanitized comedian James Corden's faux outrage in the first episode so the audience hears "What the [bleep]?"

As Apple Music's video efforts struggled, Mr. Cue charted a new course, hiring Messrs. Van Amburg and Erlicht from Sony, where they had built a reputation for creative chops and business savvy. The mandate was to build a slate of original shows.

The duo visited talent agencies last fall encouraging agents to bring them quality ideas. One agent described the message as: "Don't edit yourselves. We're Apple, and we're going to take big swings." Agents soon began to question that, as Apple started signing up series with the broad appeal of network shows and ended discussions over the grittier projects starring Mr. Fassbender and Mr. Reeves, according to people familiar with those projects.

Messrs. Van Amburg and Erlicht amended their message, saying Apple was open to anything and everything so long as there was no gratuitous violence or nudity, according to talent-agency people. One agent said some members of Apple's team in Los Angeles began calling themselves "expensive NBC."

Recently, Apple initially expressed interest when it was pitched a politically charged show about a college ombudsman in the era of #MeToo, featuring comedian Whitney Cummings and the producer behind the Fox hit "Empire," Lee Daniels. Apple subsequently sent word there was concern about the sensitive topics, and the sides had differing opinions on the show's direction.

The show is now in talks to end up at Amazon.

## Airbnb Wants Hosts to Get Shares

Continued from the prior page hosts to be shareholders, but need these policies to change in order to make that happen," Airbnb Chief Executive Brian Chesky said.

A spokesman for Airbnb said Friday the company has yet to determine the guidelines the hosts would need to meet to potentially get a stake in the company.

Airbnb said the SEC should expand eligibility for receiving stock to include those with "substantial but nontraditional relationships" with a stock-issuing company. Increasing eligibility would give more ordinary Americans who participate in the sharing economy the potential to benefit when a private company goes public, Airbnb said.

Airbnb is pushing the rules change because it wants to "align the interests of sharing-economy participants with those of the company" and motivate its hosts to rent out their homes.

With its request, Airbnb is essentially trying to get its hosts to be recognized similarly to employees for the purposes of issuing stock. That would be a major change, especially given that some gig-economy

## Airbnb hopes that giving hosts shares would align their interests with those of the company.

companies including Uber Technologies Inc. have said sharing-economy workers aren't employees.

To allow Airbnb to sell or give stock to its hosts, the SEC would have to broaden an exemption that allows private firms to issue compensatory shares to employees. The relief allows private companies to avoid many regulations involving employee stock, but it doesn't extend to contractors such as drivers for ride-sharing companies or hosts on Airbnb's network.

Airbnb is also asking the SEC to exclude these potential new stock owners from being counted toward levels at which companies are required to report financial results. Currently, employee shareholders are exempt from the count.

Airbnb argues that due to its continuing relationship with hosts that they would be "more knowledgeable" about the business than outside investors, so hosts "would be less in need of disclosure materials."

If the SEC follows up with a formal plan, regulators would need to seek public comment on it before the five-member SEC could vote to adopt the changes.

For decades, regulators have walled off most private deals from smaller investors. Those investing must meet stringent requirements. Only investors who meet certain wealth or income standards are eligible for stock options and equity ownership under current rules for private companies.

The SEC could limit the types of business that get the exemption to prevent the rule from being exploited, Airbnb said in the letter.

—Dave Michaels contributed to this article.



Chief executive Tim Cook told executive Jimmy Iovine, right, that a series loosely based on the life of Dr. Dre, left, was too violent for Apple.

Still, there's no shying away from nudity, politics and raw language at cable networks such as FX, TNT, HBO and Showtime or at Netflix and Amazon Prime. Even Disney, which built its business on animated films for children, is bringing R-rated content like the raunchy "Deadpool" superhero films into its fold with its pending 21st Century Fox acquisition.

Where Apple draws the line isn't clear, say producers, agents and writers.

"I'm not sure myself what they're after," said producer Shawn Ryan, whose credits include "The Shield."

"I do adore Zack and Jamie and trust in their taste. I think we're all curious to see what it's going to be."

Apple also replaced showrunners for a reboot of Steven Spielberg's anthology "Amazing Stories," finding the original team's vision a little dark, said people familiar with that project. Apple's handful of TV-MA projects include "Shantaram," about a former heroin addict who smuggles guns to Afghanistan, and a potential show about the late pop star George Michael.

Mr. Cook, better known for memorizing spreadsheets and detailing supply costs, makes an unlikely Hollywood kingpin. His favorite TV shows are relatively tame fare such as "Friday Night Lights" and "Madame Secretary," say people he has spoken with about it.

Mr. Cue acts as Hollywood translator. He made his mark leading Apple's iTunes business with a tough negotiating style that cemented the 99-cent price for songs. Mr. Cue has said shows he enjoys include HBO's violent and

laying and is having scheduling issues with Ms. Witherspoon, who has other commitments, they said.

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"I do adore Zack and Jamie and trust in their taste. I think we're all curious to see what it's going to be."

The show is now in talks to end up at Amazon.

## BUSINESS NEWS

# Google: Work Must Be Neutral Politically

BY DOUGLAS MACMILLAN

**Google** Chief Executive Sundar Pichai warned employees in a memo Friday against letting their personal politics affect their work as the internet giant fends off criticism that its widely used products could be biased.

In a staff memo reviewed by The Wall Street Journal, Mr. Pichai told employees, known as "Googlers," that the company has strict policies against letting political views influence the products they create. "We do not bias our products to favor any political agenda," he said. "The trust our users place in us is our greatest asset and we must always protect it. If any Googler ever undermines that trust, we will hold them accountable."

The missive comes after a series of internal discussions by Google employees—appearing to show them reacting negatively to President Trump and his policies—were leaked to the public. Those disclosures fueled concerns the company's search results favor liberal views over conservative ones, and follow previous calls from lawmakers to study whether search results are biased.

An email chain from January 2017, days after the Trump administration instituted a controversial travel ban, showed Google employees discussing how they might be able to tweak the company's search functions to show users how to contribute to pro-immigration organizations and contact lawmakers and government agencies, according to internal company emails.

"Recent news stories reference an internal email to suggest that we would compromise the integrity of our search results for a political end," Mr. Pichai said to employees. "This is absolutely false."

Google said none of the suggested changes to search were implemented. A Google spokeswoman declined to comment on whether any employees have been disciplined because of the disclosures.

Conservatives also recently expressed anger after Breitbart News released a video of a 2016 company meeting in which Google senior managers lamented Mr. Trump's election victory. Google said the comments from executives in the video expressed the personal beliefs of those executives, not the company's.

In his memo, Mr. Pichai said, "Google itself is and must continue to be non-partisan."

President Trump, posting on Twitter last month, accused Google of elevating critical news stories about his presidency at the expense of friendly conservative voices.

Mr. Trump complained that Google search results for the words "Trump news" returned results primarily from what he labeled "Left-Wing Media." He said the way such sites present results is a "very serious situation—will be addressed" but declined to offer specifics.

# Drug Firms Are Under Scrutiny

*Continued from page B1*  
telleblower suit, are without merit, and that it complies with state and federal laws. It said it provides services for patients once they are prescribed Humira, which is the highest-selling drug in the world.

Bayer and Lilly said the whistleblower lawsuits against them have no merit, and Amgen declined to comment.

The lawsuit against AbbVie could have broader implications for the industry because the practices it describes "are similar to what other biopharma companies have also used to help patients start and stay on medications that their doctor prescribes," Credit Suisse analysts said in a research note.

Drugmakers are drawing scrutiny for an ever-widening array of practices that they say help patients—from de-

# U.K. Joins Danske Bank Probe

BY MARGOT PATRICK

The U.K. National Crime Agency on Friday said it was probing British ties to a money-laundering scandal at Danske Bank AS, as investigators began to focus on where some of the \$230 billion that washed through a tiny Estonian branch ended up.

The NCA said in a statement it has ongoing "operational activity" around the use of U.K.-registered companies by Danske customers who are suspected of illicit activities through the lender's Estonian branch.

A spokesman for the agency said it was investigating a U.K. company identified in the scandal, in a civil rather than criminal probe. He declined to name or give details of the company involved beyond saying it was organized as a limited liability partnership. The company being investigated isn't part of Danske Bank.

In a recent report, Danske

Bank said U.K. companies were among the thousands of suspicious customers it identified at the branch, and that some of the British customers are thought to be part of known Russian and Azerbaijani money-laundering networks.

Danske Bank Chief Executive Thomas Borgen resigned Wednesday as the report chronicled how thousands of accounts churned hundreds of billions of euros through Estonia, a former Soviet Republic. Danske Bank said customers it has identified as suspicious include Russian individuals and companies blacklisted in their home country for suspected financial wrongdoing, and numerous companies registered in the U.K. and the British Virgin Islands.

The British government has said U.K. shell companies are a weak spot in the prevention of financial crime. Setting up such companies and opening bank accounts is cheap and easy, with few, if any, checks



FREDERIC MORISETTE/BLOOMBERG NEWS

The Copenhagen-based bank is mired in a money-laundering scandal.

made on their ultimate owners. The U.K. has attempted to clamp down on abuse, making public in 2016 its register of company owners and introducing a raft of new laws aimed at keeping dirty money out of the country.

Graham Barrow, an anti-money-laundering consultant, studied some of Danske Bank's

suspicious transactions for Denmark's Berlingske newspaper, whose reporters had access to some of the bank's records. He found \$1 billion flowing through the Danske account of a single U.K. limited liability partnership, or LLP, over a 14-month period. Some of its counterparties were other U.K. LLPs regis-

tered to the same address.

The NCA said the use of U.K. company structures as a route for money laundering is "widely recognized" and it is working with other government agencies to crack down. Efforts include greater oversight of professional enablers such as lawyers, accountants and company formation agents, and the use of "unexplained wealth orders" for property owners whose source of wealth isn't apparent.

U.S. law enforcement agencies are studying the Danske Bank case and have received information from Danish and Estonian authorities, The Wall Street Journal has reported. Denmark and Estonia have opened criminal probes.

The NCA, an agency akin to the Federal Bureau of Investigation, has said there is no reliable estimate of how much money is laundered through the U.K. each year, but that hundreds of billions of pounds is a "realistic possibility."

# Elton John Sticks to Longtime Music Label

BY ANNE STEELE

Elton John agreed to stay with the world's largest music company, **Universal Music Group**, in a sign there is still a place for music labels in the streaming age.

The contract with Mr. John, who kicked off a three-year-long farewell tour this month in Allentown, Pa., includes recordings, music publishing, merchandising and licensing for his catalog spanning five decades and any future music for the rest of his career. Financial terms weren't disclosed.

With the expiration of his old arrangement with Universal, the 71-year-old Mr. John could have opted to release his own music without a label, a possibly more profitable path that some entertainers—such as Prince, the Eagles and Garth Brooks—have pursued.

The role and need for music labels have been questioned in recent years as the rise of streaming services has made music more accessible to listeners.

Universal Music Chief Executive Lucian Grainge said this week that the company, a subsidiary of Paris-based Vivendi SA, has had to evolve in recent years into being more than just a "label" or "publisher."

"How we market and promote music has been smashed into a million smitethereens," he said. "We've moved from being a recording company into being an entertainment company."

Universal Music, where Mr. John has spent most of his career, has been key in adapting his catalog to the digital age, said David Furnish, CEO of Rocket Entertainment, Mr. John's management company.

Mr. John is the No. 1 streaming solo artist from the 1970s.

"We've gone through this incredible upheaval in the music industry," said Mr. Furnish, who is also Mr. John's spouse.



The artist's contract with Universal Music includes recordings, music publishing, merchandising and licensing for his catalog and future music.

"The old rulebook has been thrown out. But there are exciting ways of doing things now and keeping music alive."

The latest deal could generate well over \$100 million in revenue for Universal Music and Mr. John, according to estimates from people who work in the music industry.

Last year Universal Music commissioned young filmmakers to make music videos for Mr. Elton's classic hits that didn't have them, including "Rocket Man," "Benny and the Jets" and "Tiny Dancer."

"Now we have more of a presence on YouTube, and the noise around the competition got new, younger ears engaging with us for the first time," Mr. Furnish said.

David Joseph, CEO of Universal Music U.K., said that while Mr. John's older core audience continued to buy downloads and physical albums—he has sold more than 300 million albums—Mr. John saw streaming as an opportunity to attract new listeners. He now attracts more than 11 million monthly listeners on Spotify.

Earlier this year Universal Music released two albums, "Revamp" and "Restoration," that featured cover versions of Mr. John's songs by younger artists, including Miley Cyrus, Lady Gaga, Kacey Musgraves and Ed Sheeran.

Mr. Joseph said Universal Music's approach to promoting artists of Mr. John's vintage has changed. It used to focus on a creating a frenzy around new albums, with lulls in between.

Now, the goal is to generate continuing interest, largely by branching out beyond broadcast radio, which historically has been record labels' main avenue for promotion. "You have to have an always-on approach," he said. "We don't

think of it in the cycle of an album anymore. We've got a team of people thinking about how to get his music out every single day."

Getting a song featured in an advertisement or film, for instance, isn't only lucrative as a transaction but can introduce that music to new listeners.

"It can create a cascade of demand because in this world of on-demand you can ask for it or you can type it in," Mr. Grainge said.

Mr. Furnish said there are two projects coming next year where he sees a relationship with a record company as fundamental: a biographical film about Mr. John called "Rocketman," as well as a memoir.

nurses to visit arthritis patients to train them how to inject Humira and provide other assistance. The lawsuit said AbbVie also provided staff to help doctors' offices with paperwork for obtaining reimbursement for the arthritis drug, which can cost more than \$50,000 a year.

According to the lawsuit, such services saved doctors time and money, inducing them to prescribe Humira, the highest-selling drug in the world. In 2017, Humira had \$18.4 billion in global sales, including \$12.4 billion in the U.S. California is seeking monetary damages on behalf of private insurers that have paid \$1.29 billion since 2013 to cover Humira prescriptions for California patients.

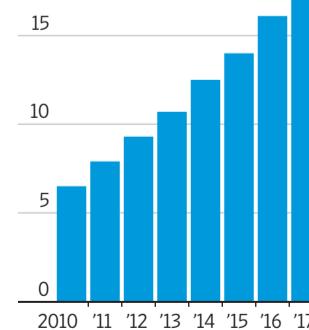
The state's insurance commissioner, Dave Jones, said the nurses deployed by AbbVie were trained to ensure patients stay on Humira and to sidestep questions about the drug's risk of side effects.

"It's of particular concern when decisions about medical care are being driven by kickbacks and inducements as opposed to what's in the best interest of patients," Mr. Jones said in an interview.

## Mighty Medicine

A California lawsuit against AbbVie says doctors were induced to prescribe Humira, the highest-selling drug in the world.

### Global sales of Humira



unit a civil investigative demand in August 2017 requesting documents and information about the company's "certified diabetes educator program," Sanofi said in a securities filing in March.

Government officials sometimes seek broad information

through such demands, but it doesn't always lead to further action.

The Sanofi program consisted of nurse practitioners and other health-care professionals who answered patients' questions about diabetes and trained them to use Sanofi's diabetes products, a company spokeswoman said. The program is no longer in effect.

Sanofi is cooperating with the investigation into whether it violated the anti-kickback law, the spokeswoman said. A spokesman for the U.S. attorney's office in New York declined to comment.

Gilead Sciences has received state and federal inquiries. In September 2017, the U.S. attorney's office for the Eastern District of Pennsylvania requested information about Gilead's "reimbursement support offerings, clinical education programs and interactions with specialty pharmacies" for its hepatitis C drugs Sovaldi and Harvoni, the company said in a February securities filing. The U.S. attorney's office in Pennsylvania declined to comment.

In October 2017, the California insurance department and the Alameda County, Calif., district attorney's office sent a subpoena to Gilead requesting documents about similar matters, Gilead said. The company said in its filings it is cooperating in both inquiries. A company spokeswoman declined to comment further.

Biogen, which makes several drugs for multiple sclerosis, received a civil investigative demand from the federal government in December 2016

A lawsuit against AbbVie could have implications for the industry.

for documents and information about its relationships with "entities providing clinical education and reimbursement support services," Biogen said in securities filings last year. The company said in filings it is cooperating with the government; a spokesman declined to comment further.

The California lawsuit against AbbVie said the company has sent registered

## STRATEGY



Chinese sales of microsize electric cars were more than twice those of regular electric vehicles last year.

**GAOTANG, China**  
Each morning, Li Xiuzhen packs her two children into her tiny electric car to get her daughter to school. With her youngest on her lap, there is just enough room.

As the 36-year-old mom trundles into the morning rush-hour traffic, it becomes clear that an inordinate amount of people in this town of half a million people 200 miles south of Beijing drive similar contraptions, downsized electric vehicles too small and underpowered to be considered "real" cars.

"It's safe," said Ms. Li. "It doesn't go fast enough to be dangerous."

The taste for tiny EVs has become a quirky subplot in China's push to become a world leader in electric cars. Roughly 1.75 million micro-EVs were sold in China last year, more than twice the sales of regular EVs, of around 777,000, industry executives estimate. Most of the tiny ones were sold in a handful of rural provinces. The market is still growing rapidly, with some 400 Chinese manufacturers building countless models.

The government has lavished subsidies on Chinese EV makers. But the micro-EVs beloved in the countryside—cheap, slow and extremely low-tech—aren't what Beijing's mandarins had in mind. Indeed, many Chinese cities, including some near Gaotang, have banned them entirely, encouraging people to buy full-size EVs instead.

It's hard to imagine that working out in Gaotang, which some see as the home of the low-speed EV.

"My sister has one, my dad has one, I have one, my sister's father-in-law has one," said Liu Hui, a saleswoman for Dojo, a local EV maker. "Nearly every family here has one."

The tiny cars' detractors have two main gripes: They typically use cheap lead-acid batteries, which are bad for the environment,

## China's Giant Market For Teeny, Tiny Cars

Minuscule electric vehicles are kings of the road—no driver's license needed

BY TREFOR MOSS

and they have no crash protection.

The central government is now looking to impose some order by legitimizing higher-quality low-speed electric vehicles, or LSEVs, and banning inferior ones. Draft regulations last year defined a micro-EV as having a top speed of 25 to 43 miles an hour and stipulated weight and size limits. The draft rules also called for crash protection and required the use of lithium-ion batteries.

In size terms, an LSEV would be only marginally smaller than the two-seat Smart car series built by Daimler AG. The comparison ends there, however. Smart cars, which can top 95 miles an hour, sell for about \$15,000 and have advanced safety features, whereas the slow-moving mini EV's start at under \$1,000 and lack any kind of crash protection.

But safety is relative, said Zhao Tongwei, a resident of nearby Jinan, shopping for a new ride at that city's annual LSEV expo in March. "It's definitely safer than picking up your kids from school on a scooter," said Mr. Zhao, whose wife relies on a minicar to get around town. "And in winter our son would get cold."

The tiny cars have another big advantage over full-size vehicles, said Liu Fayang, chairman of Jiujiuxing, a micro-EV maker based in Gaotang: You don't need a driver's

license to squeeze behind the wheel.

"So if your driving skills are lousy, that's no big deal," he said.

Occupying a legal gray area between scooters and cars, micro-EVs are able to use both roads and bicycle lanes to weave through traffic. Riding a small car in a bicycle lane certainly feels safer than being exposed on a bike or scooter, but on the road it's a different story: Full-size cars and trucks swerve round the slow-moving battery cars, horns honking and lights flashing.

Gaotang's economy, like its residents, depends on them. A dozen mini-EV producers are clustered in the Shandong province town, which until recently was better known for producing paper and cooking oil.

Jiujiuxing builds a mini-EV for every need. There's a miniature firetruck, a pint-size police car, and various minuscule passenger models starting at \$1,000.

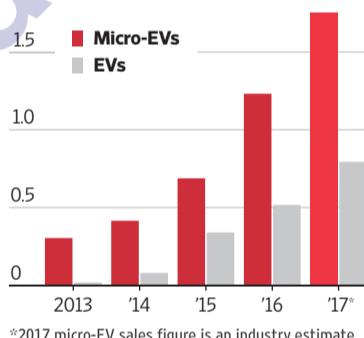
A peek inside the company's no-frills factory helps explain the rock-bottom prices: Workers fish parts out of huge cardboard boxes overflowing with wing-mirrors, wipers and steering wheels and then assemble the vehicles by hand, with not a robot in sight.

The tiny cars' rise has created a tricky dilemma for China's leaders: how to enforce vehicle standards without pricing ordinary people out

### Small Success

In China, demand for micro-EVs is significantly outstripping demand for full-size electric vehicles.

2.0 million units



\*2017 micro-EV sales figure is an industry estimate  
Sources: China Association of Automobile Manufacturers (EV); ResearchInChina (micro-EV)  
THE WALL STREET JOURNAL.

of China's electric-car revolution.

"Rich people have all kinds of nice cars to choose from," said Mr. Zhao, the micro-EV fan from Jinan. "We need options, too."

"This is what ordinary people want," said Wang Shihong, founder of micro-EV maker Hongdi, standing proudly next to one of his creations, a white toylike machine with a \$1,100 price tag, gift-wrapped in a flamboyant red rosette.

That way of thinking makes China's big auto makers flinch, as

they invest billions in real EVs. "We all know the big EV companies are lobbying against us because we're eating their market," claimed Mr. Wang. Crushing the plucky micro-EV business would be grossly unfair, he said.

But for officials, the microcars are a throwback to the old China of low-tech, low-end producers—an image the government is desperate to change.

The industry also does little to dispel the image of China as a country of poor trademark protection.

A quick tour of the Jinan expo turned up a mini version of a Mini, a suspect Subaru, a midget Mitsubishi and two dodgy Fords, as well as one EV outfit called "Jeep Mopor", not to be confused with the U.S. Jeep and Mopar brands.

"Jeep Mopor is a legally registered trademark," said sales manager Liu Yanzhu, though he laughed as four men stood on the bright orange microcar's roof, bouncing up and down to demonstrate the machine's sturdiness to skeptical onlookers.

Impressively, the downsized "Jeep" didn't buckle.

Despite some rough edges, the tiny EV makers are onto something, auto analysts think.

"Even in big cities there's demand," said Jeff Cai, general manager for auto products at J.D. Power China, since micro-EVs are easy to park—up to three of them can fit in one parking space—and can zip through heavy traffic. For short-range commutes, many people are figuring out that they offer greater convenience than a full-size car at a fraction of the cost, Mr. Cai said.

His suggestion: Improve, but don't kill, the micro-EV sector through light-touch regulation.

That is a welcome idea in Gaotang. "We've been talking about electric cars for years," said Ms. Liu of Dojo. "People here aren't going back to riding the bus."

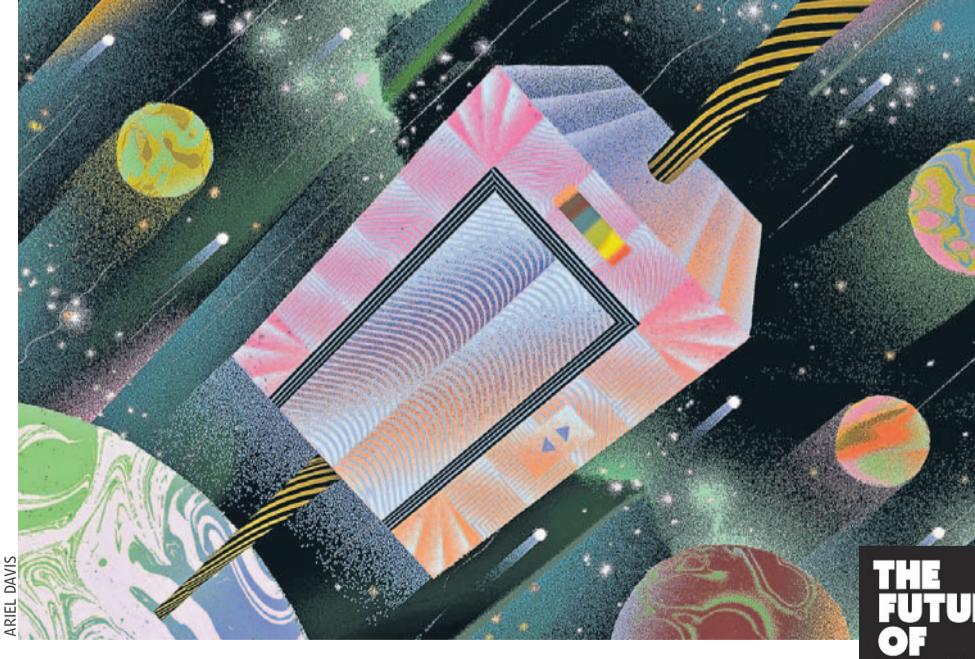
Xiao Xiao and Yang Jie contributed to this article.

## Counting Down To a 60,000-Mile Elevator Ride

Gradually you accelerate upward, reaching a cruising speed of several hundred miles per hour. Your elevator car moves up a cable 100 million times as long as it is wide—connected on one end to a platform in the ocean and, on the other end, to a counterweight, a heavy mass orbiting high above the planet—kept taut by centrifugal forces. It takes about two weeks to reach the top of the cable, some 60,000 miles above the Earth's surface. But the trip is serene, with none of the G-force of a rocket ride.

Are space elevators the future of extra-planetary travel? Supporters see them as a way to ferry people and goods to space for a lower cost than rocket trips and with little need for passenger training. But this far-off goal faces significant engineering challenges.

Researchers from Japan's Shizuoka University soon plan to launch a miniature elevator of sorts from the International Space Station. In a proof-of-concept, a motorized container



THE FUTURE OF EVERYTHING

would move up and down a 33-foot cable connecting two 4-inch satellites.

Their work builds on a report published in 2014 by the International Academy of Astronautics suggesting fully fledged space elevators could become a reality by 2035. Obayashi

Corp., a Japanese construction firm, says it can build one by 2050, using motors powered by magnets.

Eventually, the cost to get a couple of pounds of cargo into orbit could fall as low as \$500, according to the IAA report—a fraction

of the current cost.

The biggest hurdle is figuring out what material to use to build the elevator's cable. It has to be incredibly strong, yet lightweight. It would have to be 100 million times as long as it is across—like a human hair more than 6 miles long.

Powering the elevator is another challenge. Above 25 miles, there would be sufficient solar energy to use solar panels. Below that level, lasers might help. In 2009, a company now known as PowerLight Technologies won a NASA-backed competition for its method of propelling a car up a 0.6-mile cable using lasers directed at solar panels on the sides.

The counterweight anchoring the cable in space would have to weigh hundreds of thousands of pounds. The International Space Elevator Consortium, a Santa Ana, Calif.-based advisory group, and others have suggested some possibilities. One idea is to use existing space junk, such as discarded rocket boosters and satellites, solving two problems at once.

—Colin Stuart

This article is adapted from Mr. Stuart's book, "How to Live in Space: Everything You Need to Know for the Not-So-Distant Future," to be published Sept. 25 by Smithsonian Books.

## HUMAN CAPITAL

CAPTAIN CLASS | SAM WALKER

# How to Lead Like George Washington

There are only two essential qualities for leading by example; the founding father mastered both



VICTORY



DEFEAT



At the Battle of Princeton in 1777, an opening barrage of musket volleys from the Redcoats sent the Continental Army into a panic.

As its ranks began to splinter, a lone general burst to the front on a galloping white charger. Riding high in the saddle under withering fire, George Washington circled to face his troops.

This split-second decision by the American commander, and the events that followed, are widely viewed as one of Washington's finest moments—which is saying something. Even now, 241 years later, it's a timeless master class in leading by example.

All bosses know that their behavior is contagious. Unfortunately, many of them can't distinguish between behavioral tactics that make teams stronger and those likely to backfire.

They put on a cheerful face when the situation calls for a steel spine. They let their emotions burn hot when stifling them would yield better results. And they let standards slide when the stakes feel low.

Over the last decade, I've studied scores of leaders who have

achieved long-lasting success in business, sports and the military.

Among the many flavors of contagious leadership behavior I've observed, only two have consistently produced superior results—and George Washington was the embodiment of both.

Before describing the optimal approach, it's helpful to understand why so many common leadership postures are defective.

One is likability, or projecting joyfulness, playfulness, optimism, enthusiasm and humor. Lots of startup founders in Silicon Valley embrace this model. They believe a "fun" boss is the best fit for a growing, thriving young company.

Being sociable does have its upsides: Research suggests that teams led by managers in a positive state of mind often outperform those headed by someone in a funk. Teams with popular bosses generally feel better about the work they do, even if it's not objectively excellent.

Unfortunately, likable bosses don't always inspire confidence. A 2018 study by Hogan Research showed that leaders who are perceived as leisurely, colorful, mischievous and hedonistic tend to earn lower marks for integrity and accountability.

In a crisis, endless good cheer can make employees cringe, and as sociability loses its contagiousness, fun bosses have to pivot.

Some have never tried any other posture. Others will swing to anger or frustration, which are contagiously negative.

Another time-honored tactic is leading by fear. In bleak moments, this can be a reliable way to rally a

## Ironclad emotional control is exhausting—but it almost never makes things worse.

team. In good times, however, yelling and screaming become toxic. People start to tune out the leader or worse, become angry and demoralized.

On Sunday, Linux creator Linus Torvalds issued an apology for a long pattern of abusive personal attacks on programmers. In a 2013 message on a Linux forum, published by the New Yorker, he wrote, "If you want me to act professional, I can tell you that I'm not interested."

Rather than adopting a leader-

ship style that works only sometimes, or toggling between several depending on the situation, leaders ought to study the two consistent behaviors Washington displayed.

The first was a combination of seriousness, courage, tenacity and outsize effort—I'll call it relentlessness. Ron Chernow's vivid 2010 biography showed that when Washington pushed his troops to the limits of their endurance, he was always right beside them.

In August 1776, for example, during a risky attempt to evacuate 9,000 troops from Brooklyn, Washington manned the shore all night until the last boats had departed. Four months later, when he ordered a daring raid on a Hessian encampment across the icy and treacherous Delaware River, Washington's Durham boat was the first to shove off.

After the crossing, a general sent word to Washington that snow had rendered his men's weapons useless. "Tell the general to use the bayonet," he responded.

Washington's relentless nature colored everything he did—from riding his horses fast, even if he wasn't in a hurry, to holding his soldiers to high moral standards. He once forced an army fife-and-drum corps to practice day and

night until it achieved perfect sync.

The best example may be Washington's actions at Princeton. After wheeling around to face his fearful troops, he beseeched them to keep fighting. Then, according to one account, he reined in his horse and faced the enemy directly.

Studies have shown that an extraordinary effort by one team member can compel everyone else to give more. It's fair to say that Washington's actions at Princeton infected his ragtag army of outnumbered amateurs. One young officer who witnessed them left no doubt. "Believe me," he wrote, "I thought not of myself."

Washington's second leadership posture was ironclad emotional control.

Throughout the war, he rarely used profanity. When officers committed acts of insubordination, he tried to avoid berating them. And rather than threatening soldiers who declined to re-enlist, he spent hours among them appealing to their sense of honor.

In victory and defeat, Washington maintained his stoical composure. After liberating Boston in 1776, for instance, he declined the opportunity to march into the jubilant city, sending one of his generals in his place. He arrived the next day, without fanfare, to examine the enemy's fortifications.

Even after seeing more than 1,000 colonial troops killed, wounded or captured during a merciless rout at Germantown, Washington sent the British commander a personal letter offering to return his dog, which had been found roaming the battlefield.

Again, it was Princeton that showed the depth of Washington's emotional fortitude. After he'd rallied his army to victory, a teary aide approached him to express his relief that the general hadn't been killed. Washington quietly took his hand and changed the subject.

"Away, my dear colonel," he said, "and bring up the troops."

George Washington wasn't a fun boss. Many officers found him cold and marveled that they'd never seen him smile. A French envoy once called him "even-tempered, tranquil and orderly." Washington himself wrote that a person's flammable passions "ought to be under the guidance of reason."

According to the Hogan study, bosses who are considered diligent, cautious and reserved earn higher ratings for integrity than those who seem excitable.

Regulating emotion is exhausting. It also isolates leaders from their teams. But doing so almost never makes things worse. And during a crisis, a leader's ability to bottle emotion inspires everyone to focus on the task. "Washington never appeared to so much advantage as in the hour of distress," a colonial general wrote.

Leading others by relentless effort and emotional control demands immense personal sacrifices. The good news is that it doesn't require exceptional talent. Washington had many gifts but he was a middling military strategist with a long list of defeats.

In the end, the source of Washington's greatness was simple, even if it wasn't easy to pull off. It was a function of the choices he made consistently, every day, in darkness or light.

—Mr. Walker, a former reporter and editor at The Wall Street Journal, is the author of "The Captain Class: A New Theory of Leadership" (Random House).

## April Underwood

Chief product officer, Slack Technologies Inc.

While at Twitter, Ms. Underwood helped develop the technology that lets users share articles directly on Twitter. Now she runs the product division at messaging company Slack, a role she took in April after returning from maternity leave. For advice, Ms. Underwood often turns to her "friends," members of an investment collective called #Angels that she and five friends and former Twitter colleagues started. Here, five other trusted advisers:

**Age:** 38

**Education:** Bachelor of business administration from the University of Texas at Austin; M.B.A. from the University of California, Berkeley

**Family:** One son, Sam, stepdaughter, Kamin, and poodle mix, Trudy

**What emoji do you use most on Slack?** Peace: it's a great catchall for "I agree," "thank you," and "no sweat."

—Laine Higgins



ANASTASIA SAPON FOR THE WALL STREET JOURNAL

**Jillian Underwood Harwin**  
sister, executive technical program manager at Skywalker Sound

Ms. Underwood and her sister, Jillian, who is nine years younger, worked together at both Twitter and Slack, experiences she says made them closer. "She has a better understanding of what my heart wants than perhaps some of the people that have really great perspective on my capabilities."



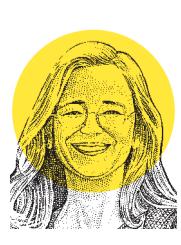
**Matt Herrero**  
husband, principal technical program manager at Amazon Music

Ms. Underwood consults her husband on challenges like balancing a fast-growing startup up with raising a small child. "Because he's worked in tech, inevitably we end up having pretty opinionated views on the opportunities that we consider and the decisions that we make," she says.



**Kim Scott**  
author of "Radical Candor: Be a Kick-Ass Boss Without Losing Your Humanity"

Ms. Underwood credits Ms. Scott, who was serving as an outside adviser to Twitter when they met in 2013, with encouraging her at a pivotal moment. "She came into Twitter at a time where we had just grown so fast and I probably wasn't as confident in the belief that I could be doing more."



**Rich Barton**  
Zillow Group executive chairman and co-founder

Ms. Underwood, a member of Zillow's board of directors, has known Mr. Barton for about two years. She says she regularly taps the former Expedia chief for career advice. She values his "perspective of being an investor as well as a CEO and founder" and admires his continuing excitement for his work.



**Dick Costolo**  
former CEO of Twitter

At a Google off-site session for the content-partnerships team in 2008, Mr. Costolo shared an idea for how the search engine could drive profits through advertising; it has since become an industry norm. Ms. Underwood was so taken with his vision that she "hunted him down as a mentor" and later followed him to Twitter.



## TECHNOLOGY



KEYWORDS | CHRISTOPHER MIMS

# Two-Day Shipping Has Changed Shopping Forever

Amazon has made its Prime program the gold standard for online retailers. Now everyone else is scrambling to catch up.



Alongside life, liberty and the pursuit of happiness, you can now add another inalienable right: two-day shipping on practically everything.

Amazon.com Inc. has made its Prime program the gold standard for all other online retailers, according to surveys of consumers. The \$119-a-year Prime program—which now includes more than 100 million members worldwide—has triggered an arms race among the largest retailers, and turned many smaller sellers into remoras who cling for life to the biggest fish.

In the past year, Target Corp., Walmart Inc. and many vendors on Google Express have all started offering “free” two-day delivery. (Different vendors have different requirements for no-fee shipping, whether it’s order size or loyalty-club membership.)

Amazon and its competitors are often blamed for the death of bricks-and-mortar retail, but the irony is that these online retailers generally achieve fast shipping by investing in real estate—in the

form of warehouses rather than stores. To compete on cost, the vendors must typically ship goods via ground transportation, not faster-but-pricier air. The latest to offer free two-day delivery is Overstock.com, which uses three company-owned distribution warehouses in Pennsylvania, Utah and Kansas, plus a network of thousands of vendor partners who ship directly to customers.

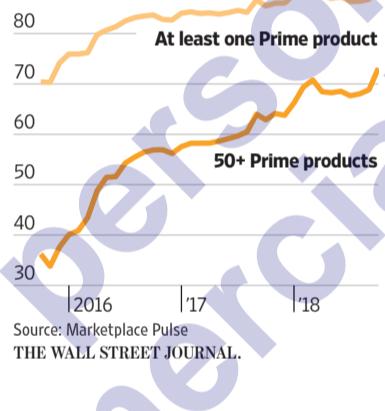
But the biggest online retailers aren’t the only ones building massive fulfillment centers and similar operations. Fulfillment startups and large companies from other sectors are hoping to scale up by luring smaller sellers who want alternatives to Amazon’s warehousing and delivery operations.

It’s taken so long for other online retailers to catch up to Amazon’s fast delivery because of Amazon’s massive investment in geographically dispersed warehouses—once viewed by analysts as a liability.

Amazon now operates more than 75 fulfillment centers and 25 sortation centers (which group goods by destination) across the U.S., according to the company.

## Prime Numbers

The proportion of the top 10,000 U.S. sellers on Amazon Marketplace that offer products through Prime continues to grow.



spokesman. It now has six “campuses,” and supplements those with an indeterminate number of smaller centers, as well as shipping from its own stores. As a result, Walmart can reach 98% of the U.S. with ground shipping in under two days.

Target, meanwhile, adopted a completely different strategy. Over 90% of its orders that arrive within two days are shipped from 1,400 of its 1,800 stores, says a company spokesman.

Amazon’s shipping infrastructure isn’t used just by Amazon. As shoppers who read the fine print know, it’s also available to its retail partners through its Amazon Marketplace. Of the top 10,000 U.S. sellers on Amazon—collectively representing about half of Amazon’s Marketplace revenue—about 90% have at least one product in the Fulfillment by Amazon program, says Juozas Kaziukėnas, chief executive of Marketplace Pulse, a business-intelligence firm focused on e-commerce. Almost 70% use it to stock and ship at least half their products, he adds.

Sellers in the program pay a fixed shipping rate based on size

and weight. One of Amazon’s earliest innovations, it allows these small businesses to project their costs, and know what price they can profitably offer to shoppers.

Using Amazon’s shipping infrastructure isn’t just a matter of cost and convenience. It’s also key to racking up sales. The fulfillment program gives products Prime status with two-day shipping, essential for winning top placement in Amazon’s search results. Being anything other than first in those rankings means having to cut prices by as much as 10% to compete, says Mr. Kaziukėnas.

While opening Amazon’s network to other sellers helps those sellers, it has also helped Amazon finance the expansion of its own distribution network, made Prime a household word, and propelled the company to a trillion-dollar valuation. Its example is one that can only be followed by other giants—or startups trying to beat Amazon at its game.

Amazon’s nominal competitor in online retail, Walmart, also offers a marketplace for third parties to sell their goods; the big difference is, it doesn’t assist them with fulfillment—and forbids them from using Amazon’s fulfillment services. (It’s not uncommon for items purchased on eBay or Google Express to arrive in Amazon boxes.)

So some sellers are turning to startups like ShipBob, Flexe and Deliverr.

Scale is essential. Mom-and-pop shops and even midsize retailers can no longer assume buyers will put up with getting their goods several days later. So startups are trying to aggregate enough retail customers that they can offer the all-important fixed rates for nationwide two-day shipping.

Deliverr’s challenge has been figuring out how to match Amazon’s massive infrastructure without building its own, says co-founder Michael Krakaris. The company leases warehouse space nationwide, then uses predictive algorithms to tell sellers where to stock their goods to be within two days of potential buyers.

Established players from related industries that already have massive scale are also seeing an opportunity. Both United Parcel Service Inc. and FedEx Corp. have recently announced their own fulfillment programs.

UPS’s system is the unfortunately named Ware2Go, which pairs companies that need warehousing and fulfillment with firms that have spare capacity. FedEx Fulfillment appears to be a direct equivalent to Amazon’s service: Businesses pay for warehousing and fulfillment out of FedEx-owned facilities. So far, neither service has gained wide adoption.

The future, in other words, goes to players big enough or innovative enough to cut costs on shipping, even while getting goods to everyone in the U.S. in two days or less. And that “or less” is key. While competition mounts, Amazon continues to ratchet up pressure by offering same-day—and even two-hour—delivery. And that’s before delivery drones.



It’s valued at \$1 trillion and run by the world’s richest man. Critics—ranging from rising legal stars to President Trump—have suggested it uses its enormous scale to unfairly crush competition. Is it time for a breakup at Amazon?

In the past week alone, the question has come up more than once. On Monday, in a note to clients, Citi Research suggested that Amazon split into two companies to avoid antitrust scrutiny. Two days later, European Union antitrust authorities said they’d opened a preliminary investigation into the company’s treatment of other merchants that sell products using its platform.

Amazon has grown into a behemoth that dominates online retail and has the edge in cloud computing, in some cases undercutting rivals by offering lower prices at the expense of profitability. But has it broken the rules on the way to the top? And would a breakup really leave Amazon or its competitors and its customers better off?

“We don’t punish companies simply because they are big,” says University of Michigan law professor Daniel Crane. “We look at conduct.” Most antitrust experts say that antitrust enforcement since the 1970s has primarily focused on making sure customers don’t get ripped off and it’s hard to find proof that Amazon is doing that.

Many point to the late Supreme Court Justice Antonin Scalia’s opinion in the 2004 case of *Verizon v. Trinko*. It examined the question of whether Verizon was required, under antitrust law, to provide competitors wholesale access to its telephone network.

“The mere possession of monop-

**ON BUSINESS | JOHN D. STOLL**

# Being a Giant Isn’t a Crime

Amazon’s scale worries critics, but antitrust law doesn’t penalize bigness

oly power, and the concomitant charging of monopoly prices is not only not unlawful; it is an important element of the free market system,” Justice Scalia wrote.

In this view, there is no crime in being a monopolist; the crime is in abusing that power. According to Justice Scalia, a healthy monopoly “induces risk taking that produces innovation and economic growth.”

Consumers might agree. Lunch meat has been cheaper at Whole Foods since Amazon acquired it, for instance. Walmart Inc., the world’s largest retailer, is rethinking its business to better serve its customers in response to Amazon’s emergence. And the price of cloud computing is getting less expensive as more and more companies chip away at Amazon Web Services.

Still, some in the legal community worry that existing laws haven’t anticipated the outsize influence of tech companies like Amazon. They question whether existing resources are sufficient to keep up with fast-moving changes in American business.



bows out smaller competitors with good ideas but insufficient capital. “We need to decide what kind of economy we want to be.”

Mr. Crane isn’t so sure, arguing that it’s unclear whether regulators have enough expertise in the technology to effectively intervene in tech companies’ business. “Antitrust needs to deal with fast moving indus-

tries with a light touch because it’s very hard for companies to monopolize innovation,” he said.

Amazon is a small player when it comes to physical stores, which still sell upwards of 90% of consumer goods. But it dominates online retail, representing about 45% of U.S. e-commerce business in 2017, according to Euromonitor International. And critics argue that the company’s access to wide swaths of consumer data gives it an unfair advantage when it comes to pricing and other business practices.

Messrs. Crane and Wu were among a large group of attorneys, economists, trade commissioners and professors slated to address a Federal Trade Commission con-

sumer-protection hearing in Washington last week. The hearing, and similar workshops at the Department of Justice, were designed to examine antitrust practices and tools in the internet economy.

Their session was canceled due to Hurricane Florence concerns. Janet McDavid, an antitrust attorney with the international law firm Hogan Lovells, was on a panel that actually did meet earlier in the week, however, and she said that while antitrust enforcers should be careful to not overstep their mandate, people need confidence that “there is a cop on the beat.”

“I am not someone who believes markets always checks themselves,” Ms. McDavid said. “Sometimes they don’t.”

Amazon Chief Executive Jeff Bezos, speaking at Washington D.C.’s Economic Club last week, said he expects scrutiny. “All big institutions of any kind are going to be and should be examined, scrutinized, inspected,” he said. He did, however, ask that those businesses aren’t universally vilified or painted with a broad brush, simply because they are gigantic.

Mr. Bezos said the world would be worse off without multinationals with deep pockets, and offered some examples: Do you like your iPhone? Thank Silicon Valley’s biggest player, Apple Inc. Like riding on state-of-the-art airplanes? Thank Boeing Co.

“There are certain things only big companies can do,” he said.

He said his company is nimble enough to adjust even if it is reined in by new antitrust actions.

“Under all regulatory frameworks that I can imagine, customers are still going to want low prices, they’re still going to want fast delivery, they’re still going to want big selection” Mr. Bezos said.

## WEEKEND INVESTOR

RETIREMENT | ANNE TERGESEN

# Retiring Soon? Prepare for a Bear

A record bull run has pumped up portfolios, but a market slump could test their durability

 For each year in which a bull market persists, workers become likelier to retire. But those who leave the workforce now—the ninth year of the longest U.S. bull market—are potentially setting themselves up for a tough stretch that could test their portfolio's long-term resilience.

Why? When the stock market becomes historically expensive, as some metrics suggest it is today, research shows it's often a harbinger of below-average future returns. This can be especially painful for retirees with long life expectancies because withdrawals combined with poor returns will leave less in an account to compound over decades.

Take, for instance, a 65-year-old who retires when his or her portfolio is worth \$1 million. If the retiree withdraws 4%, or \$40,000 in the first year, and the portfolio loses 40% of its value soon after, he or she will have just \$576,000 left to fund a retirement that could last 30 or more years. Any subsequent withdrawals will make it even harder for the portfolio to recover.

Returns in "the first five to 10 years of retirement matter most," says Wade Pfau, a professor of retirement income at the American College of Financial Services in Bryn Mawr, Pa. Early declines can "lock a portfolio into a downward spiral."

That doesn't mean that people on the cusp of retiring should cancel their plans. For one thing, it's notoriously difficult to predict the arrival, duration and severity of bear markets. And if you are ready to leave your job, sticking around may undermine your health and happiness.

The good news: There are steps you can take to limit withdrawals from stocks when they are down

and partly protect your portfolio. Just be sure to understand the trade-offs.

## 1. Build a cash cushion

This strategy typically involves setting aside one to five years of living expenses in cash so you won't have to sell stocks at depressed prices.

Retirees with cash buffers often react more calmly to market declines, reducing the odds that they will panic and bail out of the market completely, says Ross Levin, a financial adviser in Edina, Minn.

The problem, Mr. Levin says, is that the low returns on cash often reduce a portfolio's long-term returns. "If you have 80% in stocks and 20% in bonds with a three-year cash position, that's a worse strategy from a returns standpoint than having 70% in stocks and 30% in bonds," and nothing in cash, he says. A cash buffer "allows you to manage a client's psychology during bad times, but it's not an optimal strategy."

To solve that problem, some advisers instead use bonds as a buffer. A \$1 million portfolio with 60% in stocks and 40% in bonds effectively holds eight years of living expenses in bonds, Mr. Pfau says.

But if stocks sink and a retiree needs to liquidate bonds to cover living expenses, the buffer is likely to shrink.

To prevent clients from selling stocks at depressed prices to replenish their bonds, many advisers recommend waiting until the stocks recover their losses to do so. But an investor who used such a strategy in 2008—when the financial crisis slammed U.S. stocks—would have had to draw down his or her bond buffer for about five years before starting to build it back up, a nerve-racking experience for all but the least risk-averse, Mr. Pfau says.

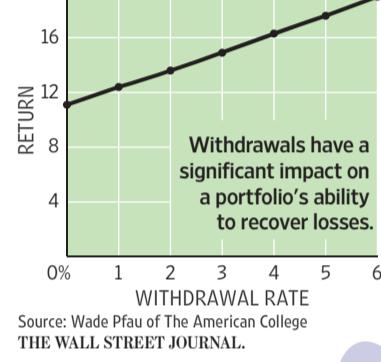


## 2. Rebalance

A better strategy, many say, is to invest in a diversified portfolio—such as 60% in stocks and 40% in bonds—and rebalance it after major market moves.

## Withdrawal Symptoms

Return required to recover from a 10% loss, by withdrawal rate



Source: Wade Pfau of The American College THE WALL STREET JOURNAL.

Retirees who do so will use their winners to cover at least some of their expenses. For example, in 2008, when the S&P 500 lost about 37%, investment-grade bonds gained about 5.25%. As a result, someone who had 60%, or \$600,000, in stocks and 40%, or \$400,000, in bonds be-

fore the crash had 47%, or \$378,000, in stocks and 53%, or \$421,000, in bonds afterward.

If a retiree with such a portfolio needed \$40,000, he would start by withdrawing the \$21,000 of bond profits. Because bonds comprise significantly more than 40% of the post-crash portfolio, the investor would whittle them further, by withdrawing the additional \$19,000 in spending money he needs. To re-establish the desired 60% stock-40% bond allocation, he would then transfer \$77,400 more to stocks from bonds.

In contrast to holding a "cash buffer," this approach "systematically ensures" that an investor sells holdings that have appreciated most while also buying things that have declined and are relatively cheap, says Michael Kitces, director of wealth management at Pinnacle Advisory Group Inc. in Columbia, Md. By shifting money into assets that are beaten down, rebalancing helps a portfolio recover faster when a turnaround finally arrives, he adds.

According to recent research, which looked at 140 combinations of investment strategies, withdrawal rates, and buffer-zone sizes over successive 30-year periods

from 1926 to 2009, investors came out ahead with cash-buffer strategies in only three instances. In contrast, with rebalanced portfolios, they came out ahead in 70 simulations, said co-author David Naniyan, associate professor of finance in the Mihaylo College of Business and Economics at California State University, Fullerton. In the remaining 67 combinations, the strategies performed the same, he said.

How often should you rebalance? Some investors do so quarterly or annually. Cameron Brady, an adviser in Westlake, Ohio, says he acts when his clients' portfolios drift by five percentage points from target allocations.

## 3. Use another type of buffer

What if you like the idea of a cash buffer, but don't want to tie up a portion of your portfolio in an asset that's sure to earn low returns?

To provide clients with a source of cash in the event of a market meltdown, some advisers recommend using home-equity lines of credit or reverse mortgages, which allow people ages 62 and older to convert their home equity into cash.

Both charge upfront fees. For example, the upfront "mortgage insurance premium" many borrowers pay on reverse mortgages is now 2% of the home's value, capped at \$13,593.

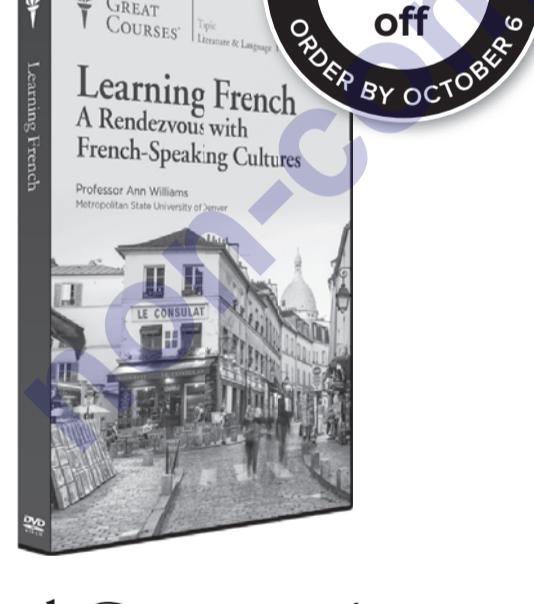
With a home-equity line of credit, Mr. Pfau says, borrowers must make monthly repayments. (Reverse mortgages must be repaid when the borrower dies, moves, or fails to pay property taxes or homeowner's insurance.) Both charge interest.

Mr. Pfau recommends that people with permanent life insurance, including whole life and universal life policies, consider tapping the cash value in these policies during market crises. You can withdraw premiums tax-free and also borrow from the cash value to get additional tax-free income, he says.

"You will reduce the death benefit," he adds, "but by helping to preserve the portfolio, you are probably better off."

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# Something's Fishy in This Trade Battle

A catfish fight between the U.S. and Vietnam has unintended consequences for Bayou fishermen

BY JULIE WERNAU AND BENJAMIN PARKIN

**I**n the shadow of President Trump's battle against imported metals, cars and other goods, a smaller fight is escalating over catfish—with some unintended reverberations.

At the center is the Vietnamese pangasius, a whiskered bottom-feeder whose popularity for decades has cut into the sales of U.S. catfish. In February, Vietnam went to the World Trade Organization, charging that the U.S. has devised a burdensome and unnecessary food-inspection program as a protectionist measure against the pangasius.

Some big U.S. catfish farmers argue the program was necessary to protect U.S. consumers from adulterated fish. Other catfish producers say the extra bureaucracy is hurting more U.S. businesses than they are helping.

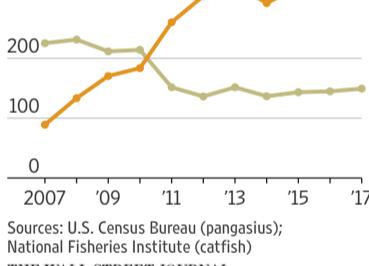
Nontariff trade barriers—a term used by policy makers to describe policies to help U.S. industries that don't involve the use of tariffs—became a common tactic after the North American Free Trade Agreement and other pacts made tariffs a weapon of last resort.

## Fighting Fish

The U.S. catfish industry is battling against cheap imports from Vietnam

■ U.S. catfish production

■ Vietnamese pangasius imports



Sources: U.S. Census Bureau (pangasius); National Fisheries Institute (catfish)

THE WALL STREET JOURNAL.

"War is waged in much more nerdy and quiet ways than the kind of tariffs and headlines we are seeing now," said Darci Vetter, former chief agricultural negotiator for the U.S. Trade Representative.

Catfish growers in the U.S. sold \$380 million worth of fish in 2017, according to the U.S. Department of Agriculture, a tiny market compared with the \$50 billion U.S. corn industry, for example.

Mississippi lobbyists and politicians say Vietnam's pangasius, also marketed as basa and swai, shouldn't even be called catfish.

"It's like comparing a cow and cat. They're totally different species," said Bobby Giachelli, vice president of sales and marketing at America's Catch Inc., one of the largest U.S. catfish companies.

Simply figuring out a workable

definition of the fish, a member of the broader siluriformes catfish family, required two separate farm bills. Laws in several catfish-producing southern states require restaurant menus to specify if they are serving imported catch.

Around 60% of siluriformes eaten in the U.S. come from abroad, after imports from Vietnam and elsewhere took off in the late 1990s. Measures like anti-dumping duties did little to stem the deluge. In 2008, southern lawmakers lobbied successfully to switch responsibility for inspecting siluriformes from the Food and Drug Administration, which monitors all other seafood, to the USDA, whose inspection procedures are more hands-on. It took four years to develop the program, at a cost of about \$20 million, and another five years to get it up and running.

Whether or not the new program is helping bigger U.S. catfish processors, it hasn't been great for the much smaller trade in wild catfish.

Most fishermen that wholesaler Penny Crappell deals with catch a few fish at their local watering hole, plop them in the back of a truck and pack them in ice in a backyard shed. She and others like her account for about 4% of U.S. catfish production, according to the National Fisheries Institute.

She didn't even know America was in a fight over catfish until the USDA showed up on her doorstep in Berwick, La., with a hodge-podge of new Kafkaesque requirements. The upshot? She needed to color-code her shovels.

Ms. Crappell also handles alligators, but catfish is the only species she deals with that requires near-constant inspection, which according to Vietnam shows that the new USDA program is being used mainly to limit trade.

The Government Accountability Office, a U.S. agency charged with rooting out government fat, in 11 separate reports has called the USDA program unnecessary, wasteful and based on faulty science. The stated impetus for the program, a 1979 salmonella outbreak, was never tied to catfish, the agency said.

Chad Causey, spokesman for lobbying group Catfish Farmers of America, said that rather than salmonella, the industry is concerned about chemicals in fish causing long-term illnesses. The new USDA program has found some disallowed chemicals in a fraction of imported fish.

The USDA hasn't weighed in publicly on whether the program is necessary. "We implement as we are instructed to," said Carmen Rottenberg, acting deputy undersecretary for the USDA Office for Food Safety. As for Ms. Crappell's shovels, the USDA says it is im-

## FINANCE



Fishermen bring in catfish to Crappell's Fish Market in Berwick, La., above. Penny Crappell, bottom left. At Harlon La Seafood in Kenner, La., bottom right, ice keeps the wild-caught catfish cold as it is handled.



Louisiana fish wholesaler Penny Crappell now needs to color-code her shovels.



portant, including for allergy reasons, not to mix utensils used for catfish with those handling other seafood.

Beginning in 2017, the Vietnamese government and other catfish exporters had to prove that their inspections were just as meticulous as the USDA's.

"These exports by Vietnamese producers are now subject to laws, rules, administrative practices, and related actions of the United States that, without a sufficient scientific basis, are restricting the trade in this product," Vietnam complained to the WTO.

The program places federal inspectors in every processing facility and import terminal in the country. It also requires catfish-exporting countries to adapt their supply chains to meet U.S. norms and undergo USDA audits.

Under the FDA's oversight, two dozen countries had been able to export catfish to the U.S. Last week, the USDA said Vietnam was one of only three countries that have made it through the latest round of the review process. The other two were China, which accounts for about 5% of imports,

and Thailand. Catfish producers such as Guyana say their export businesses are no longer viable.

Jimmy Avery, director of Mississippi State University's Delta Research and Extension Center, said some farm-raised catfish producers were willing to go through the more rigorous inspection process if it meant their competitors would also need to meet those requirements.

Mr. Giachelli of America's Catch said for his company not much has changed, as large-scale producers already face other bureaucracy and inspections.

The intention, the industry says, was never to snuff out competition from other domestic producers, like those selling wild catfish. "They just got caught up in the net," Mr. Avery said.

They're not the only ones.

Once the USDA took over, Sean Bergen, founder and chief executive of Sustainable Seafood Sales LLC in Portland, Me., said his partnership to bring in fresh catfish from the Dominican Republic quickly became unsustainable. At one point, his fish got delayed at

the border because, he says, the paperwork used the abbreviation "lbs." for "pounds."

"After two weeks of delays, they stamped the shipment as fit for the U.S. market," he said. By then the fish had long "surpassed its shelf life."

The USDA says that in the transition from FDA oversight it told foreign suppliers well in advance of new requirements being phased in, including on labeling.

Some other U.S. fisheries fear they could be next in line for ramped-up bureaucracy. "It could be crab tomorrow. It could be tilapia. It could be shrimp," said Gavin Gibbons, a spokesman for the National Fisheries Institute.

Back in the bayou, processors are finding that doing their part in a global trade skirmish requires things they never expected. Like buying a label-maker.

"You can never get anyone to tell you exactly what about the label needs fixing," said Ms. Crappell. "The agent made a big hoopla about it. She tried peeling it off. She said she had to write it up. She made an act of Congress out of it."

# Investors Need Not Fear the Fall

Continued from page B1

ulation in copper led to a run on some of New York's biggest banks, sparking a panic that ended only when J.P. Morgan personally intervened—ultimately leading to the creation of the Federal Reserve.

On Oct. 28, 1929, "Black Monday," the Dow Jones Industrial Average lost 12.8% in the crash that set the stage for the Great Depression.

On Oct. 19, 1987, the Dow fell 22.6%, the worst daily loss in its history.

On Sept. 15, 2008, Lehman Brothers failed, ushering in the darkest days of the global financial crisis.

Is this destiny, or just random variation?

According to William Schwert, a finance professor at the University of Rochester who studies the history of asset prices, September does have the lowest average return of any month. From 1834 (the earliest date for broad market data) through 2018, September is the only month whose average return is negative—at minus 0.4%.

But the differences across months have been small, so you shouldn't read much into September's relatively poor historical average return, cautions Prof. Schwert.

Over the long run, December has the best average monthly return, at nearly 1.4%, with January close behind at 1.2%. The variations "don't have much economic significance," says Prof. Schwert.

As for October, its returns are positive on average, at 0.4% since 1834. Since 2002, October is the third-best month, with an average 1.6% return—even though the S&P 500 lost nearly a fifth of its value

in October 2008.

So investors' fear of September and October is based less on evidence and more on what psychologists call "availability"—the human tendency to judge how likely an event is by how easily we can recall vivid examples of it. The horrific losses of October 2008 are

hard to forget. The milder gains of 7% in October 2015 and 11% in October 2011 are hard to remember.

Investors might be more prone to worry this time of year, though. Researchers have found in numerous independent studies that as summer fades into fall, people's behavior does turn with the leaves. As the hours of daylight

dwindle, brain chemistry can change, reshaping how much risk some people are willing to take.

In his 1903 book, "The ABC of Stock Speculation," the financial chronicler Samuel Armstrong Nelson wrote: "Speculators are not disposed to trade as freely and confidently in wet and stormy weather as they are during the dry days when the sun is shining, and mankind cheerful and optimistic."

Investors trading options are more likely to expect losses in fall than in spring or winter. In the U.S., Canada and Australia, mutual-fund shareholders are all net sellers in their respective fall months, even though Australia's autumn runs from March through May and it has a different tax year.

Average returns on U.S. Treasurys appear to be higher in fall than in spring, suggesting that investors seek safety in the darker months. Stock analysts' earnings forecasts are less optimistic in fall and winter than in spring and summer.

Of course, not all investing decisions are driven by psychology. Nowadays, people might tend to sell stocks in the fall in order to fund tuition payments coming due in September or to pay off credit-card debt they racked up on summer vacations. They might invest more in the first quarter of the year after pocketing year-end bonuses and tax refunds.

Still, "if bad news comes out in the fall, many investors may react more extremely than they might a few months later or earlier, when daylight is more plentiful," says Lisa Kramer, a finance professor at the University of Toronto who has run several studies on how seasonal mood changes may affect financial behavior.

Although the stock market doesn't always crash in the fall, you might well be more likely this time of year to treat smaller declines as harbingers of doom. Try, instead, to remember that the darkest months of the year often have the brightest returns.

## MARKETS DIGEST

## Dow Jones Industrial Average

Last 26743.50  
Year ago 26743.50, 09/21/18  
Trailing P/E ratio 24.17  
P/E estimate \* 17.27  
Dividend yield 2.06  
or 0.32%  
All-time high 26743.50, 09/21/18  
Session high  
Session open ▶ UP Close  
Close ▶ Open  
Session low  
65-day moving average



Bars measure the point change from session's open

July Aug. Sept.

Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

## Major U.S. Stock-Market Indexes

	Latest Week					52-Week					% chg	
	High	Low	Close	Net chg	% chg	Low	Close (●)	High	% chg	YTD 3-yr. ann.	NYSE	NYSE Amer.
Dow Jones												
Industrial Average	26769.16	26030.35	26743.50	588.83	2.25	22284.32						
Transportation Avg	11611.65	11395.58	11532.56	-38.28	-0.33	9440.87						
Utility Average	740.79	715.44	727.16	-9.72	-1.32	647.90						
Total Stock Market	30491.50	29693.32	30365.21	179.20	0.59	25876.47						
Barron's 400	781.56	772.80	777.37	-3.17	-0.41	661.72						

## Nasdaq Stock Market

Nasdaq Composite	8057.26	7890.07	7986.96	-23.09	-0.29	6370.59						
Nasdaq 100	7603.86	7427.79	7531.07	-14.42	-0.19	5867.35						

## S&amp;P

500 Index	2940.91	2886.16	2929.67	24.69	0.85	2496.66						
MidCap 400	2052.39	2026.42	2041.36	-5.20	-0.25	1768.65						
SmallCap 600	1085.89	1069.45	1074.35	-12.00	-1.10	874.87						

## Other Indexes

Russell 2000	1724.38	1700.51	1712.32	-9.40	-0.55	1450.78						
NYSE Composite	13261.77	13020.58	13236.44	185.92	1.42	12127.92						
Value Line	592.44	583.83	589.79	2.41	0.41	530.28						
NYSE Arca Biotech	5271.29	5053.45	5205.94	66.09	1.29	4045.25						
NYSE Arca Pharma	593.81	583.79	592.43	7.02	1.20	516.32						
KBW Bank	110.89	106.75	110.07	2.50	2.33	96.78						
PHLX\$ Gold/Silver	67.59	63.39	66.03	2.67	4.21	61.92						
PHLX\$ Oil Service	147.61	138.97	147.55	7.12	5.07	127.61						
PHLX\$ Semiconductor	1394.10	1356.10	1383.09	5.78	0.42	1126.40						
CBOE Volatility	13.75	11.10	11.68	-0.39	-3.23	9.14						

\$ Nasdaq PHLX

## Percentage Gainers...

Company	Symbol	Latest	Session	Close	Net chg	% chg	High	52-Week	Low	% chg
Cool Holdings	AWSM	19.00	8.50	20.95	2.95	22.61	2.70	109.0		
AstroTech	ASTC	5.59	2.33	7.14	1.55	1.64	5.11			
Y-mAbs Therapeutics	YMAB	24.00	8.00	50.00	26.00	28.03	16.00			
Farfetch CIA	FTCH	28.45	8.45	42.25	13.80	30.60	20.00			
India Global Cap	IGC	2.90	0.75	34.88	4.06	0.35	67.03			
Xenetic Biosciences	XBIO	3.33	0.86	34.82	3.49	1.37	42.0			
Oasmia Pharmaceutical ADR	OASM	3.45	0.89	34.77	3.33	0.80	238.2			
Intelliecheck	IDN	2.75	0.65	30.95	3.18	1.50	-8.9			
Energy XXI Gulf Coast	EGC	7.87	1.69	27.35	19.48	3.41	-21.3			
BioHiTech Global	BHTG	4.40	0.87	24.65	6.85	2.68	-34.3			
BK Technologies	BKTI	4.10	0.80	24.24	4.14	3.00	7.9			
Ikronics	IKNX	12.99	2.49	23.71	10.72	7.25	52.6			
KalVista Pharmaceuticals	KALV	21.72	3.72	20.67	20.00	6.65	210.3			
Ability	ABIL	4.40	0.72	19.57	15.17	2.14	-41.8			
Steelcase	SCS	19.05	2.90	17.96	19.35	13.10	30.9			

\*Primary market NYSE, NYSE American, NYSE Arca only.

†(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An

Arrows of less than 1 indicates buying demand; above 1 indicates selling pressure.

Source: SIX Financial Information; Dow Jones Market Data

Sources: SIX Financial Information; Dow Jones Market Data

\*Continuous front-month contracts

Sources: SIX Financial Information (stock indexes), Tullett Prebon (currencies), Dow Jones Market Data (bond ETFs, commodities).

## Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commodities performed around the world for the week.

Stock Index	Currency, vs. U.S. dollar	Commodity, traded in U.S.*	ETF
Comex Copper	7.95%		
Nymex Natural Gas	7.59		
Lean Hogs	7.25		
Sao Paulo Bovespa	5.32		
Shanghai Composite	4.32		
Nikkei 225	3.36		
South African Rand	3.13		
FTSE MIB	3.12		
CAC-40	2.65		
Nymex Crude	2.59		
FTSE 100	2.55		
DAX	2.53		
Hang Seng	2.45		
IBEX 35	2.40		
Nymex Rbob Gasoline	2.38		
S&P 500 Materials	2.30		
S&P 500 Financials Sector	2.26		
Dow Jones Industrial Average	2.25		
Russian Ruble	2.18		
Euro Stoxx	2.08		
S&P GSCI GFI	2.02		
Soybeans	2.02		
Wheat	2.00		
S&P 500 Energy	1.92		
Australian dollar	1.92		
Stoxx Europe 600	1.70		
Comex Silver	1.62		
Corn	1.56		
S&P/TSX Comp	1.32		
S&P 500 Industrials	1.31		</td

## MARKET DATA

## Futures Contracts

## Metal &amp; Petroleum Futures

	Contract						Open
	Open	High	Low	Settle	Chg	Open interest	Open
<b>Copper-High (CMX)</b> -25,000 lbs.; \$ per lb.	2,8380	2,8380	2,7500	2,8365	0,1155	1,362	
Sept 2,7600	2,7600	2,8380	2,7500	2,8365	0,1155	1,362	
Dec 2,7620	2,8710	2,7520	2,8575	0,1175	141,306		
<b>Gold (CMX)</b> -100 troy oz.; \$ per troy oz.							
Oct 1207.40	1210.80	1191.80	1196.60	-10.00	29,779		
Dec 1212.10	1215.80	1196.00	1201.30	-10.00	368,772		
<b>Feb'19</b> 1218.00	1221.30	1202.00	1206.90	-10.10	41,336		
June 1230.70	1232.60	1213.80	1218.60	-10.00	12,280		
Aug 1235.40	1236.00	1220.30	1224.40	-10.10	2,237		
Dec 1249.70	1250.30	1231.90	1236.90	-10.10	5,042		
<b>Palladium (NYM)</b> -50 troy oz.; \$ per troy oz.							
Oct 1042.50	1048.90	1028.00	1044.90	0.70	19,224		
March'19 1036.50	1041.10	1023.60	1037.70	1.20	758		
<b>Platinum (NYM)</b> -50 troy oz.; \$ per troy oz.							
Oct 835.40	839.10	822.90	829.60	-4.60	40,037		
Jan'19 837.90	841.80	825.80	832.90	-4.00	45,812		
<b>Silver (CMX)</b> -5,000 troy oz.; \$ per troy oz.							
Sept 14,265	14,265	14,260	14,269	0,054	983		
Dec 14,350	14,465	14,180	14,359	0,054	175,958		
<b>Crude Oil, Light Sweet (NYM)</b> -1,000 bbls.; \$ per bbl.							
Nov 70.22	71.80	69.98	70.78	0.46	432,557		
Dec 69.98	71.38	69.62	70.37	0.31	305,640		
<b>Jan'19</b> 69.77	71.08	69.37	70.06	0.18	172,631		
March 69.35	70.53	68.96	69.58	0.12	142,326		
Jun 68.69	69.79	68.25	68.87	0.12	176,583		
Dec 66.82	67.83	66.44	67.04	0.10	238,676		
<b>NY Harbor ULSD (NYM)</b> -42,000 gal.; \$ per gal.							
Oct 2,2306	2,2625	2,2150	2,2260	-0.020	71,441		
Nov 2,2347	2,2668	2,2193	2,2306	-0.005	110,801		
<b>Gasoline-NY RBOB (NYM)</b> -42,000 gal.; \$ per gal.							
Oct 2,0151	2,0524	2,0065	2,0171	0,0025	52,064		
Nov 2,0032	2,0371	1,9907	2,0021	0,0008	173,076		
<b>Natural Gas (NYM)</b> -10,000 MMBtu; \$ per MMBtu							
Oct 2,961	2,989	2,938	2,977	.001	55,791		
Nov 2,950	2,982	2,931	2,974	.010	285,914		
Dec 3,020	3,052	3,006	3,045	0,014	180,902		
<b>Jan'19</b> 3,106	3,137	3,091	3,131	0,014	200,397		
March 2,926	2,943	2,913	2,939	.001	213,751		
April 2,628	2,637	2,616	2,633	-.003	159,334		

## Agriculture Futures

	Interest Rate Futures						
<b>Treasury Bonds (CBT)</b> -\$100,000; pts 32nds of 100%							
Dec 140-160	140-220	140-030	140-110	3.0	876,724		
<b>Treasury Notes (CBT)</b> -\$100,000; pts 32nds of 100%							
Dec 118-120	118-235	118-170	118-215	2.5	4,041,239		
<b>5 Yr. Treasury Notes (CBT)</b> -\$100,000; pts 32nds of 100%							
Sept 122-200	122-222	122-200	122-225	1.5	13,001		
Dec 122-125	122-140	122-100	122-132	1.5	4,365,382		
<b>2 Yr. Treasury Notes (CBT)</b> -\$200,000; pts 32nds of 100%							
Sept 105-167	105-177	105-100	105-117	1.2	2,241,312		
<b>30 Day Federal Funds (CBT)</b> -\$5,000,000; 100-daily avg.							
Sept 98,048	98,050	98,048	98,048	...	113,343		
Jan'19 97,625	97,630	97,620	97,630	.005	263,943		
<b>10 Yr. Del. Int. Rate Swaps (CBT)</b> -\$100,000; pts 32nds of 100%							
Oct 98,359	98,469	98,324	98,406	.125	31,135		
<b>1 Month Libor (CME)</b> -\$3,000,000; pts of 100%							
Oct ...	... 97,7250	... -0.010	60				
<b>Eurodollar (CME)</b> -\$1,000,000; pts of 100%							
Oct 97,5400	97,5475	97,5325	97,5425	.0025	263,229		
Dec 97,3250	97,3400	97,3150	97,3350	.0100	1,770,170		
<b>June'19</b> 96,9900	97,0050	96,9750	97,0050	.0150	1,277,090		
Dec 96,8450	96,8600	96,8200	96,8550	.0200	1,948,615		

## Currency Futures

	Currency Futures						
<b>Japanese Yen (CME)</b> -\$1,250,000; \$ per 100%							
Oct .8903	.8903	.8873	.8890	-.0007	1,781		
Dec .8946	.8949	.8914	.8941	-.0006	197,649		
<b>Canadian Dollar (CME)</b> -CAD 100,000; \$ per CAD							
Oct .7755	.7760	.7732	.7743	-.0008	332		
Dec .7763	.7774	.7739	.7751	-.0008	116,186		
<b>British Pound (CME)</b> -\$62,500; \$ per £							
Oct 1,3289	1,3289	1,3070	1,3090	-.0191	902		
Dec 1,3232	1,3237	1,3103	1,3127	-.0191	286,691		
<b>Swiss Franc (CME)</b> -CHF 125,000; \$ per CHF							
Dec 1,0509	1,0559	1,0498	1,0511	.0010	55,237		
<b>Australian Dollar (CME)</b> -AUD 100,000; \$ per AUD							
Sept 1,0642	1,0654	1,0603	1,0611	.0011	255		
<b>Octobre-Feeder (CME)</b> -50,000 lbs.; cents per lb.							
Sept 156,350	157,050	155,775	156,950	1,275	1,940		
Nov 157,500	158,175	156,975	157,800	.650	18,841		
<b>Cattle-Live (CME)</b> -40,000 lbs.; cents per lb.							
Sept 156,350	157,050	155,775	156,950	1,275	1,940		
Nov 157,500	158,175	156,975	157,800	.650	18,841		

Exchange-Traded Portfolios | [WSJ.com/ETFresearch](http://WSJ.com/ETFresearch)

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# BIGGEST 1,000 STOCKS

## How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE. The list comprises the 1,000 largest companies based on market capitalization. Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume. **Boldfaced quotations** highlight those issues whose price changed by 5% or more if their previous closing price was \$2 or higher.

**Footnotes:** **i**-New 52-week high. **h**-Does not meet continued listing standards. **v**-Trading halted on primary market.

**j**-New 52-week low. **l**-Late filing. **wj**-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

**dd**-Indicates loss in the most recent four quarters. **q**-Temporary exemption from Nasdaq requirements.

**FD**-First day of trading. **t**-NYSE bankruptcy.

Stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Friday, September 21, 2018

YTD 52-Week Ytd Net

% Chg Hi Lo Stock Sym % PE Last Chg

**A B C**

-9.36 28.67 21.22 ABB ABB 3.4 23 24.31 -0.01

**13.02 693 ADT** ADT 15 9.37 0.45

8.90 14.11 8.72 AES AES 3.7 24 13.96 -0.01

9.46 48.09 40.55 AFLAC AFLC 2.8 48.04 0.15

6.39 21.94 17.47 AGNC Inv AGNC 11.4 15 18.90 -0.01

115.53 23.95 10.24 ANGUS Homeservs ANGI 1.6 22 22.55 -0.56

23.64 19.05 11.29 ANSYS ANSS 52 182.48 -0.27

8.41 22.66 16.09 ASML ASML 0.9 188.43 -0.06

1.20 10.99 6.59 ATB ABT 1.43 69.05 -0.26

20.99 69.51 25.10 AbbottLabs ABT 1.43 69.05 -0.26

-4.60 12.85 40.85 AbbVie Abbott 42 23 92.26 -0.42

105.37 49.03 15.87 Abiomed ABMD 108 384.88 -0.26

13.78 17.64 12.27 Accenture ATCV 1.6 18 17.19 -0.03

26.80 82.03 57.29 ActivisionBlitz ATVI 0.4 180.82 0.29 -0.36

6.56 7.5 60.42 AgilentTechs AGLN 0.8 78.70 0.27 -0.41

-6.22 186.99 109.84 AcuityBrands AYI 0.3 21 165.06 -0.93

48.87 27.71 14.39 AddoSystems ADDS 1.6 50.84 0.60 -0.27

6.96 17.13 7.85 AdtelligentAuto ADP 0.1 23 168.30 -0.01

20.17 3.45 1.72 AdmiraDiverses ADM 1.0 92.02 -0.16

3.17 7.48 5.49 Aegon AEG 4.5 6 6.50 -0.25

9.41 58.30 20.29 AerCap AER 0.9 57.56 -0.25

13.24 20.66 14.69 Astega AETL 1.0 19 20.27 -0.04

-28.07 21.74 14.03 AttelatedMgs AMG 0.8 12 147.63 -0.63

5.65 7.5 60.42 AviglenTechs AGLN 0.8 78.70 0.27 -0.41

38.47 27.71 14.39 AgricolaEagle AGLN 1.3 52 34.67 -0.48

3.95 17.5 14.99 AirProducts APP 2.6 25 170.61 -0.01

1.30 83.46 46.97 AkamaiTech AKAM 7.7 73.50 -0.67

4.67 4.68 5.72 AlarisTech ALRS 1.8 10 10.20 -0.06

17.47 1.44 0.55 AlarisTech ALRS 1.3 24 10.45 -0.27

18.71 6.25 40.03 Alcoa ACOA 0.9 53 47.39 -0.86

-2.90 13.37 11.44 AlexandriaEst ALXND 2.9 26 126.80 -0.01

2.01 144.91 10.20 AlexionPharm ALXN 0.0 121.99 -0.26

-4.52 21.71 10.25 Albirego ALBA 0.9 49 64.63 -0.13

71.40 39.98 18.31 AlcatelTech ALGN 1.5 20 119.20 -0.26

12.40 21.72 32.83 Alkermed ALKS 0.4 41 55.66 -0.27

1.30 92.61 52.81 Allegheny ALWY 2.1 22 27.54 -0.04

1.02 65.18 52.81 Allstate ALST 0.9 30 11.31 -0.01

1.37 44.68 5.72 AllstateAllianz ALLS 0.9 11 1.31 -0.01

1.89 27.83 13.02 AllianzData ALD 2.3 16 145.00 -0.06

1.46 45.35 36.84 AllianzEnergy ALNT 3.1 21 43.23 -0.01

24.08 53.55 34.63 AllianzTransn ALTN 1.1 12 53.44 -0.46

-2.76 105.36 88.29 Allstate ALTN 1.8 11 101.82 -0.26

1.88 21.79 12.27 Allstate ALTN 1.8 11 101.82 -0.26

5.55 31.29 2.96 AllyFinancial ALYF 2.2 11 27.54 -0.04

-25.55 15.93 8.77 Alymopharm ALNY 0.4 94 57.47 -0.05

1.47 44.99 3.90 Almyra ALRY 0.9 11 1.31 -0.01

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## BUSINESS &amp; FINANCE NEWS

# Saudis Strain to Head Off Oil-Price Rise

By SUMMER SAID  
AND BOEN FAUCON

ALGIERS, Algeria—Saudi Arabia is running low on its most prized grade of crude, people familiar with the matter said, a development that could push oil prices higher.

After coming under pressure from the Trump administration over rising oil prices, Saudi Arabia is set to use an oil-producers' summit in Algiers on Sunday to reassure oil markets that it can fill any shortages that arise as U.S. sanctions restricting Iranian oil sales begin in November.

But state-run oil giant Saudi Arabian Oil Co., known as Aramco, is telling potential buyers that its most highly prized crude will be in short supply in October after it underestimated the demand in advance of Iranian sanctions. And in the longer term, officials estimate Aramco wouldn't have the capacity to meet future demand if Iran is no longer delivering oil, according to people familiar with the matter.

The scarcity could push prices above \$80 a barrel, potentially putting a strain on U.S. consumers as they decide whether President Trump's Republican Party will remain in control of both houses of Congress in November's midterm elections.

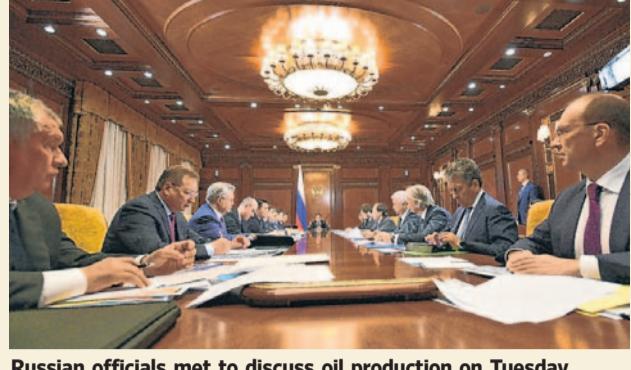
## Russia Helps Cartel Get Grip on Market

MOSCOW—Since joining forces with Saudi Arabia and other members of the Organization of the Petroleum Exporting Countries, Russia has helped the group re-establish its once-powerful hold on global oil prices.

The cartel for decades has raised or lowered output to balance supply and demand, and support prices. That hold was challenged several years ago, when U.S. shale flooded global markets. OPEC, which pumps more than one of every three barrels the world consumes, appeared powerless to lift markets. That is, until it enlisted Russia and a group of non-OPEC producers including Azerbaijan and Mexico to join in out-

With the combination of Iran sanctions and Saudi Arabia's supply limitations, "we are heading to a price spike, likely \$90 to \$100" per barrel, one oil trader said. "It's not just Iran that will suffer. It's going to have a boomerang effect with rising gasoline prices" in the U.S., the trader said.

Aramco's Arab light crude has been in high demand from buyers ahead of Iran sanc-



Russian officials met to discuss oil production on Tuesday.

put cuts two years ago.

"It has been a surprise to see Russia up there, shaping the oil markets, but changing times are resulting in new alliances and new leaders," said Andrew Lipow, a veteran oil analyst in Houston. "The Russians are using their diplomacy and their swing production capacity

tions, one potential buyer said he was told this week, and as a result, supplies have been fully allocated for October. The buyer says he was offered Aramco's less popular medium and heavy oil.

Saudi Arabia says it increased overall oil production by 400,000 barrels a day in the past two months after coming under pressure from the U.S. The country now produces roughly 10.4 million bar-

to keep prices high."

In June, the same group opened up the spigot again, adding production to keep prices from getting too high. Russia took on a key negotiating role across from Saudi Arabia. Of the 600,000 barrels a day of new crude that OPEC and the Russia-led group agreed to

rels a day. A day after oil prices reached \$80 a barrel, Mr. Trump said Middle East producers "continue to push for higher and higher oil prices" in an early morning tweet Thursday.

Mr. Trump has previously said Saudi Arabia's King Salman told him the kingdom could bring its production to 12 million barrels a day.

Such a level would mean the Kingdom—the only pro-

pump, about 200,000 barrels has come from Russia.

That Russia was so quickly able to add production—and theoretically shut it all off again—lifts Moscow's credibility as a global oil markets heavyweight, a role it hasn't held for decades. Saudi Arabia, which exports far more than any other country, is still essentially the central bank of oil, but Russian oil policy now matters to the rest of the world.

Russia's new production and rising prices have been good for its economy and President Vladimir Putin, who often touts Russia's new records in oil production. Driven by the oil equities, Moscow's stock exchange rose to an all-time high Tuesday, despite a weakening currency and slowing economic growth.

—Anatoly Kurmanev

cial said. Spokespeople for the Saudi energy ministry and Aramco didn't return requests for comment.

Another person briefed on Saudi production capacity said the Kingdom could pump at 11 million for only six months. A senior U.S. official said Washington estimates Saudi Arabia couldn't reach 12 million barrels a day.

Saudi officials said they are comfortable with current price levels, but they worry a further rise could decrease demand and bring a subsequent price collapse.

Some relief to the Saudi supply problem could come from oilfields shut down for three years over a dispute between the Kingdom and Kuwait. Until recently, both sides had little incentive to resume production in an oversupplied market.

But the two countries are now finalizing a resolution of differences over environmental and land permits, according to people familiar with the matter.

As a result, Saudi Arabia and Kuwait are getting ready for the possible resumption of the 300,000-barrels-a-day facility at the Khafji field by early next year, and possibly as early as December, they said.

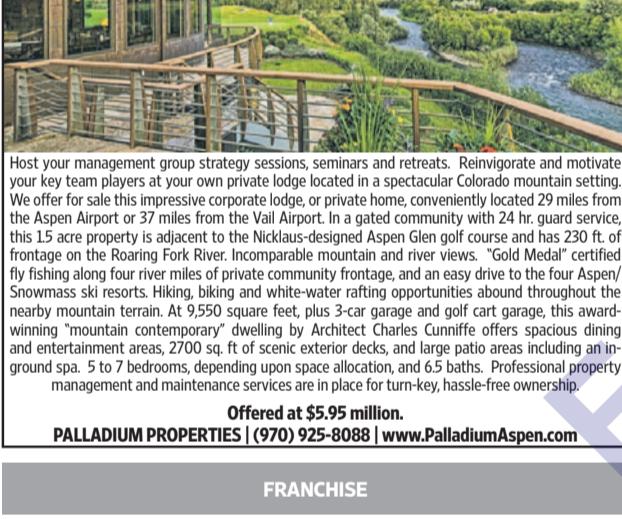
—Sarah McFarlane contributed to this article.

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## U.S. Crude Prices Climb Ahead of OPEC Meeting

BY SARAH MCFARLANE  
AND DAN MOLINSKI

Oil prices climbed back toward two-month highs Friday as investors wagered that this weekend's meeting of major oil producers in Algeria won't do much to reverse a trend toward tighter global supplies.

Light, sweet crude for November delivery settled 0.7% higher at \$70.78 a barrel on the New York Mercantile Exchange. Brent crude, the global benchmark, rose 0.1% to \$78.80 a barrel

## MARKET NEWS

# Dow Caps Best Two Weeks in Months

The index rose for eight of the past 10 sessions, returning to record-setting pace

By MICHAEL WURSTHORN AND GEORGI KANTCHEV

The Dow Jones Industrial Average edged higher Friday, capping off its strongest two-week stretch since February in a sign the inflation- and trade-fueled anxieties that had sent the blue-chip index stumbling earlier this year are abating.

Investors continued to tamp down their fears of an all-out trade war between the world's two biggest economies and bought stocks that had been whipsawed by the

threats the U.S. and China have leveled at one another.

Those fading concerns removed a major hurdle for the Dow industrials to move higher. The index has climbed for eight of the past 10 sessions, adding more than 800 points, or 3.2%, to notch the blue-chip index's best two-week stretch since Feb. 23.

That was even as technology stocks, a major contributor to the 9½-year rally, ended the week slightly lower. But shares of financial companies, which had been out of favor for much of the year, helped to offset those losses, as banks like JPMorgan Chase and Goldman Sachs benefited from bond yields nearing their highest levels of the year.

While investors welcomed the Dow's return to a record-setting pace, investors

warned the index remains vulnerable to the continuing trade battle, especially since its components get a bigger portion of their revenue from overseas and China compared with the S&P 500.

The next test will be Monday, when the \$200 billion of tariffs on Chinese imports President Trump recently announced are set to kick in, first at 10% and then rising to 25% at the end of the year.

"While [trade talks] aren't as adversarial" as they were several months earlier, said Eric Wiegand, senior portfolio manager at U.S. Bank Wealth Management, "we're not at a resolution either."

Investors like Mr. Wiegand viewed the Trump administration's stepped approach to the latest tariffs as an attempt at easing tensions. Hopeful that a resolution will

eventually be reached, investors are focusing more on the strong fundamental outlook that has underpinned the stock market this year, including solid corporate earnings and a robust U.S. economy, which is growing at its fastest

**Investors warned that the index remains vulnerable to the trade battle.**

rate since 2014.

"We're clearly anxious to get back to earnings season in a few weeks," Mr. Wiegand added.

The Dow Jones Industrial Average rose 86.52 points, or 0.3%, to 26743.50, its 13th re-

cord close of the year and second this week. The S&P 500 slipped 1.08 points, or less than 0.1%, to 2929.67, while the Nasdaq Composite fell 41.28 points, or 0.5%, to 7986.96.

Like the Dow, the S&P 500 ended the week higher, gaining 0.8%. The Nasdaq, however, slipped 0.3% and has fallen two of the past three weeks.

Shares of trade-sensitive Boeing led the Dow higher Friday, gaining \$4.77, or 1.3%, to \$372.23, contributing roughly 32 points to the index's gain. McDonald's, meanwhile, added 4.51, or 2.8%, to

165.30 after the fast-food chain raised its dividend late Thursday.

Trading was particularly volatile Friday due to a so-called quadruple witching, when four types of deriva-

tives—index options, index futures, single-stock options and single-stock futures—all expire on the same day.

Some money managers added that a major revision to the S&P 500 index sectors likely also contributed to the volatility in the market. Index providers S&P Dow Jones Indices and MSCI are officially creating a new communication-services sector to replace telecommunications, the smallest of the index's 11 sectors. S&P was expected to complete its reclassification Friday, while many others who use it are expected to wrap up by Sept. 28.

Elsewhere, the Stoxx Europe 600 rose 0.4% to push its weekly gain to 1.7%. Most indexes in Asia rallied, with Chinese stocks registering their largest one-week percentage gain since 2016.

# Copper Rises As Trade Worries Ebb

By PAUL GARVEY

nomic data out of both the U.S. and China.

Before Friday's surge, Barclays analyst Ian Littlewood said the decline of copper prices in recent months wasn't justified given the solid fundamental backdrop for the metal.

"Improving demand, underlined by sharply increasing Chinese premia and declining stocks, provides a strong fundamental rationale for higher prices, while stretched speculative positioning looks susceptible to a short covering rally," he said.

Copper, which is used in a range of industrial applications and electrical products, is often seen as a barometer of global economic health.

Goldman Sachs' commodities team said Friday that global copper demand was tracking at 2.8% growth, while Chinese copper inventories had fallen sharply in recent months amid the trade tensions.

"This week the trade war was escalated and markets shrugged it off with copper rallying. The reason is the market has already factored in an extended standoff between the U.S. and China," Goldman



A copper mine in Chile. Friday's run helped the metal post its best performance in a single week since November 2016.

Sachs said.

It was a different story for gold prices, however. The precious metal dropped back through the \$1,200-an-ounce mark Friday after signs of continued strength in the U.S. economy shot the dollar sharply higher.

Gold for September delivery fell 0.83% to \$1,196.20 a troy ounce on Comex, slumping in tandem with a rise in the value of the U.S. dollar.

The WSJ Dollar Index, which measures the U.S. cur-

rency against a basket of 16 others, climbed 0.35% on Friday. A stronger dollar makes dollar-denominated commodities more expensive for holders of other currencies.

Friday's fall wiped off most of the gains made over the week, although gold still managed to finish the in the green for the second consecutive week.

The fall came as Goldman Sachs formally cut its bullish price forecasts for the metal.

Goldman Sachs now forecast

gold at \$1,250, \$1,300 and \$1,325 a troy ounce over the next three, six and 12 months, down from its previous expectations of \$1,350, \$1,375 and \$1,450 a troy ounce, respectively.

The Goldman analysts said the strength in the U.S. and the weakness in emerging markets were similar to conditions in the late 1990s, when gold fell toward record lows.

"From 1998 to 2000, a tech boom reduced DM [developed market] fear and boosted U.S.

real rates while at the same time the Asian financial crisis wiped out EM [emerging market] wealth, pushing gold to \$250 a troy ounce," Goldman Sachs said.

"While nowhere as extreme, the same forces have been at play this year in gold."

Elsewhere in metals, silver gained 0.38% to \$14.269 a troy ounce, while aluminum rose 2.35% to \$2,091 a metric ton, zinc climbed 1.67% to \$2,496 a metric ton and nickel jumped 4.95% to \$13,250 a metric ton.

# Treasurys Wrap Up 4th Week Of Losses

By GUNJAN BANERJI

U.S. government bond prices rose Friday but still capped off a fourth week of declines as investors turned to riskier assets such as stocks ahead of the coming Federal Reserve meeting.

The yield on the 10-year Treasury fell to 3.068% Friday from 3.076%

**CREDIT MARKETS** Thursday. Yields rise as bond prices fall.

Yields rose in the beginning of the week, reaching the highest levels in months as investors assessed a growing supply of corporate and government bonds and a solid U.S. economic outlook.

Treasury yields pared some of their gains Thursday as the prospect of higher returns ignited new demand, according to some analysts. Investors bought both U.S. stocks and government bonds Friday, with major stock indexes hovering near highs.

Geopolitical concerns curtailed some of the selling in Treasurys during the week. U.K. Prime Minister Theresa May warned Friday that Brexit talks had hit a logjam, calling on European leaders to propose new proposals.

Investors will be closely watching the Federal Reserve meeting in the coming week, where many expect the central bank to raise interest rates.



SIPA ASIA/ZUMA PRESS

A liquefied-natural-gas terminal in China. Beijing's new tariff on U.S. LNG fell short of previous proposals.

# LNG Gets China Tariff Reprieve

By STEPHANIE YANG

In the U.S.-China trade battle that has targeted everything from soybeans to sport-utility vehicles, energy has gotten off somewhat easy.

In its latest retaliatory measure on Tuesday, China levied tariffs on \$60 billion of U.S. goods, including a 10% tariff on liquefied natural gas, or LNG. However, the move fell short of previous proposals for a 25% tariff, alleviating some of the worries over the impact to U.S. natural-gas exports.

Shares of LNG exporters Cheniere Energy Inc. and Tellurian Inc. both closed up 3% on Tuesday. Since then, Cheniere's stock has risen another 2% while Tellurian shares have gained back gains.

"The lower 10% figure was seen with relief by the mar-

ket," Samuel Phillips from Barclays wrote on Wednesday.

"Chinese LNG tariff taken positively as 10% tariff avoids the coup de grace," said analysts at Tudor Pickering.

Under the looming threat of tariffs, China has cut back on energy purchases from the U.S. in recent months. According to S&P Global Platts, China's U.S. oil imports have declined from a record high reached in June.

Barclays data shows China's imports of U.S. LNG have fallen 60% from their peak in December 2017 through July.

But while U.S. LNG is poised to become more expensive for Chinese buyers, the immediate effects on the market should be minimal, with U.S. prices still relatively competitive, analysts said.

Crude oil, which appeared on a list of products that could

be subject to tariffs earlier this year, has also been left out of the trade war thus far.

So far, oil and natural gas markets have taken the tariffs in stride. Though some analysts speculate that a prolonged trade dispute could hurt demand for oil, traders have been more focused on geopolitical factors, such as sanctions against Iran.

China could still increase tariffs on LNG or add crude oil to the list.

But Giles Farrer, research director at consultancy Wood Mackenzie, said China may already be done buying LNG for the winter, which could mitigate some of the impact on prices and imports.

"With all of those considerations, we don't think the impact is going to be as strong," Mr. Farrer said.

# Delta Is Looking For Refinery Partner

By ALISON SIDER

**Delta Air Lines** Inc. is looking for a partner to share the burden of its six-year experiment in running a refinery to supply its planes with jet fuel.

The carrier paid \$150 million for the refinery near Philadelphia in 2012, betting that making its jet fuel could help offset rising prices. In total, the refinery has added \$281 million to Delta's operating income through the first half of this year.

It is on track to make money in 2018, but high regulatory costs and shifting market dynamics that put East Coast refineries at a disadvantage have made the plant more of a hassle than Delta anticipated, analysts say, even if fuel prices are on the rise.

Delta, currently the No. 2 U.S. carrier by traffic, was the first U.S. airline to make its own fuel. The refinery, which is run by a subsidiary, generated \$5 billion of Delta's \$41 billion in revenue last year.

Margins have been slim.

Delta still wants the refinery's jet-fuel output but doesn't need the diesel or gasoline it produces.

Chief Financial Officer Paul Jacobson said in a statement earlier this month that Delta wants to see if there are other arrangements that would "maximize the value of other aspects of the refinery for a potential joint venture partner."

Some analysts saw that as a concession that operating the refinery had become a distraction. Helane Becker, an analyst

at Cowen & Co., said the refinery was a worthy experiment, but "I don't think it was as big a benefit as they thought it was going to be."

Delta declined to say whether it has talked with potential buyers, but it has hired investment banks Barclays PLC and Jefferies Group to help with the process.

Some energy trading firms could be interested, said Garfield Miller, president of Aegis Energy Advisors Corp., an adviser on refinery deals that isn't working with Delta on the potential partnership. But he said it could be hard for a partner to make money.

Refineries on the East Coast lack a pipeline link to the crude being produced in the U.S. shale fields around North Dakota and Texas. Trains once carried deeply discounted oil eastward, but that has slowed as new pipelines have been built to the Gulf. That leaves Eastern refineries reliant on pricier crude from regions like West Africa.

Because of the refinery, Delta says it pays several cents less per gallon for fuel than its competitors, totaling about \$300 million a year in savings. As a result, the carrier has no plans to close the plant—even though its profits have lagged behind expectations—if a partner doesn't emerge.

But what began as a modest investment has become costly. Delta has invested about \$837 million so far. It plans to close the plant for most of the fourth quarter to make an additional \$120 million in upgrades.

## EXCHANGE

## HEARD ON THE STREET

FINANCIAL ANALYSIS &amp; COMMENTARY

## Triumph of The Pessimists

A 'Black Swan' fund that has managed to make money in a great bull market

BY SPENCER JAKAB

The 10th anniversary of the financial crisis is a natural time to fret about the next bust, but betting against the market is usually a loser's game. Or is it?

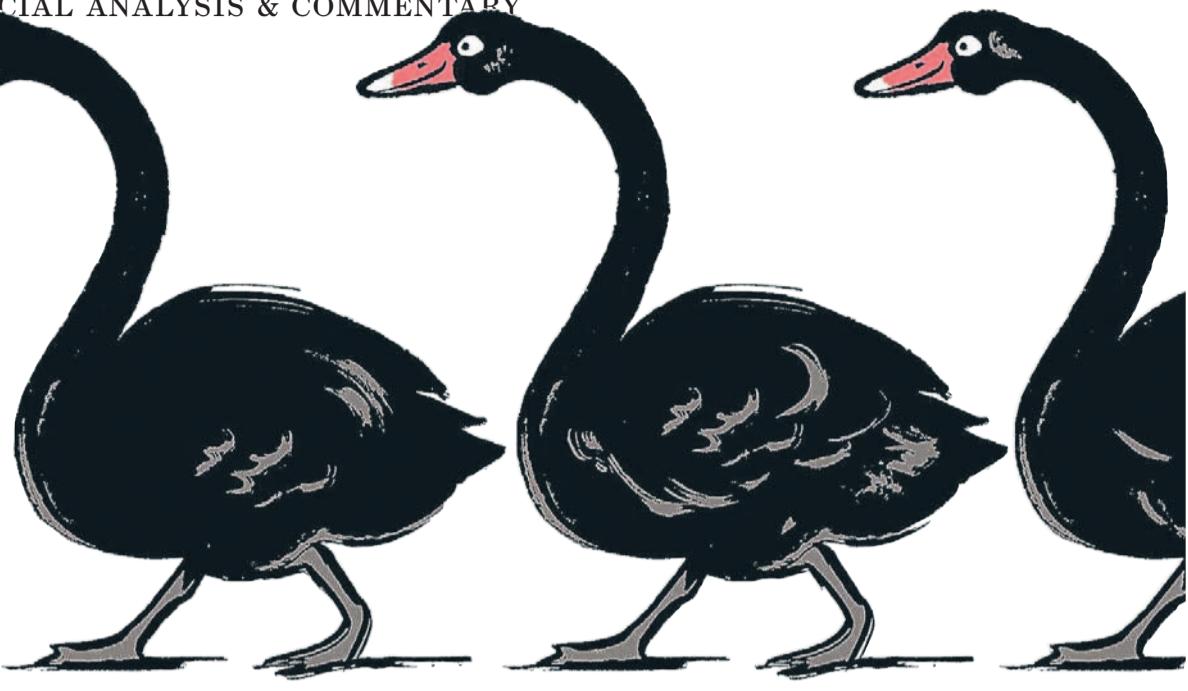
Record stock prices, bubbling trade wars, Donald Trump's legal peril and sputtering emerging markets give some teeth to fears of another market rout. So did a host of mostly forgotten crises—Brexit, the fiscal cliff, the taper tantrum—that turned out to be great buying opportunities. The S&P 500 has returned over 200% since the day Lehman Brothers went bust—more fodder for the

say when. He admits that the bull market could keep going for years. "Valuations are high and can get higher."

Talk is cheap in investing punditry and predicting a decline without saying when it will happen is cheapest of all. Yet Universa's stance warrants attention, and not only because it backs its views with billions of dollars and is advised by author Nassim Nicholas Taleb of "Black Swan" fame. Mr. Spitznagel isn't betting on some unpredictable event causing a crisis but a predictable one—an eventual blowback from unprecedented central-bank stimulus.

What sets the fund apart and why investors should pay attention is that Mr. Spitznagel's clients have done well without a crisis. Founded in 2007, Universa was among a handful of funds that made huge gains in 2008. Unlike some crisis-era legends such as John Paulson, David Einhorn and Steve Eisman who have struggled mightily since then, Mr. Spitznagel has enjoyed minibonanzas along the way. In August 2015, for example, his fund reportedly made a gain of about \$1 billion, or 20%, in a single, turbulent day.

A letter sent to investors earlier this year said a strategy consisting of just a 3.3% position in Universa with the rest invested passively in the S&P 500 had a compound annual return of 12.3% in the 10 years through February, far better than the S&P 500 itself. It also was superior to portfolios three-quarters invested in stocks with a one-quarter weighting in more-traditional hedges such as Treas-



surs, gold or a basket of hedge funds.

Being skeptical and making money on that view are two different things. Fellow financial crisis standout John Hussman predicted both the 2000 and 2008 bear markets and also is convinced an even worse one is coming, yet his eponymous fund has performed dismal since 2009, eroding its crisis gains and then some.

While Mr. Hussman tries to identify dangerous junctures and hedges his fund accordingly, Mr. Spitznagel has no view on timing. Instead, he buys hedges, typically put options, particularly when they are cheap. These options rise in value when the market falls but usually expire worthless. The approach is a variation on the well-proven strategy of value investing—buy cheap, unloved assets. By pointedly ignoring headlines and embracing long stretches when his fund loses small sums for months on end, he draws on similar patience and conviction.

In a banner year for U.S. stocks like 2017, buying crash insurance was like throwing money away. But Mr. Spitznagel says he was "like a kid in a candy store" because volatility—and hence op-

## Good Times, Bad Times

Top monthly returns for CBOE Eurekahedge Tail Risk Hedge Fund Index

MONTH	RETURN	EVENT	
Aug. 2011	27.5%	S&P cuts U.S. credit rating	\$31,901
Aug. 2015	7.3	Chinese stocks crash	S&P 500
Oct. 2008	6.8	AIG rescue	iShares 20 Year ETF
Sept. 2011	6.0	S&P on brink of bear market	Gold
Sept. 2008	6.0	Lehman bankruptcy	Hedge Fund Index
May 2010	5.5	Flash crash	

Sources: Eurekahedge (top returns); Universa Investments LP (balance)

Ending balance of \$10,000 after 10 years, by hedging strategies through February 2018



THE WALL STREET JOURNAL.

'I spend all my time thinking about looming disaster,' says Universa's chief investment officer.

investing classic "Triumph of the Optimists" that underlines the benefits of staying in the market through thick and thin.

So why is a man who has made a huge wager on another market collapse so happy? It isn't because he sees an imminent crash, though he doesn't rule it out. It is because almost no one else is preparing for one.

"I spend all my time thinking about looming disaster," says Mark Spitznagel, chief investment officer of hedge fund Universa Investments, who predicts a major decline in asset prices but can't

tions prices—was so subdued.

Just sitting out the market in the long run is costly, which is why optimists triumph. Universa's typical client suspects that the end may be nigh but wants to stay fully invested anyway. The occasional windfall, such as the one in 2015, is icing on the cake.

Ordinary investors don't need

to understand Mr. Spitznagel's math to grasp a valuable lesson. While human nature causes us to be more confident after a long stretch of smooth sailing and hefty gains for markets, that is when the chances of something going horribly wrong are highest.

"This is a very good time for us," he says.



## Wells Fargo Braces For Lean Years Ahead

Scandal-tarred bank hunkers down as rivals grow

BY AARON BACK

Signs are stacking up that Wells Fargo is shrinking, even as rivals are in growth mode.

The bank said Thursday that its head count would decline by 5% to 10% over the next three years, reflecting some natural attrition, and what it called "displacements," or layoffs. That would mean around 13,000 to 26,000 people shaved from Wells Fargo's payroll.

The bank acknowledged that reputational issues could be hurting commercial lending.

The bank cited many factors, such as continued migration toward digital banking and a general commitment to efficiency. However, it is hard to escape the conclusion that the move also reflects lackluster business prospects for the bank as the fallout continues from high-profile governance failures.

Just last week, Wells Fargo's chief financial officer said business loans were likely to decline from

their second-quarter level and acknowledged for the first time that reputational issues could be hurting the bank's commercial lending operations.

Wells Fargo's revenue per employee last year was around average compared with peers, according to S&P Capital IQ. At \$327,000 per employee, it was below that of Bank of America and JPMorgan Chase, which have lucrative investment-banking operations, but above Citigroup and large regional lenders PNC Financial Services Group and U.S. Bancorp. This suggests the move to cut head count isn't driven by fat that needs trimming.

Wells Fargo increasingly seems to be on a different cycle from its big bank peers, which have been pivoting to growth after years of restructuring. There hasn't been a major layoff announcement by a top U.S. bank since 2016, according to job placement firm Challenger, Gray & Christmas.

The timing of this Wells Fargo announcement, combined with last week's warning on loans, is a bad signal for third-quarter earnings. The bigger concern beyond the quarter is the lack of a clear path for Wells Fargo to resume growth.

## OVERHEARD

Seven times down, eight times up is how the Japanese proverb on perseverance goes. But for Japan's real-estate market, it has been 26 times down, 1 time up.

Land prices are up 0.1% in Japan this year, notes Bank of America Merrill Lynch, which doesn't sound so notable until you put it in context—it is the first increase land prices have registered since 1991. That still leaves prices 53% below the peak level they achieved that year.

It is a striking reminder of just how frenzied the Japanese real-estate market bubble was, with its talk of how the grounds of the Japanese Imperial Palace in Tokyo were worth more than all the land in California. It is also a reminder of how long-lasting the fallout from the collapse has been. Japanese stock prices are still far below the high they clocked at the end of 1989.

The pain from the U.S. housing collapse is still being felt, too, of course, but U.S. housing prices passed their old peak over a year ago. And this week, the U.S. stock market hit another record.

The grounds of Tokyo's Imperial Palace: Was it ever worth more than California?



## Intel's Shortages Chip Away at Micron

Production constraints for high-end processors are hitting other tech segments

BY DAN GALLAGHER

A shortage of high-end computer chips from Intel is being felt in other parts of the tech sector. The question is how far it might spread.

This was apparent late Thursday, when memory chip maker Micron Technology issued a disappointing forecast with its fiscal fourth-quarter report. The company now expects revenue to grow by 16% to 22% year over year for the quarter ending in November, which would be its slowest rate in two years. A major factor, according to Micron, is that some personal-computer makers aren't buying as many of its memory chips because they are slowing production due to a shortage of the CPU chips they need.

Intel supplies the vast majority of CPU chips for the PC market today. Most are produced with circuitry measured at 14-nanometers—the most advanced manufacturing node Intel currently has in mass production. Intel has three facilities capable of producing chips at that level, but those facilities are also in high demand for the type of processors that power data centers, which is Intel's business line with the best growth.

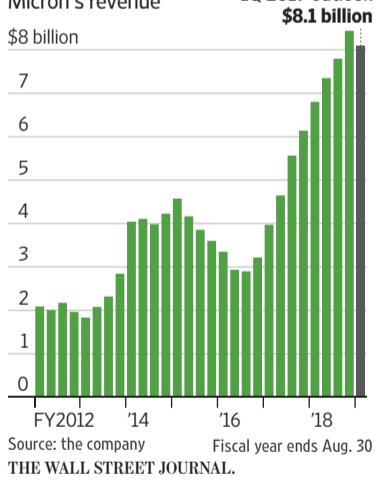
Some of that capacity is also now going toward producing modern chips used in the latest generation of iPhones, which hit stores on Friday.

Intel, in other words, has many demanding customers competing for a finite amount of manufacturing capacity. And while the company has already boosted its planned capital expenditure for the year by \$1 billion, such facilities can't be expanded quickly—especially while the company is struggling to shift some of its production to a new, more advanced 10-nanometer process. That makes it difficult to respond to rapid changes in the market, like the recent surprising jump in PC demand. Second-quarter PC shipments grew globally for the first

## Flash Burn

Micron's revenue

\$8 billion



Source: the company  
Fiscal year ends Aug. 30

time in six years, according to Gartner.

Server-chip demand is also booming, fueled mostly by capital spending from tech giants like Google, Amazon.com, Microsoft and Facebook, which are building data centers to power cloud-based services. Those four invested \$34.7 billion in the first six months of this year, up 59% from a year earlier.

Micron CEO Sanjay Mehrotra says the CPU chip shortage has so far mainly hit its production of memory chips for PCs; the company also supplies chips for servers.

But he conceded the impact could last beyond the company's current quarter that ends in November.

Micron shares slid 2.9% in New York trading Friday.

Some analysts have expressed concern that capital spending by big tech companies could slow if they aren't able to get enough server processors to meet their own expansion plans. That hasn't yet proven to be the case, and Intel will understandably focus sharply on keeping its biggest customers happy.

Micron's investors, meanwhile, will have to live with unhappiness a while longer.



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## Michael Ovitz

The former Hollywood power broker talks about his quiet second act in Silicon Valley. **C6**

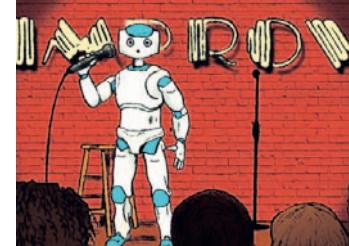
### MEDICINE

Revolutionary new treatments could cure cancer, but can the country afford to pay for them? **C4**



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To connect with people better, AI systems are learning to be funny. **C3**



## A Way Out Of the Immigration Crisis

The only answer to today's polarized debate is amnesty for those already here, new standards for those seeking entry and a return to the ideal of the melting pot.

BY REIHAN SALAM

In 1979, shortly before I was born, my family visited Washington, D.C., in the middle of a snowstorm. My poor mother, dodging snowbanks while pregnant, also had her two little girls in tow. At one point, my mother tells me, she was confronted by an angry woman who scolded her for having such a large family: "Don't you know there's a population crisis?" she asked.

Keep in mind that my mother is an immigrant from Bangladesh and, at that point, had only lived in the United States for about three years. It's impossible to know why the woman who confronted her was so worked up, but it's worth noting that, in the late '70s, a large influx of refugees from Indochina sparked fears that America would soon be swamped by culturally distant foreigners.

Sensing that prejudice was rearing its ugly head, my mother replied that she fully intended to have a large family so that she and her offspring could displace America's current inhabitants, just as European settlers had seized the lands of the American Indians. My mother was speaking in jest, of course. Her reply was a reflection of her moxie, not of a sincere desire to raise an army of Bengali-speaking conquistadors. That would have meant buying more groceries than she and my father were prepared to schlep.

But I'm struck by how much her story captures the emotional core of today's immigration debate. Many established Americans find themselves alarmed by immigration-driven change, cultural and otherwise, and they often come across as angry and unwelcoming. Then you have the newcomers themselves, a group that includes immigrants and the children of immigrants, who resent the suggestion that they don't belong, and their self-proclaimed allies, who see immigration-driven change as a moral imperative.

The tension between these two groups isn't exactly new. These days, though, it seems sharper and more urgent. Consider the influential work of the sociologists Marisa Abrajano and Zoltan L. Hajnal. In "White Backlash: Immigration, Race and American Politics," published in 2015, they argue that America's immigration policies are undermining social cohesion. "Immigration is actually leading to greater divisions and tensions," they say. These tensions "spill over" into issues like taxes and crime—generating authoritarian impulses among whites, undermining support for the welfare state and endangering ethnic comity.

Ms. Abrajano and Mr. Hajnal offer a prescient case for alarm about the ways that rapid demographic change has affected America's political psyche. The widening racial gap in party identification, in particular, suggests "a nation in danger of being driven apart," they write.

But in the face of this trend, the authors never call for meeting the partisans of immigration restriction halfway. Instead, they hope that rising diversity will eventually bury ethnic conflict and usher in a more liberal future. Though they acknowledge an alternative possibility, where "the racial divide in U.S. party politics expands to a racial chasm, and the prospects for racial conflict swell," they confidently expect that once Latino immigrants and their de-

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ILLUSTRATION BY ROBERT CARTER; ROBIN TIVONY/GETTY IMAGES (FIREFIGHTER); DICKINSON COLLEGE (RUSH)

“  
The key policy priority has to be integration, as opposed to opening our borders.

This essay is adapted from Mr. Salam's new book, "Melting Pot or Civil War? A Son of Immigrants Makes the Case Against Open Borders," which will be published by Sentinel on Sept. 25. He is executive editor of National Review.

# Finding Middle Ground on Immigration

Continued from the prior page

scendants come to represent a sufficiently large share of the electorate, the tide of white backlash will recede and liberalism will be ascendant.

We thus find ourselves confronted by a paradox. On the one hand, it is clear to many thoughtful liberal scholars and journalists that immigration-driven cultural change has greatly contributed to right-wing populism. On the other, they view slowing the pace of immigration as a complete non-starter. As they see it, the only option is to double down on the status quo and hope that the storm passes—even if this approach risks triggering a crisis for open societies, such as the one we are arguably living through today. It is as though these thinkers are convinced that things have to get worse before they can get better, and that conservatives who worry about the pace of cultural change must be crushed rather than accommodated.

This all feels particularly painful for me because, like a lot of Americans, I don't really fit on either side of this new divide. As a son of immigrants, I've spent most of my life among newcomers. But during my childhood, the Bangladeshi immigrant community to which I belonged was quite small, so I had no choice but to forge friendships with Americans from very different backgrounds. I am of Muslim origin, but many of my closest friends and colleagues are observant Jews, evangelical Christians and Catholics.

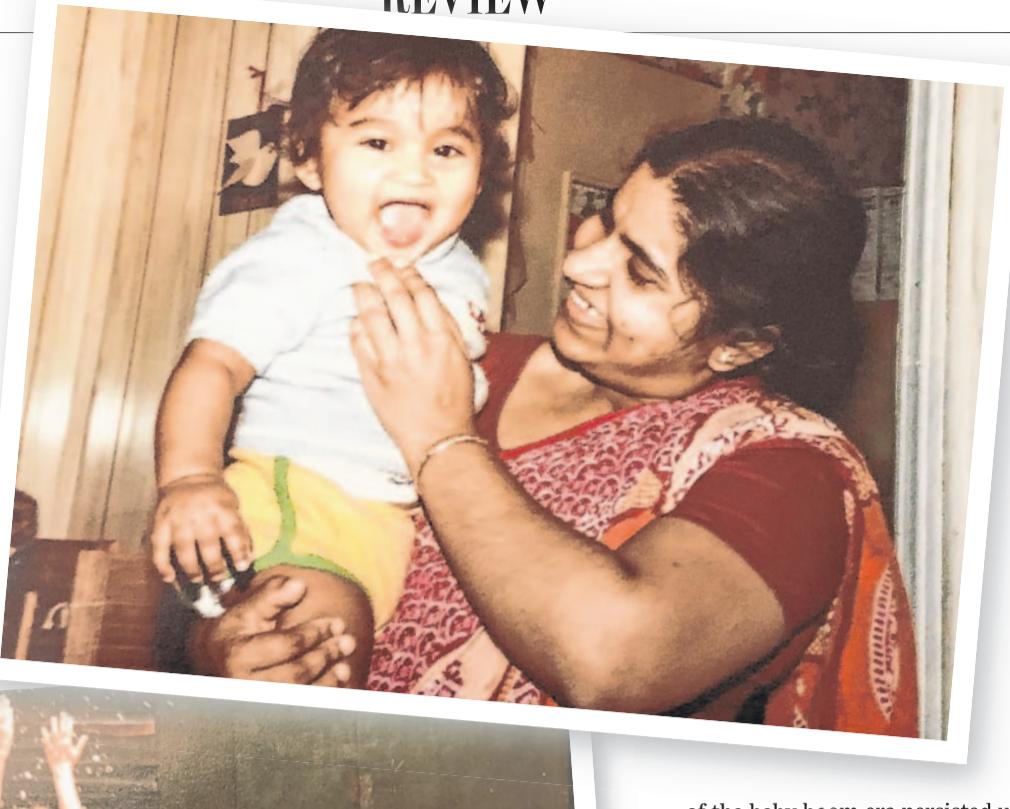
And yes, when I was growing up in Brooklyn in the 1980s, my family encountered racism from white neighbors who resented our presence. At the same time, though, I was loved and cared for by the elderly Italian grandmother who lived on the second floor of our apartment building and who was always feeding me heaping portions of lasagna. I was cheered on by white public school teachers who wanted me and my other brown and black classmates to thrive. (Here's to you, Mrs. Fella.) The notion that white America was my monolithic enemy, a notion I've been hearing a lot lately, would have seemed utterly crazy. I refuse to believe that we are doomed to an ever starker divide on these issues.

Is there a way out? I believe so. To start, we need to recognize that the immigration debate isn't really about immigrants. In truth, it's about the children of immigrants.

Think about it. If the United States were to open its borders to willing workers from around the world who could guarantee that they'd never raise children on American soil, their long-term political and cultural impact on American society would fade away after a single generation. Without children, immigrant-headed households wouldn't be in a position to transform our public schools, and their ability, or inability, to provide for their youngest and most vulnerable members wouldn't have a lasting impact on America's productive potential. Under these circumstances, it's a safe bet that the debate around immigrants and immigration would mostly fade away.

What I'm describing is not unlike the mass guest-worker programs in countries like Singapore and Qatar, where the children of migrants have no guarantee of citizenship and where the host countries routinely expel migrants they deem burdensome. Though both countries admit far more migrants than the U.S. relative to their smaller populations, theirs is not a warm welcome.

But that's not how America works. Like it or not, we are a country with an implicit social contract. If we welcome you in as part of the flock, we also welcome your offspring. In past eras, high immigration levels were matched by high native birthrates. The end result was that, even if



**Top:** Author Reihan Salam with his mother Morshed in 1980. **Middle:** Mr. Salam with his siblings, Rifat (left) and Anjum (center), 1982. **Bottom:** Mr. Salam in Brooklyn in the mid-1980s.

immigrants had large families, these second-generation youth were greatly outnumbered by the descendants of the native-born. Investing in the next generation meant investing in the children of immigrants, yes, but also in the children of natives, who, by virtue of their numbers, would set the cultural tone.

Collapsing native birthrates have changed the picture, setting off a cultural panic among the likes of Rep. Steve King, the Iowa congressman who infamously tweeted, "We can't restore our civilization with somebody else's babies." As the economist Lyman Stone has observed, even though current U.S. immigration levels aren't notably high by historical standards, immigration now has a greater impact because America's rate of natural increase has slowed down so markedly. Had the birthrates

mer's Night Dream," when the character Puck says, "What hempen home-spuns have we swagging here, so near the cradle of the fairy queen?" And in "Henry VI, Part 2," a boastful soldier named Ancient Pistol is introduced as a "swaggerer."

In Shakespeare's time, "swagger" meant "to walk or carry oneself as if among inferiors, with an obtrusively superior or insolent air," as the Oxford English Dictionary puts it. It originated from an earlier word, "swag," meaning "to move with an unsteady gait," likely from a Scandinavian source that also gave us the word "swing."

From a confident style of walking, "swagger" developed as a noun to describe behavior marked by casual boldness.

Jonathan Swift used the noun in a 1725 poem: "The butcher is stout, and he values no swagger; A cleaver's a match any time for a dagger."

Some observers were unimpressed. "The department's catchphrase sounds more like a product line of Old Spice deodorant than a label for a venerated institution that's been led by American icons from Thomas Jefferson to

Dean Acheson," wrote David Wade in Politico.

Mr. Pompeo did get his word history roughly right: Shakespeare was indeed among the earliest known users of "swagger," if not the first. It appeared as a verb in "Midsum-

of the baby boom era persisted until the present, the post-1965 wave of immigration would have been little more than a cultural blip. Instead, it has ushered in dizzying cultural change, thanks largely to the fast-growing second generation—in other words, to people like me.

As recently as 1990, only 13.4% of U.S. children were being raised in immigrant-headed households. Since then, that proportion has almost doubled, and it is set to rise further still in the years to come. Some of these young people, especially those raised by college-educated immigrants earning high incomes, are well on their way to reaching the uppermost strata of American life. Soon they will join the second-generation go-getters increasingly found in the C-suites of Silicon Valley and the hallowed halls of the Ivy League, who have managed to convince so many of us that the American Dream is open to all those willing to work.

Less visible are their working-class brethren, raised by immigrant parents who came to America with very low levels of schooling and English fluency. Whereas low-skill immigrants in decades past could expect full-time jobs at decent wages, today's labor market places a higher premium on skills and social capital. The result is that the children of these hard-working immigrants need safety-net benefits and refundable tax credits to stay decently housed, clothed and fed.

Try as we might to pretend that every one of these children is a Horatio Alger in the making, the sobering truth is that poverty in this generation risks spreading to the next. What will happen when these young people come of age and find the American Dream out of reach? Will they be content in the knowledge that they're better off than they would have been in their ancestral homelands, or will they fuel a new populist revolt?

The key to averting a civil war over immigration is for the U.S. to do everything in its power to make sure that the children of natives and the children of immigrants alike are incorporated into a common national identity and, just as importantly, that they're in a position to lead healthy and productive lives as adults. We need, in short, to make America a middle-class melting pot.

The melting pot ideal fell from favor decades ago, mostly because the

melting pot of old was, if we're being honest, a whites-only affair. That is why we need a more expansive melting pot ideal, one that includes the descendants of slaves and of newcomers from around the world. As the author Michael Lind, who has championed this ideal for decades, has argued, the melting pot stands for "the voluntary blending of previously distinct groups into a new community"—a "great American mix" that draws on dozens of ethnicities and religious traditions.

It is an ideal that rejects the arbitrary racial categories that have become so central to our cultural and political discourse. Yet it is also a rebuke to alt-right racialists who maintain that skin color is destiny. By emphasizing all that Americans have in common, and the fact that integration and assimilation can, over time, deepen our shared cultural bonds, the melting pot ideal can pull us back from the brink of ethnic and class conflict.

What practical steps would make it a reality? For the foreseeable future, the key policy priority has to be integration, as opposed to opening our borders. This would mean, in the first place, an amnesty for the long-settled unauthorized immigrant population. If there is one thing we've learned from the Trump era, it is that Americans don't have the stomach for the mass deportation of people who have established deep roots in this country. The only way to have serious and effective enforcement policies going forward is to grandfather in many of those who have settled in the country unlawfully in years past.

This amnesty must be contingent, however, on the adoption of a more selective, skills-based immigration system. The U.S. needs to give priority to the earning potential of applicants over their family ties, thus breaking with our current approach. Doing so will help to ensure that new arrivals are in a position to thrive in a changing U.S. labor market and that they can provide for their children without relying on programs meant to help the poorest of the American poor, not those who have chosen to make their homes here.

Finally, and most important, we must invest the time and money it will take to ensure that all of America's youth can grow up to lead decent lives. If that means higher taxes on the high-income professionals who have profited so mightily from immigrant labor, so be it.

Looking back to that snowy day in 1979, my thoughts turn to my mother's vision of little Salams overrunning the North American continent. That's not quite how things have turned out. We Salams didn't remake America so much as America remade us. As my wife and I prepare for our first child, it occurs to me that our baby girl will be a third-generation American, raised by two boring bourgeois parents in brownstone Brooklyn. Our daughter will have roots in South Asia but also, on my wife's side, in Kentucky, stretching back a pretty long way.

Will the America she grows up in be defined by rigid lines of color and class? Or will it be a middle-class melting pot, where old distinctions fade and the descendants of today's immigrants and natives flourish together? I know which future I'm fighting for.

SARVAR SALAM (2)

## A State Department Slogan from Shakespeare

**WHEN MIKE POMPEO** was sworn in as Secretary of State earlier this year, he promised to return a sense of "swagger" to the State Department.

"I talked about getting back our swagger, and I'll fill in what I mean by that," Mr. Pompeo said in his first address to State Department

media campaign. On September 10, he launched his official Instagram feed with an image of the department seal rebranded as "the Department of Swagger." The same day, he followed up with a composite photo in which he arrayed himself alongside the unlikely duo of William Shakespeare and Gen. George S. Patton.

"Shakespeare was the first to use 'swagger,'" the caption read. "Gen. Patton had his swagger stick. At @statedept, we've got some #swagger too. It's our confidence in America's values."

Some observers were unimpressed. "The department's catchphrase sounds more like a product line of Old Spice deodorant than a label for a venerated institution that's been led by American icons from Thomas Jefferson to

Dean Acheson," wrote David Wade in Politico.

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From a confident style of walking, "swagger" developed as a noun to describe behavior marked by casual boldness.

Jonathan Swift used the noun in a 1725 poem: "The butcher is stout, and he values no swagger; A cleaver's a match any time for a dagger."

The "swagger stick" of Gen. Patton dates back to the 1880s, when British military officers began accompanying their "walking out" uniform with a short stick carried to convey a sense of authority. The accessory spread to American armed forces in World War I.

More recently, "swagger" has received a boost in popularity from its use in hip-hop.

Jay-Z prefigured Mr. Pompeo in his 2001 song "All I Need": "I guess I got my swag-

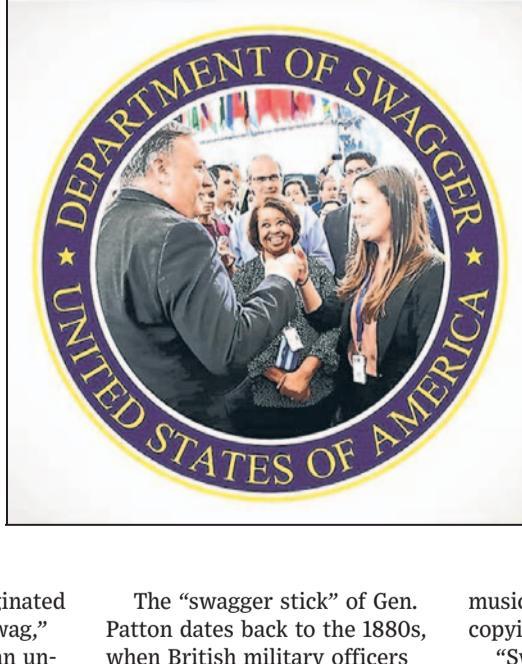
ger back." In her 2007 hit "Paper Planes," the British rapper M.I.A. sang, "No one on the corner has swagger like us." That line got sampled the following year in the song "Swagga Like Us" by Jay-Z and T.I. Around the same time, the term "swagger-jacking" came into use in musical circles to describe copying someone's style.

"Swagger" is also the name of a men's lifestyle magazine that has found itself in an unexpected branding war with the State Department. "We were a little concerned with Secretary Pompeo's use of the term," Swagga's editor in chief Steven Branco told The Wall Street Journal's Jessica Donati in May. Since then, Mr. Pompeo's swagger offensive shows no sign of abating.

# [Swagger]

staffers in May. Later, he explained, "Swagger is not arrogance; it is not boastfulness, it is not ego. No, swagger is confidence; in one's self, in one's ideas."

Lately, Mr. Pompeo has engaged in a swagger-filled social



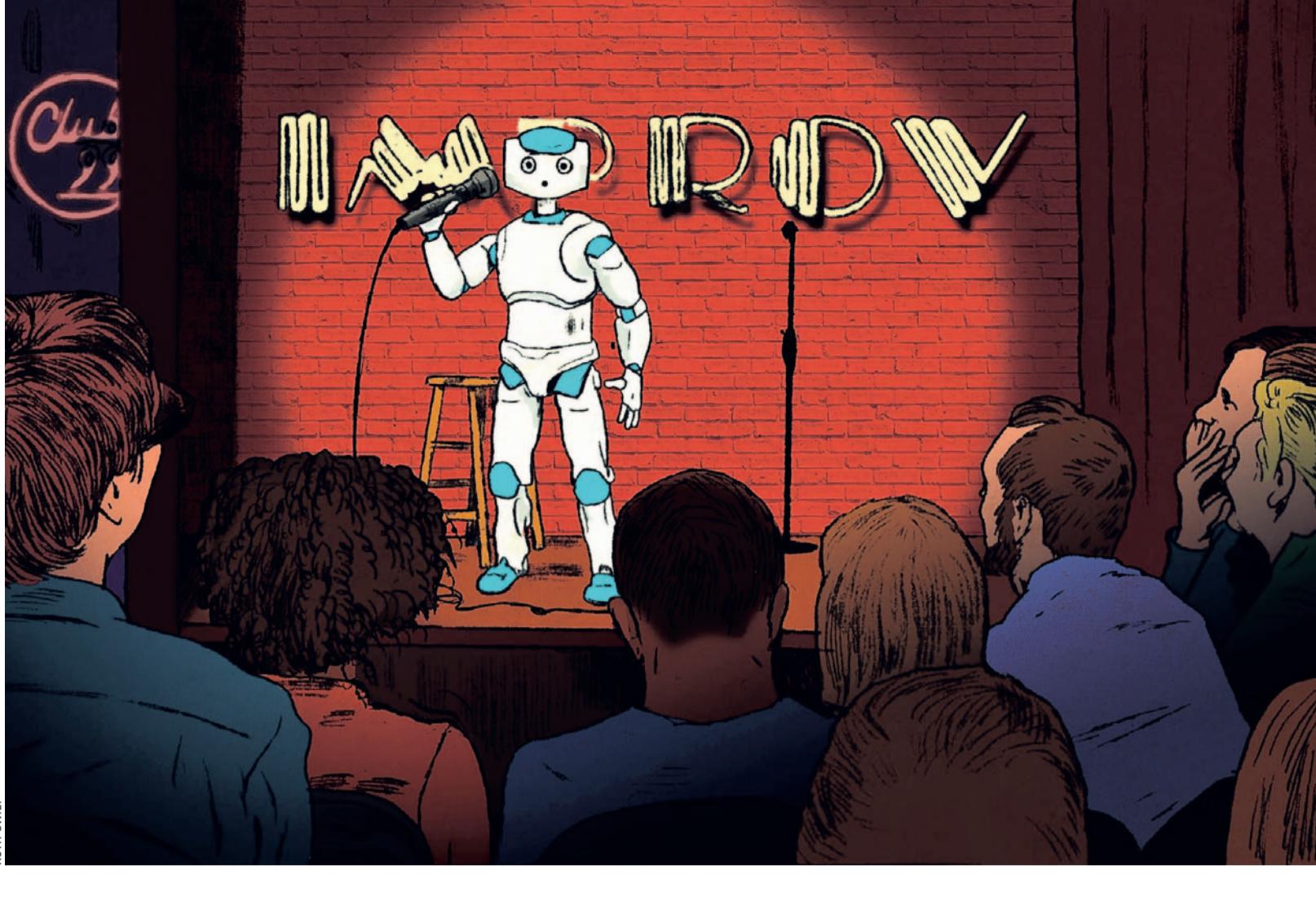
Secretary of State Mike Pompeo posted this reworked version of the department seal on Instagram.

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SARVAR SALAM (2)

## REVIEW



# So a Computer Walks Into a Bar...

The future of artificial intelligence depends on teaching machines to talk like human beings—complete with irony, sarcasm and puns

BY JAMES GEARY

If you were a stand-up comic, you definitely wouldn't want a review of your act to include the line "succeeds in generating pieces of text that are recognizably jokes, but some of them are not very good jokes." That's how researchers in the U.K. described their attempt in the early 1990s to create one of the first computer programs to tell jokes. Using as source material the "Crack-A-Joke Book," a collection of one-liners beloved by British schoolchildren, the team trained their system to generate simple puns. One of its most successful zingers: "What kind of tree can you wear? A fir coat."

As voice becomes the consumer interface of choice—some 39 million Americans own a voice-activated artificial-intelligence device like Amazon's Alexa or Google Assistant—conversing with computers needs to be as natural, intuitive and frictionless as conversing with people. That will require AI systems to master irony, sarcasm, ambiguity, humor and puns—aspects of conversation that humans handle with ease but that still flummox even the most sophisticated AI. In other words, to really connect with people, AI needs to be witty.

Research is under way to accomplish exactly that. To help AI systems recognize sarcasm, Princeton computer scientists have compiled some 1.3 million examples of it, from a source where it is in plentiful supply—the website Reddit. At Carnegie Mellon University, researchers created an AI system that generates amusing memes (involving cats, of course), including this witticism overlaid across a picture of a bespectacled, bow-tied feline in front of a blackboard: "Come stay at Chemistry Cat Inn: Great day rates and even better nitrates."

One of the most formidable challenges for AI is the "world knowledge problem." AI systems are good at responding to specific goal-directed tasks, like looking up a recipe for chicken soup. But to understand even the simplest joke—a skeleton walks into a bar and says, "I'll have a beer and a mop, please"—"you need to know an awful lot about the world," said Kim Binsted, part of the team that trained that early computer to make puns and now a professor in the Information and Computer Sciences Department at the University of Hawaii at Manoa.

About a decade later, Dr. Binsted helped to create a different computer model called Witty Idiomatic Sentence Creation Revealing Ambiguity In Context (WISCRAIC—get it?) that generated witticisms based on a database of words that sound alike and a general knowledge of idiomatic phrases. WISCRAIC searched its resources to find punning opportunities in combinations of names (e.g., Johnny), occupations (deer-keeper) and adjectives (poor), cranking out knee-slappers like this: "Your mate Johnny is a hard up deer-keeper. He really needs doe!"

Tony Veale and colleagues at University College Dublin used a similar method to create Idiom Savant, a computer program that detects and interprets puns. Idiom Savant can identify a phrase like "acupuncture is a jab well done" as a pun by recognizing the familiar idiom "a job well done," noting the phonetic overlap between "job" and "jab," and recognizing that the latter has been substituted for the former.

This, in fact, is pretty much the way that Sigmund Freud theorized that wit works—through what he called a "peculiar process of condensation and fusion." By merging two distinct meanings—"dough" (slang for money) and "doe" (a deer, a female deer)—the pun blends domains of understanding that in conventional thinking re-

"sickness" or "addiction"). A possible explanation for Witzelsucht is that the executive network has been damaged, freeing the default network to indulge in the unbridled associations that lead to joking and punning.

Endowing AI systems with the element of surprise is perhaps the ultimate technical challenge. "Personality is not strictly functional," says Emma Coats, leader of the team tasked with endowing Google Assistant with a sense of personality. "So the more Google Assistant sounds like a person, the higher the expectations users will have that communication will be intuitive."

Kory Mathewson, a Ph.D. candidate in computer science at the University of Alberta, is working toward intuitive human-AI communication. In collaboration with Piotr Mirowski, an AI researcher from London, he has developed a program called A.L.Ex., short for "artificial language experiment." Trained on subtitles drawn from roughly 100,000 films, A.L.Ex. composes its own responses to human performers and communicates these through speech recognition and text-to-speech software.

So far, A.L.Ex. is no Dorothy Parker. Mr. Mathewson considers it a victory if the system just stays on the same subject as the human, as this excerpt from one live improv comedy sketch shows:

Human: Captain, the ship is under attack. The frigate is arriving...

A.L.Ex.: You see, I don't feel the same way. I just don't want to stay in the position to get burnt.

Human: We're all going to get burned by cannon fire...

A.L.Ex.: While you're in there, tell me. When I get dressed, I'll go up there and see what happens.

Mr. Mathewson compares performing with A.L.Ex. to playing alongside a novice improviser: "The AI has no notion of narrative arc. It just generates randomness. So the system pushes the human to be a better improviser because you have to justify the randomness." Still, he's confident that with enough exposure to advanced banter the system will get wittier. Faster would also be nice, Mathewson notes, since in comedy, timing is everything.

How will we know when AI systems with true humor have arrived? Maybe when you ask one "What do you get when you cut a comedian in two?" and the AI shoots back, without missing a beat, "A half-wit."

*Mr. Geary is the deputy curator of the Nieman Foundation for Journalism at Harvard and the author of "Wit's End: What Wit Is, How It Works and Why We Need It," which W.W. Norton will publish on Nov. 13.*

## Uncoupling Less Bitterly, With Some Help

BY PEGGY DREXLER

**THERE WAS NO** little mockery when Gwyneth Paltrow used the term "conscious uncoupling" to describe her remarkably amicable, even constructive split with Chris Martin in 2014. But the actress was on to something, in our age of ever-later marriage and varied partnering arrangements. As divorce and adult breakups become more common, more couples have started to look for a better way to end relationships. Many have found an answer in the growing field of "breakup therapy."

Alan and Michael had been together eight years—living together for nearly all of them—when they realized it was time to call it quits. "At first, we entered therapy hoping to salvage the relationship," says Alan, a 51-year-old physical therapist, of what brought them to the office of Manhattan psychologist Dr. Sarah Gundel. "But we pretty quickly realized that was unlikely to happen, and that separating was the best thing to do."

Over the next six weeks, Dr. Gundel worked with Alan and Michael

(not their real names) to create a shared narrative of events leading up to their split. "In the context of a breakup," she says, "having a consensus about what happened, and how, can ease the transition and help both people reach a place of acceptance. It helps make a shared future possible."

Therapists like Dr. Gundel are seeing more examples of couples seeking help not with staying together but with splitting up. "It's not about saying the bad thing didn't happen, or even figuring out how to get through it," she says, "but letting it be a part of your story that also doesn't define you."

Though Dr. Gundel says that most couples she sees for breakup counseling have already reached the decision to part ways, such counseling can also help those who feel ambivalent about the decision. As a 2013 study in the *Journal of Social and Personal Relationships* found, nearly half of all separated couples decide to give it another shot.

Toronto dating coach Natalia Juarez began offering breakup counseling a few years ago to aid couples



Gwyneth Paltrow and Chris Martin in January 2014, two months before their breakup was announced.

who initially came in for couples counseling but could not reach a resolution. "Some couples have too many obstacles but need a third party to understand that while they're great people, they might not be a great match," says Ms. Juarez. "Identifying the problems that prevented them from getting on the same page as a couple helps them both move on."

Joshua Lombardo-Bottema, the 31-year-old CEO of an internet auto-repair company in Hamilton, Ontario, went through therapy two years ago while splitting up with a long-term girlfriend. "I do believe that understanding that it was less about rejection or failure than misalignment helped me be less destructive while the breakup was happening and less closed-off as I started to date again," he says.

Some therapists worry that creating a shared narrative is almost impossible for many couples. "In my experience, the breakup of a marriage is almost never mutual," says Elisabeth LaMotte, a clinical social worker in Washington, D.C. "One may be there because they want help ending the relationship, while the other is there because they want help salvaging it. I think if two people can have a fully shared narrative of what went wrong, they can fix it."

Still, for some couples, Ms. LaMotte says that it's necessary to separate. That's when she sends them to her colleague Sue Soler, a D.C.-area social worker whose practice focuses entirely on guiding couples through breakups and divorce.

"People do come to me in the same place," says Ms. Soler. "They say, this is hard for us, we're sad, we wish this wasn't the case." She helps couples work through emotional obstacles inherent in the process of divorce but also helps them with practical matters, including finances and children. "If you can help people move through the con-

versation in a supportive, neutral way," she says, "they're both better able to hear what divorce will look like."

Dr. Gundel believes that Ms. Paltrow's suggestion that harmonious divorce is possible has made people more open to the possibility. "What I've seen over my years of practice," she says, "is that people are more willing, and able, to embrace the idea that they're still family even when they separate... They just need help getting there."

*Dr. Drexler is a New York City-based research psychologist and the author of two books about gender and families. She is currently at work on a book about the failings of feminism.*

**MIND AND MATTER**

ALISON GOPNIK

## Imaginary Worlds of Childhood

**IN 19TH-CENTURY** England, the Brontë children created Gondal, an imaginary kingdom full of melodrama and intrigue. Emily and Charlotte Brontë grew up to write the great novels "Wuthering Heights" and "Jane Eyre." The fictional land of Narnia, chronicled by C.S. Lewis in a series of classic 20th-century novels, grew out of Boxen, an imaginary kingdom that Lewis shared with his brother when they were children. And when the novelist Anne Perry was growing up in New Zealand in the 1950s, she and another girl created an imaginary kingdom called Borovnia as part of an obsessive friendship that ended in murder—the film "Heavenly Creatures" tells the story.

But what about Abixia? Abixia is an island nation on the planet Rooark, with its own currency (the iinter, divided into 12 skilches), flag and national anthem. It's inhabited by cat-humans who wear flannel shirts and revere Swiss army knives—the detailed description could go on for pages. And it was created by a pair of perfectly ordinary Oregon 10-year-olds.

Abixia is a "paracosm," an extremely detailed and extensive imaginary world with its own geography and history. The psychologist Marjorie Taylor at the University of Oregon and her colleagues discovered Abixia, and many other worlds like it, by talking to children. Most of what we know about paracosms comes from writers who described the worlds they created when they were children. But in a paper forthcoming in the journal *Child Development*, Prof. Taylor shows that paracosms aren't just the province of budding novelists. Instead, they are a surprisingly common part of childhood.

Prof. Taylor asked 169 children, ages eight to 12, whether they had an imaginary world and what it was like. They found that about 17 percent of the children had created their own complicated universe. Often a group of children would jointly create a world and maintain it, sometimes for years, like the Brontë sisters or the Lewis brothers. And grown-ups were not invited in.

Prof. Taylor also tried to find out what made the paracosm creators special. They didn't score any higher than other children in terms of IQ, vocabulary, creativity or memory. Interestingly, they scored worse on a test that measured their ability to inhibit irrelevant thoughts. Focusing on the stern and earnest real world may keep us from wandering off into possible ones.

But the paracosm creators were better at telling stories, and they were more likely to report that they also had an imaginary companion. In earlier research, Prof. Taylor found that around 66 percent of preschoolers have imaginary companions; many paracosms began with older children finding a home for their preschool imaginary friends.

Children with paracosms, like children with imaginary companions, weren't neurotic loners either, as popular stereotypes might suggest. In fact, if anything, they were more socially skillful than other children.

Why do imaginary worlds start to show up when children are eight to 12 years old? Even when 10-year-olds don't create paracosms, they seem to have a special affinity for them—think of all the young "Harry Potter" fanatics. And as Prof. Taylor points out, paracosms seem to be linked to all the private clubhouses, hidden rituals and secret societies of middle childhood.

Prof. Taylor showed that preschoolers who create imaginary friends are particularly good at understanding other people's minds—they are expert at everyday psychology. For older children, the agenda seems to shift to what we might call everyday sociology or geography. Children may create alternative societies and countries in their play as a way of learning how to navigate real ones in adult life.

Of course, most of us leave those imaginary worlds behind when we grow up—the magic portals close. The mystery that remains is how great writers keep the doors open for us all.



JOHN KUCZALA

## REVIEW



# We Can't Afford The Drugs That Could Cure Cancer

Customized immunotherapies are ready to revolutionize care and save lives—if drug companies stop charging so much for them

BY EZEKIEL EMANUEL

**W**hen I was training as an oncologist nearly three decades ago, we dreamed of curing cancer. Today, advances in cellular immunotherapy make it no longer a dream: A cure for cancer has become possible, even probable. But tragically, the costs of these drug therapies are so high that the American health care system can't afford them. A potential revolution in cancer care may be stymied by the high price of drugs, which suggests that we need to reconsider how we price them.

Traditional cancer chemotherapies indiscriminately kill both cancer and normal cells. The new immunotherapies are far more discriminating. One of them, called CAR-T (for chimeric antigen receptor T-cell therapy), removes a patient's own immune cells and genetically re-engineers them to bind to a specific protein on the surface of the patient's cancer cells. Once reprogrammed, these T-cells are infused into the patient, attacking only those cancer cells with the protein and sparing almost all normal cells.

To date, hundreds of patients who were at death's door, whose cancer did not respond to known chemotherapies, have been treated with CAR-T. About two-thirds of children with acute leukemia and about one-third of adults with lymphoma and leukemia have achieved long-term remission and seem to be cured.

Based on these data, the Food and Drug

Administration approved two CAR-T treatments in 2017 and 2018—Kymriah, developed by Carl June and his team at the University of Pennsylvania and sold by Novartis AG, and Yescarta, invented at the National Cancer Institute and sold by Gilead Sciences Inc. Today, there are over 400 ongoing clinical trials using similar cellular immunotherapies on different cancers, including breast and lung cancer.

But there's a hitch: CAR-T's list price. Kymriah is priced between \$373,000 and \$475,000 per patient, depending on the type of cancer, and Yescarta at \$373,000. When the costs of other necessary medical support is tallied up, the total average cost for treatment rises to anywhere from \$500,000 to \$850,000 per patient. (The drug companies say that they offer significant discounts to many patients, but because they won't release this data, the list price is all that we have to go on.)

The extraordinary cost of these treatments presents a tragic dilemma: We may soon have a miracle drug for cancer whose cost, when multiplied across the population that needs it, could bankrupt the country. Consider what would happen if the new drugs were used to treat 250,000 cancer patients per year—just 40% of the Americans who die annually from cancer. At \$373,000 per patient, a Kymriah-type immunotherapy treatment would increase drug spending in the U.S. by approximately \$93 billion a year. This would mean an almost 20% increase in the country's total annual drug spending—for just one drug.

To put that figure in perspective, it amounts to \$300 per American, or \$500 if we include associated medical services.

Why are the prices for these new cancer treatments so exorbitant? The usual explanation is the cost of high-risk, innovative research. As Joseph Jimenez, the CEO of Novartis when Kymriah was developed, told *Forbes*, "We have spent a considerable amount of money bringing this therapy to market through development and through the manufacturing process, investments which we have not disclosed but which dwarf anything the government has invested through NIH grants." In other statements, he has suggested that the company's R&D costs for Kymriah were approximately \$1 billion.

That's certainly a big investment, but it is much less astounding when compared with the drug's anticipated revenue. Based on Kymriah's list price, treating just 2,700 patients would allow Novartis to recoup its entire investment. Even with significant discounts for many patients, it wouldn't take many treatments to turn a considerable profit.

Mr. Jimenez has also offered a second rationale for Kymriah's price, saying that "the cost of manufacturing these [CAR-T] cells and processing [is] very, very high." That's true: Producing the immunotherapy requires more than three weeks of laboratory manipulations for each individual patient.

But according to researchers at the University of Pennsylvania, the total cost for removing, reprogramming and infusing the cells into each patient is less than \$60,000—just one-sixth of the \$373,000 price tag. Production costs do not seem to be driving the stratospheric drug prices.

Meanwhile, analysts at the research firm Coherent Market Insights estimate that the global market for Kymriah and Yescarta will be more than \$8.5 billion by 2028. And that seems like a conservative estimate: Gilead paid \$11 billion for Kite Pharmaceuticals, which developed Yescarta, obviously anticipating much higher revenue and profits.

It is hard to avoid the conclusion that the drug companies are charging so much for these revolutionary, lifesaving therapies because it's what the market will bear—and what current public policy allows. If we are going to make immunotherapy and other cancer drugs available to the hundreds of thousands of Americans who need them, it will require a new approach, with government in the lead.

First, FDA approval of every drug should be tied to national drug-pricing negotiations. No other developed country—including those without single-payer systems—allows drug companies to set the prices for their products, as we do in the U.S. Proposed legislation for Medicare negotiations—such as the Medicare Negotiation and Competitive Licensing Act of 2018, sponsored

by Rep. Lloyd Doggett (D., Tex.)—is a good starting point but only a partial solution. Most of the patients getting Kymriah are not on Medicare, and more than 175 million Americans have private insurance that would not be covered by Medicare negotiations. Any negotiated prices need to apply to all Americans, regardless of whether Medicare or a private insurer is paying.

And the negotiations should be informed by a key principle: linking a drug's price with how much the drug improves people's health. Using such value-based pricing would substantially lower the prices for cancer drugs such as Zytiga and Rucaparib, which prolong patients' lives by an average of 4 months or so but sell for about \$150,000 per year. This will make it easier to spend money on effective cures like Kymriah, which deliver real value in terms of lives extended and saved.

Some pharmaceutical manufacturers have selectively accepted value-based pricing contracts; others complain that such pricing would reduce profits and thereby reduce their research investments. But this assertion should be viewed with great skepticism. According to an analysis by the research firm GlobalData at the end of 2017, "collectively, the top 25 pharma companies reported a healthy average operating margin of 22%, which increased to 25% for the top 10." This is more than enough profit to continue substantial research.

In addition, a second principle needs to guide drug price negotiations: affordability for the nation. One possible standard, suggested by the Boston-based Institute for Clinical and Economic Research, is that the drugs approved by the FDA each year should be priced in such a way as to increase total drug spending by no more than GDP growth plus 1.5%. The institute expects that figure to be about \$15 billion for 2018, so if 30 new drugs were approved, no single one could add more than \$500 million to the total. This would create enormous incentives for drug companies to reduce costs.

As an oncologist, I am thrilled that we are reaching the point where patients once deemed hopelessly incurable can be cured. But as a citizen, I am worried that high drug prices, and high health care costs generally, will overwhelm the economy and the federal budget. Unless something changes, the new immunotherapies for treating cancer will present us with a terrible choice between saving lives and seeing the country go broke.

**Dr. Emanuel** is the vice provost and chair of the department of medical ethics and health policy at the University of Pennsylvania. His most recent book is *"Prescription for the Future."*

## REVIEW

# Trying to Hold On As California Burns

For one devoted resident, the beauties of the state have been dimmed by the prospect of more fire and heat



By LYDIA KIESLING

In October 2017, when my second daughter was three days old, I woke up in the middle of the night to feed her and smelled smoke. I went from room to room in our San Francisco house, frantically looking for something on fire. I stuck my head out the window, expecting to see a neighboring house ablaze and wondering at the absence of sirens. Finally, I checked my phone and discovered that the smoke was 60 miles away in Santa Rosa: It was the Tubbs fire, which would destroy some 5,600 buildings and kill two dozen people.

We spent the next five days inside because the air quality wasn't safe for a newborn. The air inside our poorly insulated rental was not much better. But we were lucky: Our houses and livelihoods didn't go up in flames.

The year 2017 brought what were then the five most destructive fires in California's history, and 2018 has extended that record. Last month, nearly a year after our place filled with smoke, we visited my mother in Davis and spent a week looking uneasily up at the ocher sky, the sun a tiny blood-red ball through the haze of fires burning hundreds of miles away. The Mendocino Complex fire was finally declared contained this week, after burning for almost two months and destroying nearly a half million acres.

It's not coincidental that 2017 was the second-hottest year in California history, or that July of this year was the hottest month. I vividly remember the uncanny days during the San Francisco heat wave of September 2017: me, heavily pregnant, trying to potty-train a recalcitrant toddler in our old, stuffy, rickety house. It was the hottest weather she'd ever felt. Outside, I lumbered along the sidewalk in record-obliter-

ating 106 degree heat, watching people mop themselves and stagger into an air-conditioned Target for refuge.

Most of the people I know in San Francisco spend a lot of time wondering whether they will be able to stay, but the weather has typically been the least of our concerns. The cost of living here is famously astronomical. The U.S. Department of Housing and Urban Development recently determined that threshold for what constitutes "low-income" in San Francisco is now \$117,000 annually for a family of four. The people in unseen and unappreciated jobs who form the backbone of the city are, almost to a person, unable to afford life here.

Those who do stay develop a form of survivor's guilt, watching the exodus of longtime residents, and everyone performs a complex calculation of ability and desire. I'm in a Facebook group for Bay Area mothers with over 10,000 members. A recent thread by the organizer noted that she had seen a mass exodus and asked why. Some 500 people responded. The people without money said it was about money; the people with money said it was about quality of life. Those of us desperate to hang on said, privately, good riddance to the latter camp.

If you ask me why I stay, I'd first say it's because I have family nearby, but the real reason is more complicated, and I suppose selfish. I love California because it is the

**Residents**  
watch the Holy  
Fire burning in  
Lake Elsinore,  
Calif.,  
southeast of  
Los Angeles, in  
August 2018

All the  
struggles  
of  
California  
are  
connected.

most beautiful place I have ever been. The coastline is beautiful. The forests are beautiful. In the cities and towns, golden light shines down on ice plants and bougainvillea, and that is beautiful too. There is something about the varied and startling California landscapes, about the way the palm trees rise up from the sidewalks and the mountains from the plains, that makes anything seem possible.

For us, the impossibility of homeownership is outweighed by the opportunity to take our children to Yosemite, to Tahoe, to Point Reyes, to the high desert of Modoc County, where my grandmother and her grandmother lived. The houses are expensive but the landscapes, more or less, are free.

But breathing the Tubbs fire smoke, like a wood stove burning right in our bedroom, was a sign that we can't take these landscapes, or this climate, for granted. The forests blaze partially because of the way they have been managed or mismanaged for the last century. But it's heat that fuels the blaze—longer summers that dry the forests, evening temperatures that do not drop, making firefighting a herculean effort. A Columbia University study found that climate change has made the fire season nine days longer now than it was as recently as 2009.

All the struggles of California are connected. The cost of living in the major urban centers is so high that people move farther and farther afield. Settlements eat into forested land and create both greater exposure to fire danger and a new class of supercommuters. Cars form snarls of perpetual traffic that pour heat-trapping emissions into the air, to which the fires have added hundreds of millions of tons of carbon.

San Francisco is the cool gray city by the bay, but the Central Valley, just a few miles east, is hot, and it is where over half of all the produce in the U.S. is grown. If the temperature continues to rise, if we run out of water, agriculture will be untenable there. If the Central Valley fries, America will feel it too.

This spring, my family went camping in Death Valley National Park. Extreme heat is the whole point of the place, so we smiled as we snapped a photo of our older daughter next to the giant thermometer at Furnace Creek—90 degrees on a March morning. But there was unease mixed with our amazement at the extremes of the park—another of California's incomparable landscapes. That temperature felt like a prophecy.

Ms. Kiesling is editor of the web magazine *The Millions* and the author of the novel "The Golden State," published this month by MCD.



## HISTORICALLY SPEAKING

AMANDA FOREMAN

## The Miseries Of Travel



**FIFTY YEARS AGO**, on September 30, 1968, the world's first 747 Jumbo Jet rolled out of Boeing's Everett plant in Seattle, Washington. It was hailed as the future of commercial air travel, complete with fine dining, live piano music and glamorous stewardesses. And perhaps we might still be living in that future, were it not for the 1978 Airline Deregulation Act signed into law by President Jimmy Carter.

Deregulation was meant to increase the competitiveness of the airlines, while giving passengers more choice about the prices they paid. It succeeded in greatly expanding the accessibility of air travel, but at the price of making it a far less luxurious experience. Today, flying is a matter of "calculated misery," as Columbia Law School professor Tim Wu put it in a 2014 article in the *New Yorker*. Airlines deliberately make travel unpleasant in order to force economy passengers to pay extra for things that were once considered standard, like food and blankets.

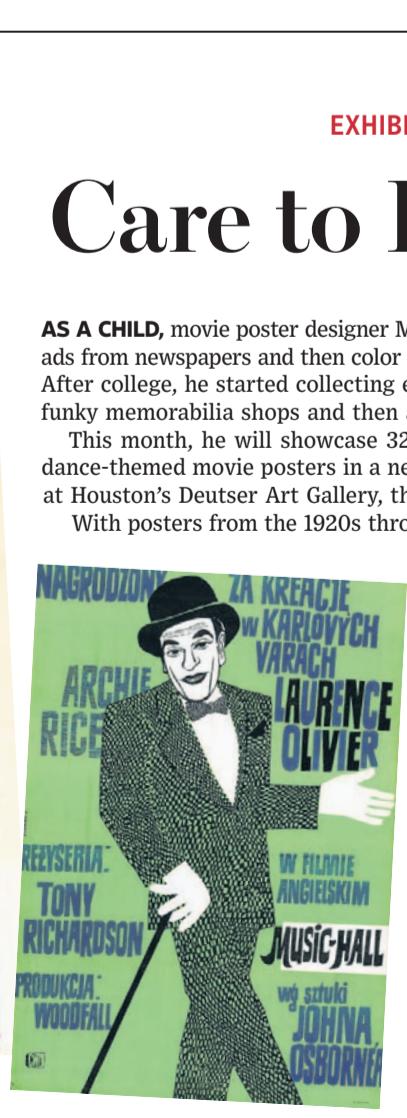
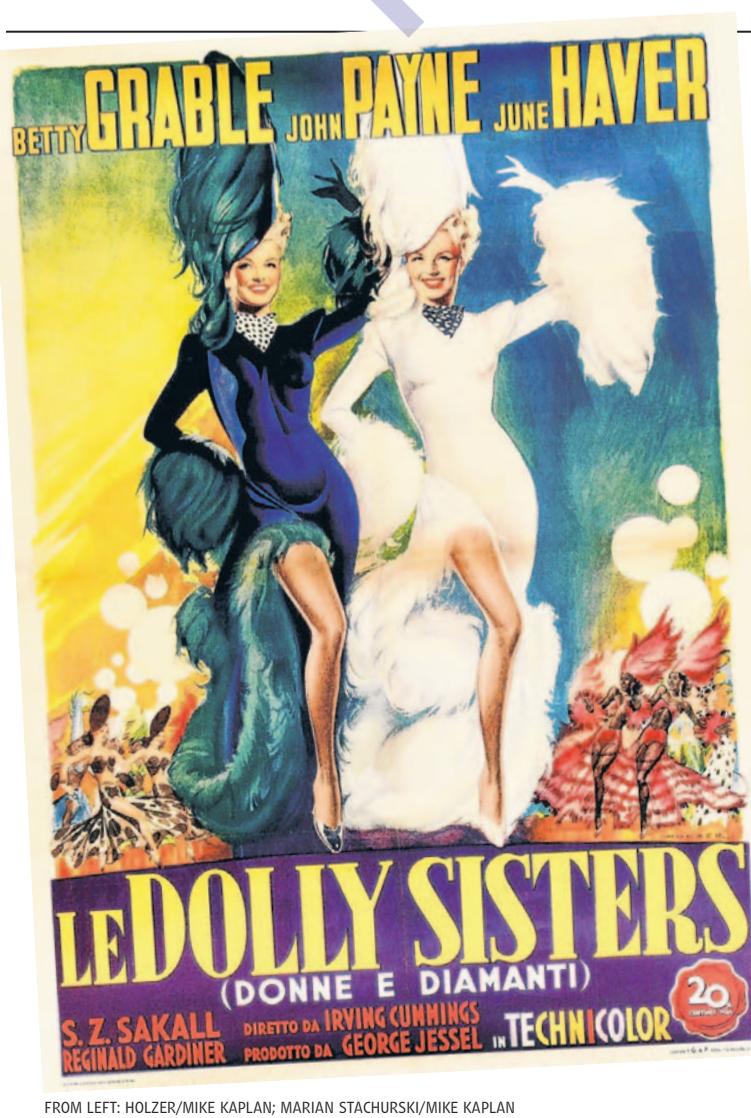
So it has always been with mass travel, since its beginnings in the 17th century: a test of how much discomfort and delay passengers are willing to endure. For the English Puritans who sailed to America on the *Mayflower* in 1620, light and ventilation were practically non-existent, the food was terrible and the sanitation primitive. All 102 passengers were crammed into a tiny living area just 80 feet long and 20 feet wide. To cap it all, the *Mayflower* took 66 days to arrive instead of the usual 47 for a trans-Atlantic crossing and was 600 miles off course from its intended destination of Virginia.

The introduction of the commercial stage coach in 1610, by a Scottish entrepreneur who offered trips between Edinburgh and Leith, made it easier for the middle classes to travel by land. But it was still an expensive and unpleasant experience. Before the invention of macadam roads—which rely on layers of crushed stone to create a flat and durable surface—in Britain in the 1820s, passengers sat cheek by jowl on springless benches, in a coach that trundled along at around five miles per hour.

The new paving technology improved the travel times but not necessarily the overall experience. Charles Dickens had already found fame with his comic stories of coach travel in "The Pickwick Papers" when he and Mrs. Dickens traveled on an American stage coach in Ohio in 1842. They paid to have the coach to themselves, but the journey was still rough: "At one time we were all flung together in a heap at the bottom of the coach." Dickens chose to go by rail for the next leg of the trip, which wasn't much better: "There is a great deal of jolting, a great deal of noise, a great deal of wall, not much window."

Despite its primitive beginnings, 19th-century rail travel evolved to offer something revolutionary to its paying customers: quality service at an affordable price. In 1868, the American inventor George Pullman introduced his new designs for sleeping and dining cars. For a modest extra fee, the distinctive green Pullman cars provided travelers with hotel-like accommodation, forcing rail companies to raise their standards on all sleeper trains.

By contrast, the transatlantic steamship operators pampered their first-class passengers and abused the rest. In 1879, a reporter at the British Pall Mall Gazette sailed Cunard's New York to Liverpool route in steerage in order to "test [the] truth by actual experience." He was appalled to find that passengers were treated worse than cattle. No food was provided, "despite the fact that the passage is paid for." The journalist noted that two steerage passengers "took one look at the place" and paid for an upgrade. I think we all know how they felt.



## EXHIBIT

## Care to Dance?

AS A CHILD, movie poster designer Mike Kaplan used to clip theater ads from newspapers and then color them in with pastels and paint. After college, he started collecting entertainment posters, first in funky memorabilia shops and then at auction and on eBay.

This month, he will showcase 32 works from his collection of dance-themed movie posters in a new exhibit, "Gotta Dance Too," at Houston's Deutscher Art Gallery, through Oct. 26.

With posters from the 1920s through the 1950s, the exhibit is a sequel to his 2014 show "Gotta Dance!" On display are images of lavish, colorfully illustrated scenes, including this 1945 Italian poster for "The Dolly Sisters" (far left) and depictions of glamorous stars such as Laurence Olivier (near left) as vaudevillian Archie Rice in a Polish poster for "The Entertainer" (1960).

By the 1970s, creative designs started migrating from posters to rock album covers, says Mr. Kaplan. Still, he hopes movie posters will live on "as a genuine art form, not just a side bar of popular culture," he says.

—Alexandra Wolfe

## REVIEW



RAINER HOSCH FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL | ALEXANDRA WOLFE

# Michael Ovitz

## The former super agent looks back

**F**ew careers in the entertainment business have been as tumultuous as that of former Hollywood super agent Michael Ovitz. After founding Creative Artists Agency in 1975, a powerhouse that represented the likes of Robert De Niro, Bill Murray and Paul Newman, Mr. Ovitz built a reputation as one of the most powerful and ruthless men in Hollywood.

He left CAA in 1995 to join Disney, expecting one day to run the company. Instead he was fired 14 months later. Industry executives excoriated him in the press. "He created a lot of enemies," a "Hollywood power" told Fortune.

More than two decades after his ouster, Mr. Ovitz, now 71, is telling his story in a new memoir, "Who Is Michael Ovitz?" out Sept. 25. "I became the most feared man in town," Mr. Ovitz writes. "And once I left C.A.A., when it became safe for everyone to vent, I became the most hated."

His efforts at reinvention in the late 1990s—he attempted to bring a pro football franchise to Los Angeles, to produce theater and to start

a new production and management company—didn't take hold. Then he all but disappeared from Hollywood. He shifted his sights to Silicon Valley, where for the past 15 years he has been quietly advising and investing in Bay Area companies.

He says that it has taken him a long time to be able to reflect on what he once was. The book only briefly touches on his life after Hollywood, focusing instead on his unlikely rise from his youth as the son of a San Fernando Valley liquor salesman to the founding of CAA.

"I think you get to a point in your life where you start to look back at things," he says over the phone from his Los Angeles office. "When you're younger, your life appears to be all ahead of you and you can take a lot of risk and be invulnerable...As you get older you...look back and you go, 'Hmm, I wonder what would've happened if I did this differently?'"

**He shifted his sights to Silicon Valley, where for the past 15 years he has been quietly advising and investing in Bay Area companies.**

Mr. Ovitz invested in Silicon Valley companies both through Andreessen Horowitz and on his own, including Stemcentrx, a biotech firm that sold to AbbVie in 2016 (he declines to reveal the value of his stake). He has also invested in firms such as the artificial intelligence company Anki and the shopping app Wish.

In the Bay Area, where he spends three days a week, celebrity is different, he says. "The crew up there don't suffer fools well," he says. "Talent is based on brains and achievement and drive and ideas, not on how you look or what your last movie was, and it's a meritocracy up there. It's not a high school popularity contest."

Mr. Ovitz spends the rest of his time between New York and Los Angeles. He's engaged to the shoe designer Tamara Mellon, whose daughter he considers his own, and has three children with his former wife Judy.

He insists he's past the old grudges. "I do my work up north, where I'm involved with really terrific people," he says. "Life is really good."



MOVING TARGETS

JOE QUEENAN

## The Awful Dangers of Calling It Quits Before You're Done

One football player's abrupt exit could spark a worrying trend.

**LAST SUNDAY AFTERNOON,** at halftime of their game against the Los Angeles Chargers, the Buffalo Bills were trailing 28-6, and cornerback Vontae Davis picked that moment to announce his retirement. A two-time Pro Bowler now reduced to backup status, Mr. Davis simply handed the Bills his resignation.

Enough, by the looks of it, was enough.

It is not unusual for athletes to unexpectedly announce their retirements, as tennis legend Bjorn Borg did in his prime at age 26. But Borg didn't do it during a changeover between

the third and fourth set. And while baseball players sometimes hang up the spikes in the middle of a season after being sent down to the minors, they don't do it during the seventh-inning stretch.

Perhaps the closest parallel to what happened last Sunday was back in 1960, when the beleaguered Philadelphia Phillies manager Eddie

Sawyer quit after the very first game of the season. Asked why, he replied, "I'm forty-nine and I want to live to be fifty."

Mr. Davis's decision to retire was almost certainly not made on the spur of the moment, and must be respected. But quitting in the middle of a game, particularly a game you are getting creamed in, doesn't send a great message. In the heartwarming TV film Brian's Song, one running back tells another: "You can't quit. It's a league rule." Presumably, Mr. Davis did not see the film.

What if people in other fields decided to follow Mr.



Davis's lead? Imagine you're suffering through a difficult root-canal procedure and right in the middle of it the endodontist yanks off his surgical mask, removes his gloves, shuts off the overhead light and tells his assistant to escort you out of the office and padlock the premises. "The truth is, after 35 years, I'm just not feeling it," the doctor would explain. "Let somebody else find that mysterious fifth canal that's causing so much discomfort. I'm out of here."

There are other disturbing scenarios. Lifeguards can't just walk off the job, not with high

winds, a dangerous undertow and a couple hundred Portuguese men-of-war sighted in the region. A body artist can't abruptly retire with only one-half of a nine-headed serpent tattooed onto the client's lower abdomen. It's not like

the customer can

get Shanghai Pete

or Chuck the Viking

to finish the job—

body art is too per-

sonal! The customer would

have to start from scratch, all

because somebody wanted to

take early retirement.

Following the lead of Mr. Davis could lead to utter chaos. Demon-hunters cannot quit in the middle of an exorcism; that is just not fair to the satanically possessed.

Portfolio managers have no right to pack it in while they're pulling off an elaborate hedging procedure involving South Korean currency swaps and North Dakota pork bellies.

Sure, if the bass player in an aging rock band decides to retire halfway through a concert,

one of the guitarists could sub in—but if the drummer decides to sign up for Social Security at intermission, the band is out of luck. So is the audience.

If skilled practitioners suddenly decide to retire on the spot, things could get really messy, fast. For example, when people finally work up the courage to jump out of an airplane, they normally are escorted—literally "cradled"—by a specialist with years of experience. What happens if the guide decides one day that he's tired of watching fatso baby boomers play paratrooper, that he wants to spend more quality time with his family, and halfway through a jump leaves the customer to his own aerodynamic devices?

This is what you have wrought, Mr. Davis. This is where your selfishness has led us. I know that when I'm ready to put away my pen for good, I'll be scribbling right to the last column inch, because I know what despair it would inflict on my readers to stop short of the very, very end.

NISHANT CHOKE



**Ninth Street Women**  
Five painters who  
rocked the postwar  
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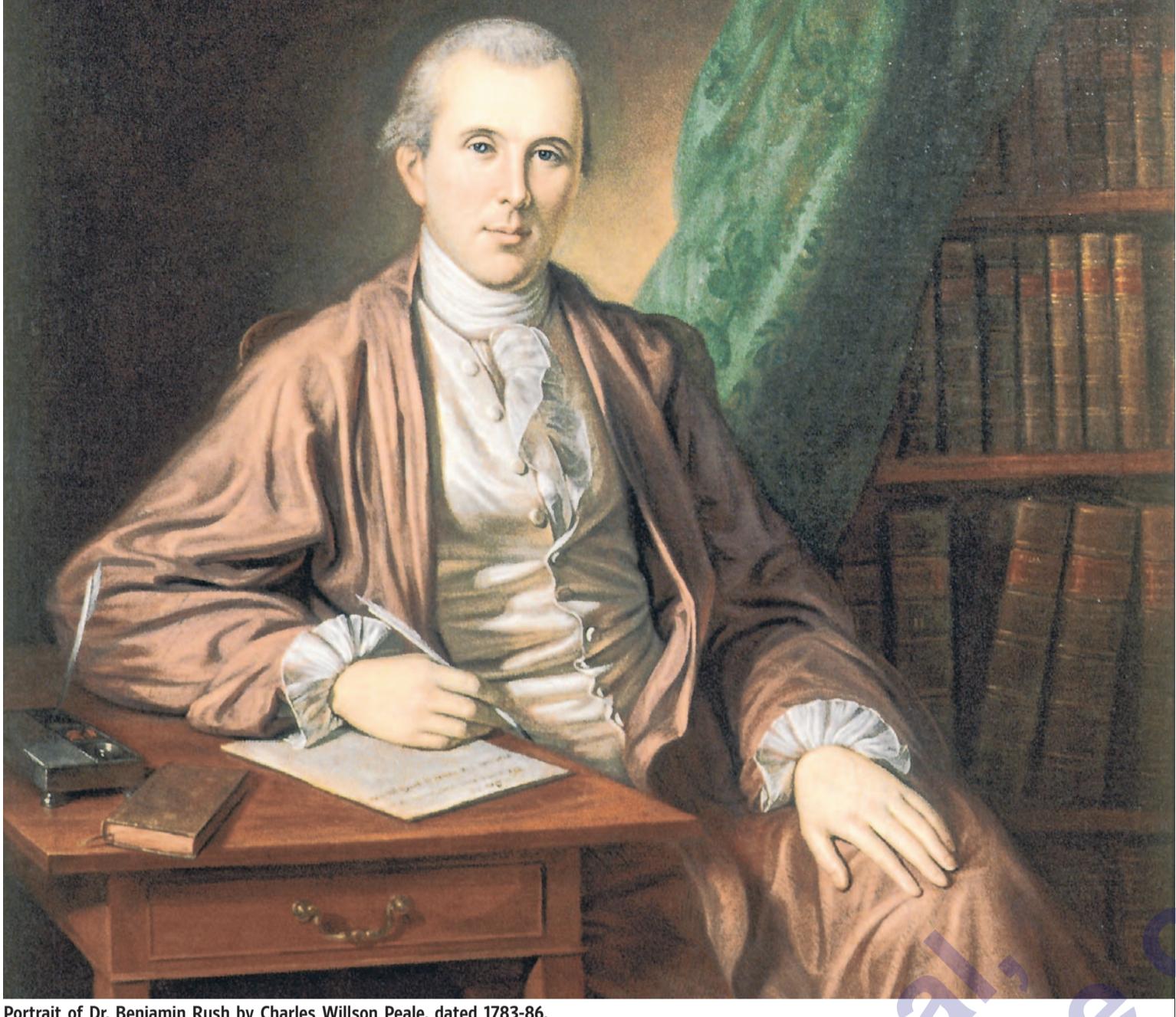
# BOOKS

THE WALL STREET JOURNAL.

**Heard During Wartime**  
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\*\*\*\* SATURDAY/SUNDAY, SEPTEMBER 22 - 23, 2018 | C7



Portrait of Dr. Benjamin Rush by Charles Willson Peale, dated 1783-86.

## American Hippocrates

**Rush: Revolution, Madness,  
and the Visionary Doctor Who  
Became a Founding Father**

By Stephen Fried  
Crown, 597 pages, \$30

**Dr. Benjamin Rush:  
The Founding Father Who  
Healed a Wounded Nation**

By Harlow Giles Unger  
Da Capo, 300 pages, \$28

BY STEPHEN BRUMWELL

**D**URING THE SPRING of 1813, former presidents John Adams and Thomas Jefferson were united in grief at the death of a mutual friend who had recently persuaded them to forget their bitter rivalries. Like the two celebrated statesmen, the eminent physician and social reformer Benjamin Rush had been a Founding Father, one of 56 men who signed the Declaration of Independence in 1776.

But Adams and Jefferson believed that Rush deserved to be remembered for much more than his conspicuous enthusiasm for the cause of American liberty. Jefferson wrote that "a better man, than Rush, could not have left us," extolling his benevolence, learning, genius and honesty. Adams replied with equal praise: He knew of no one, "living or dead," who had "done more real good in America." Writing to Rush's son, Richard, Adams maintained that as a "benefactor" to his country, the doctor deserved greater recognition than even the celebrated polymath Benjamin Franklin.

Today, while Franklin remains an undisputed giant of the Revolutionary generation, the other Benjamin eulogized by Adams and Jefferson is largely forgotten outside the ranks of historians and medical specialists. Now two authors—award-winning journalist Stephen Fried and seasoned historical biographer Harlow Giles Unger—have produced sympathetic and readable reassessments of Rush's remarkable career, intended to secure what they consider to be his rightful place as a leading Founding Father.

Given their shared objective, Mr. Fried and Mr. Unger inevitably cover similar ground and draw upon common sources. Both rely heavily upon Rush's prodigious output of publications and his lively and wide-ranging personal correspondence. Their books reveal a dedicated humanitarian with an enduring influence upon American medicine, not least through the estimated 3,000 doctors that he trained. Yet neither author ignores the contradictions in Rush's character, flaws that mired him in controversy and that help to explain why he still requires rehabilitation.

Born in January 1746, Rush was 5 when his father, a Pennsylvanian farmer and gunsmith, died. Detecting signs of

precocious intelligence, his mother sent the youngster to boarding school, where he progressed so swiftly that at age 13 he gained admittance to the College of New Jersey (now Princeton University). He graduated in a year and was apprenticed in medicine to Philadelphia's foremost physician, John Redman.

In 1766, Rush crossed the Atlantic to continue his studies at the University of Edinburgh, then rated the best medical school in the British Empire. His arrival coincided with the flowering of the Scottish Enlightenment, a vigorous offshoot of the European intellectual movement that championed rational thought and questioned the exercise of unjustified authority. Such ideas chimed with Rush's resentment at British attempts to undermine American liberties by imposing external taxation.

**The early republic's pre-eminent physician was also an effective agitator for social reform.**

Armed with letters of introduction from Benjamin Franklin, who was then Pennsylvania's agent in London, Rush subsequently met some of the era's most influential figures—historian Catharine Macaulay, man of letters Samuel Johnson, radical politician John Wilkes, and artists Benjamin West and Sir Joshua Reynolds.

After almost three years abroad, and still in his early 20s, Rush returned to Philadelphia a qualified doctor. While struggling to attract paying patients, he treated the city's poor, venturing into fetid slums where most of his competitors refused to go. An appointment as professor of chemistry at the College of Philadelphia gave him essential income and status, which he bolstered by publishing medical papers. Driven by a tireless energy, he promoted a range of worthy causes. In Mr. Unger's words, Rush was "addicted to public service, a one-man army ready to war against any and every social evil he encountered."

Rush was the first American physician to argue the baleful influence of strong alcohol and tobacco, an unorthodox view that riled consumers and producers alike.

Even more controversial was his attack upon slavery, an institution entrenched in many of Britain's American colonies. Seen from the perspective of 2018, Rush emerges as a visionary. To many of his contemporaries, however, he was an inveterate meddler. Even Rush's wife, Julia, who bore him 13 children, was exasperated that his good works left precious little time for family life.

Meanwhile, Rush repeatedly warned that royal ministers were intent upon

oppressing all Americans. In early 1775, he befriended the Englishman Thomas Paine and not only encouraged him to write his pamphlet "Common Sense," which persuaded many colonials to fight for independence, but claimed that he had originated its memorable title. Rush was elected to the Continental Congress in June 1776—in time to sign the final version of the Declaration.

Late that year, after George Washington's beaten army was pushed back across the Delaware River and Philadelphia's militia marched to his assistance, Rush volunteered his medical skills. He helped tend the wounded from the Second Battle of Trenton, on Jan. 2, 1777, and the next day witnessed the bloody aftermath of Washington's victory at Princeton.

Months later, Rush was appointed surgeon-general of the Continental Army's so-called Middle Department—a key geographical sector that included Pennsylvania. He had ambitious plans for reform and outlined them in a pamphlet titled "Directions for Preserving the Health of Soldiers." In a statement true for future American wars, he observed: "A greater proportion of men have perished with sickness in our armies than have fallen by the sword." To curb that toll, Rush urged radical changes in food, clothing and hygiene. In his improving zeal, he unleashed a barrage of unrestrained letters to his friends in Congress that swiftly kindled a feud with his superior, Dr. William Shippen.

Rush accused Shippen of neglect, incompetence and corruption but underestimated his antagonist's political clout. In another misjudgment, he wrote an angry letter to Virginia's governor, Patrick Henry, after concluding that Washington was ignoring his complaints. The letter suggested that the commander in chief should be replaced, contributing to the grumbling that historians would later dub the "Conway Cabal" (after one of Washington's supposed rivals, Gen. Thomas Conway). Patrick Henry gave the unsigned letter to Washington, who swiftly recognized the handwriting and delivered a withering verdict upon Rush's disloyalty. Decades later, when Chief Justice John Marshall was compiling his "Life of Washington," the repentant Rush pleaded to have his name excised from its coverage of the sorry episode.

In January 1778, Rush resigned his post and, following the return of Philadelphia to Patriot control that summer, resumed medical practice. When Britain recognized American independence in 1783, Rush was among those who realized that the war was, as he put it, merely the "first act of the great drama" of the American Revolution. A staunch supporter of the Constitution, he upheld other causes: the foundation of new colleges, advanced education for women,

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## Between Revolution & Respectability

**Life in Culture: Selected Letters of Lionel Trilling**

Edited by Adam Kirsch  
FSG, 448 pages, \$35

BY BENJAMIN BALINT

**I**N 1947, **VOGUE** magazine set up a photo shoot for one of the most esteemed literary critics in America, a man known not for his sartorial style but for his devotion to what he called "the redemptive strenuousness of the intellectual life." His groundbreaking studies of Matthew Arnold and E.M. Forster had already commanded an audience beyond the confines of Columbia University, where he taught. Three years later he would publish his first collection of essays, "The Liberal Imagination," which would sell more than 70,000 copies in hardcover and bring him to the attention of an even wider public.

These days, when jargon-free consideration of the canonical texts of English literature is deemed passé, such fame seems almost unimaginable. "Trilling's stature," Cynthia Ozick has written, "once prodigious, is so reduced as to have become a joke to certain young critics who favor flippancy and lightness."

A selection of some 270 of Trilling's letters—spanning the years 1924, when Trilling was 19, to his death in 1975 at the age of 70—thus requires something of a leap of imagination. Judiciously edited by Adam Kirsch (the author of 2011's "Why Trilling Matters" and now an editor at *The Wall Street Journal*), "Life in Culture: Selected Letters of Lionel Trilling" gives us, among much else, intimate glimpses of Trilling's continuous self-appraisal. Mr. Kirsch, in this sense, follows Trilling's own maxim: "It is by a man's estimate of himself," he wrote, "that we must begin to estimate him."

Here we see Trilling contending with "black fits" of depression; confiding in his wife, Diana; voicing gratitude to his psychoanalyst; jostling with

rivals (he calls Leon Edel, the biographer of Henry James, "a very stupid man"); getting his bearings as a teacher; and working on his short stories. Above all, Trilling's letters resolve themselves into a captivating portrait of a man wrestling with roles essential to his sense of himself: as a teacher, a liberal, a Jew and a critic.

Trilling first emerges in his correspondence as a dashing teacher ambivalent about teaching. To his lifelong friend and colleague Jacques Barzun ("the prince of epistolarians," Trilling calls him) he describes his discomfort in playing a pedagogue's role "behind the platformed desk." Yet the letters show him ministering attentively to students and former students, including Norman Podhoretz, later the editor of *Commentary* magazine, who would call himself a "surrogate son" of the Trillings, and

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THE LIBERAL IMAGINATION  
Lionel Trilling, ca. 1952.

## BOOKS

'Abolitionists were men of sharp angles. Organizing them was like binding crooked sticks in a bundle.' —JANE GREY SWISSHELM

# The Life And Times Of Benjamin Rush

*Continued from page C7*

and the abolition of capital punishment for all crimes, including murder.

Rush was the first American physician to treat mental illness humanely as a disease rather than as criminal behavior or the devil's work. His "Medical Inquiries and Observations Upon the Diseases of the Mind" was a groundbreaking study, anticipating psychotherapy and occupational therapy. It belatedly earned him the title "Father of American Psychiatry." In a tragic irony, Rush's eldest son, John, was relieved from naval service owing to "mental derangement" after he killed a fellow officer in a duel and then attempted suicide. Rush had no choice but to commit John to the Philadelphia Hospital for the Insane, where he remained for the rest of his life.

In other respects, Rush was no medical innovator but was content to rely upon traditional techniques. He never deviated from the hallowed belief that blood-letting and purging were the best methods to rid the body of disease. In consequence, patients suffering from fevers were weakened further.

This drastic approach drew growing criticism when Rush applied it wholesale during the epidemic of yellow fever that ravaged Philadelphia in 1793. Selflessly nursing those stricken by what was believed to be a contagious disease, Rush treated his patients with copious bleedings coupled with frequent purges that were even more powerful than usual, nicknamed "Rush's Thunderbolts."

As Mr. Unger notes, although this regime may have helped to mask the symptoms of yellow fever, it did nothing to alleviate the illness itself. And although Rush eventually concluded that the ailment was linked to stagnant water, he failed to make the connection that it was spread by the mosquitoes that bred in such conditions.

Given his many undoubted achievements, why was Rush destined to be relegated to the supporting cast of Founders? Here, as Mr. Fried emphasizes in a perceptive analysis, his intimacy with so many famous men worked against him. He notes: "Adams and Jefferson especially had shared years of confidences about their feelings, their politics, their religion—even their bathroom habits—with Dr. Rush." They had no desire to see such disclosures preserved for history. Within weeks of Rush's death, Jefferson was seeking the return of especially sensitive letters. Adams dreaded that a complete collection of Rush's correspondence would be published, fearing the "factious Fury" its revelations might provoke.

Tellingly, Rush himself had always suspected that his outspoken views would affect his reputation, observing: "The most acceptable men in practical society, have been those who have never shocked their contemporaries, by opposing popular or common opinions." He added, with considerable prescience: "Men of opposite characters, like objects placed too near the eye, are seldom seen distinctly by the age in which they live." Through the efforts of Mr. Fried and Mr. Unger, what Benjamin Rush characterized as "the distant and more enlightened generations" are now better placed to judge him.

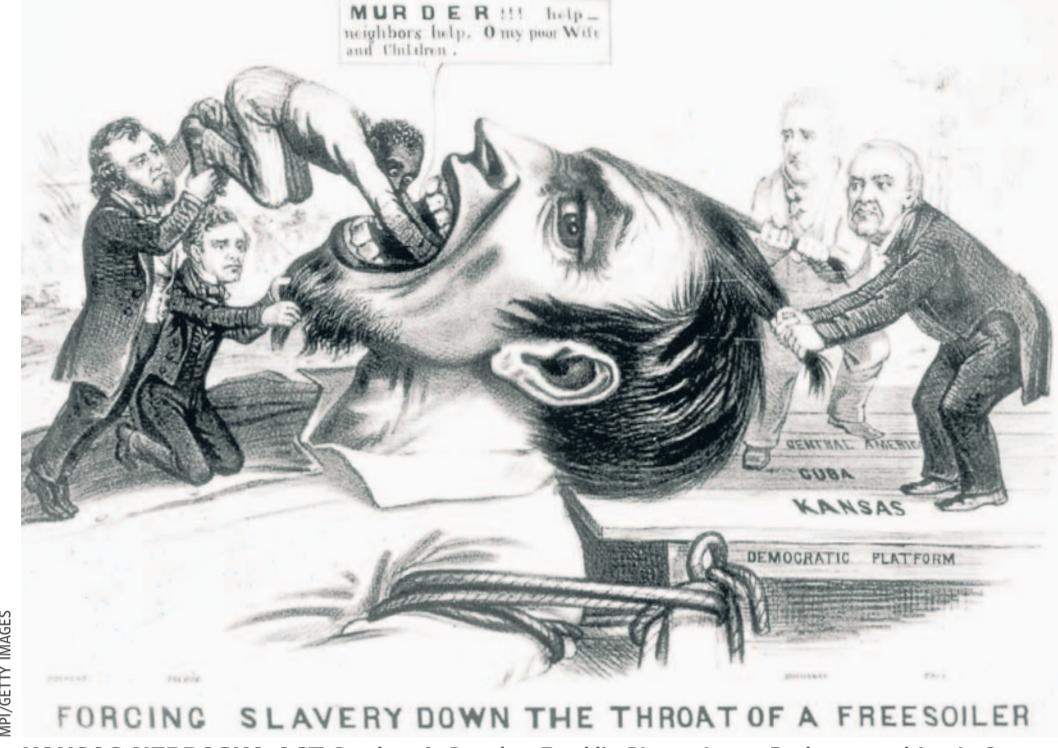
*Mr. Brumwell's most recent book is "Turncoat: Benedict Arnold and the Crisis of American Liberty."*



## FIVE BEST BOOKS ABOUT THE CRISIS OF THE 1850S

# Joanne B. Freeman

The author, most recently, of 'The Field of Blood'



MIKI/GETTY IMAGES

### FORCING SLAVERY DOWN THE THROAT OF A FREESOILER

**KANSAS-NEBRASKA ACT** Stephen A. Douglas, Franklin Pierce, James Buchanan and Lewis Cass advocating slavery throughout the western territories. Cartoon by John L. Magee, ca. 1854.

Swisshelem got what no woman had gotten before: a seat in the congressional reporters' gallery. With a skilled, frequently acid pen, she illustrates the grip of the Slave Power and the power of the patriarchy, even as she resists them.

North and South to new heights.

### Witness to the Young Republic: A Yankee's Journal, 1828-1870

By Benjamin Brown French  
Edited by Donald B. Cole & John J. McDonough (1989)

only does he bring the crisis of the period to life, he does the same for antebellum Washington: the cows wandering the streets; the clouds of dust on the city's broad avenues; and the city's Southern flavor—the horse racing, the cockfighting and the slave pen clearly visible from inside the Capitol.

### The Impending Crisis of the South: How to Meet It

By Hinton Rowan Helper (1857)

**3** "The Impending Crisis" was a rare thing in the 1850s: an antislavery tract written by a Southerner. A native North Carolinian who owned no slaves, Hinton Rowan Helper claimed that the institution of slavery was an economic hindrance to the South, arguing with biting rhetoric that slavery degraded hard labor and made the South dependent on the North. He noted that Southerners were swaddled in Northern muslin at birth, instructed from Northern books in their youth, treated by Northern medicine as adults and shrouded in Northern cambric at death, "borne to the grave in a Northern carriage, entombed with a Northern spade, and memor[ial]ized with a Northern slab!" To Helper, the solution was clear: The only way to save the South was to abolish slavery. His wildly controversial book, banned in the Southern states, raised the level of distrust between

A congressional clerk, lobbyist and journalist, Benjamin Brown French lived his life watching, recording and maneuvering his way through the world of Congress for more than 30 years. His diary is a grippingly detailed account of the political scene during the nation's peak decades of crisis over slavery, not least in its reporting on the growing rift between North and South. As early as 1833, French feared disunion; after entering the Capitol for the first time he wrote: "I viewed it with thoughts and emotions which I cannot express—will it always be the capitol of my happy country? I fear the seeds are already sown whose fruit will be disunion, but God forbid it!" Roughly 30 years later, he was praying to "the God of Battles" to deliver the Union, safe and sound. His diary reveals his agonizing transition from being a "doughface" New Hampshire Democrat, willing to do anything to appease the South and save the Union, to a diehard Republican raging against the Slave Power. Not

### The Impending Crisis, 1848-1861

By David M. Potter (1976)

**5** Civil War studies have gone in many directions since the publication of David Potter's magnum opus. Abolitionism and abolitionists are more deeply understood. The influence of larger forces has been taken into account: world events; foreign powers; the push and pull of capitalism. But it would be hard to imagine a list of significant books about the crisis of the 1850s that did not include this one. Clear and straightforward in its style, "The Impending Crisis" eloquently evokes the human drama of the beginning of the decade as well as its many contingencies. Its piercing final sentences capture the result of the agonizing history laid out on its pages: "Slavery was dead; secession was dead; and six hundred thousand men were dead. That was the basic balance sheet of the sectional conflict."

# The Letters Of Lionel Trilling

*Continued from page C7*

Allen Ginsberg, the poet of the counterculture.

In 1946, recommending Ginsberg for acceptance at a psychiatric clinic after he had applied for admission there, Trilling writes to a psychiatrist of being "increasingly impressed by his mind, and even when I could not help being aware of how much his thought was being conditioned by his emotional disorder." A decade later, Ginsberg sent to his mentor a new collection of poems called "Howl." Trilling dismissed the poems and declined to flatter their author: "They are dull. They are not like Whitman—they are all prose, all rhetoric, without any music."

As the turmoil of the 1960s roiled his campus, Trilling voiced skepticism toward the new kind of education that involved "a flattery of the student, a connivance in his inability or refusal to acknowledge something outside himself." The urbane professor found himself poised, as Mr. Kirsch puts it in his introduction, between "revolution and respectability." "Between is the only

honest place to be," Trilling insisted.

The same might be said of his view of politics. He was committed to liberalism, he writes to one correspondent, as "a belief in the possibility of progress by political means." At the same time, exasperated by progressive clichés, he subjected that commitment to serious scrutiny. In a 1947 letter he makes plain his "deep distaste for liberal culture" and for the contrived philistinism of its expressions in art and literature. "I am in accord with most of the liberal ideals of freedom, tolerance, etc. But the tone in which these ideals are uttered depress[es] me endlessly. I find it wholly debased, downright sniveling, usually quite insincere."

In the 1930s, Trilling had been a member of the far-left American Committee for the Defense of Leon Trotsky. For the rest of his life, however, he remained a liberal anti-communist intent on exposing apologists who denied the brutal Soviet reality, the Great Terror that "lay behind the luminous words of the great promise." "I live with a deep fear of Stalinism at my heart," Trilling writes to the theater critic Eric Bentley in 1946. "I think of my intel-

lectual life as a struggle, not energetic enough, against all the blindness and malign obfuscations of the Stalinoid mind of our time." Apart from the politics being defended, such a mind was dogmatic and reductive, a violation of Trilling's sense of the "variousness, possibility, complexity, and difficulty" that great literature could evoke.

Trilling also struggled against some of the entrenched prejudices of his time. During his graduate studies at Columbia, his professors had suggested that as "a Freudian, a Marxist, and a Jew," he was ill-suited to teaching English literature. "I was the first Jew to be taken on as an instructor by the English Department," he writes with an awareness of the suspicion with which he was viewed. "The appointment was consciously made as an 'experiment.'

To his mentor Elliot Cohen—the managing editor at the *Menorah Journal*, where Trilling published his early essays and stories, and later the founding editor of *Commentary* magazine—he describes his family as "orthodox, with a pretty sound tradition of learning and piety behind it." To distill for Cohen a sense of his own alienation from Jewish tradi-

tion—or at least from its attenuated American form—the son of immigrants offers a metaphor: "While the clapper hung in the bell it was intended for, it struck the sides and gave forth a sound. But now the clapper had been hung in a bell that was too big for it. It swung but it could never reach the side of the new environment. No sound came."

In this wide new American radius, he concedes in another letter to Cohen, "most manifestations of organized Jewish life do not please me. And most do not interest me." To a member of the American Jewish Committee in 1947 he writes: "There are now in America no special Jewish values of a large and important sort, such as there have been at earlier times in Jewish history."

Finally, Trilling was an acclaimed literary critic who did not care to be thought of principally as a critic. His fellow critic Irving Howe observed that Trilling "believed passionately—and taught a whole generation also to believe—in the power of literature, its power to transform, elevate and damage."

Yet Trilling thought of literary criticism as a kind of avocation. His real calling, he believed, was as a writer of fiction, even though in his letters he expresses dissatisfaction with his major fictional work, the novel "The Middle of the Journey" (1947). The book was intended, he writes, "to draw out some of the

moral and intellectual implications of the powerful attraction to Communism felt by a considerable part of the American intellectual class during the Thirties and Forties." Disappointed but not entirely surprised by its cool reception, he tells Ginsberg that he thought of the book merely as "a trial run." "In the effort to detach him from my own self," he observes of one of the novel's main characters, "I somehow sterilized him."

The letters selected by Mr. Kirsch offer persuasive testimony that the contradictions Trilling discovered within himself acted as a fulcrum for his achievement, with a result that was anything but sterile. By interpreting a culture to itself, in all its complexity, and by demonstrating literature's "exemplary force" in such an effort, Trilling helped to answer a still-vital question: why literature matters.

In one striking letter, Trilling assesses the English poet Shelley. "He certainly wasn't immediately effectual in the way that he hoped to be, but he contributed much to what we might call the fund of thought and feeling that made it very much harder for men to say that things should stay as they are." It would be hard to conjure a better description of Lionel Trilling himself.

*Mr. Balint is the author of "Kafka's Last Trial: The Case of a Literary Legacy," published this month.*

## BOOKS

'Propaganda does not deceive people; it merely helps them to deceive themselves.' —ERIC HOFER

# Washington Confidential

**Bureau of Spies**

By Steven T. Usdin

Prometheus, 360 pages, \$26

BY RONALD RADOSH

**T**O DAY THE National Press Building at 14th and F streets in Washington houses some press offices, of course, but it serves most notably as a venue for public and private events. When it was built in 1927 it was the venue for the Washington bureaus of all the major American newspapers, as well as those of the foreign press. It included a club with a bar (women were admitted as members only in 1971), where reporters congregated after a day's work to exchange gossip and get leads for the next day's big story. Sometimes, however, the conversations were not quite so innocuous..

In "Bureau of Spies," a well-researched work of investigative history, Steven Usdin describes the espionage that was conducted in the building's halls, bar and offices for decades. He shows how scores of "reporters" from foreign bureaus spied for their countries' intelligence agencies. Indeed, some of the foreign bureaus in the National Press Building were outright fronts, set up entirely to serve as intelligence-gathering units. Sometimes unwittingly, though sometimes not, American journalists or their staff members helped foreign governments by sharing whatever inside information they had about America's politics and policies.

One of the oddest figures in "Bureau of Spies" is Robert S. Allen, a journalist who, as Mr. Usdin puts it, "dabbled in espionage but was not a professional spy." In the early 1930s he was fired by the Christian Science Monitor for writing, with reporter Drew Pearson, an anonymous best-selling book titled "Washington Merry-Go-Round," which exposed the inner workings of America's political class and angered Herbert Hoover. Soon after, Allen and Pearson (who was fired from his own newspaper job) joined forces to produce a syndicated column with the same name.

By then, Mr. Usdin says, Allen had been recruited "as a paid covert informant" by the OGPU, the name of the Soviet secret police from 1923 to 1934. In 1932, a few Washington Merry-Go-Round columns suggested that a drift was taking place in the capital toward recognizing the U.S.S.R. To Soviet intelligence, Allen was more specific. He told his handlers that William Borah, the head of the Senate Foreign Relations Committee, had learned that when Franklin Roosevelt became president, he would recognize the U.S.S.R. "as soon as he takes over." The news, Mr. Usdin says, "must have been welcome in Mos-

**INFLUENCERS** A customer at a newsstand in the National Press Building in Washington, ca. 1940.

cow," where U.S. assistance was needed in the Far East and elsewhere. Allen's sources at the Office of Naval Intelligence also told him, in Mr. Usdin's paraphrase, that the U.S. "wasn't going to make a fuss about communist subversion in Japan"—news that Allen passed along to the OGPU.

For reasons unknown, Allen quit working for Soviet intelligence in 1933, but that decision closed merely the first act of his reporter-activism. He resurfaced decades later during the Kennedy administration. By then he had turned against communism and, in a new syndicated column written with the journalist Paul Scott, was warning that John Kennedy was a potential Soviet appeaser. Allen and Scott developed sources at the Pentagon and elsewhere whose classified information, Mr. Usdin says, they "fashioned into darts aimed at piercing American complacency."

The two reporters discovered a secret CIA budget and argued that the funding of pro-U.S. groups in Europe, along with the spread of U.S. propaganda, was proving ineffective. The Soviet press went to town with their revelations. Radio Moscow, Mr. Usdin says, repeated the column's "allega-

tions of CIA impropriety and incompetence." The CIA, concerned about the columnists' access to secret intelligence, targeted them for surveillance and learned that they were getting classified details from the speaker of the House, John McCormack, and Capitol Hill staffers, among others. As Mr. Usdin observes, the CIA was astounded to find that the two reporters "gathered more secrets in a few months than a pair of KGB officers could have dreamed of collecting in decades of spying in Washington."

The Soviets' dreams of collecting secrets in Washington, Mr. Usdin reminds us, were especially intense in the years following World War II. TASS, Moscow's news agency, whose bureau was in the National Press Building, was itself a nest of spies; it got help from the 22 American journalists that the Soviets had recruited. Around the same time, Moscow also recruited Mary Price, the secretary of the most important columnist in America, Walter Lippmann. Price had access to every bit of information that Lippmann received, and she sent on everything of interest to the NKVD, the notorious successor to the OGPU.

In 1945, TASS chief Vladimir Pravdin went to San Francisco, where the United Nations was being set up, to interview Harry Dexter White, the assistant secretary of the Treasury. White, himself a Soviet agent, told Pravdin that the U.S. so badly wanted the Soviet Union to join the U.N. that it was willing to give the Soviets a veto over the organization's actions. That information gave the Russians an advantage in forthcoming negotiations with the U.S. and British governments.

Perhaps the most successful foreign operation documented by Mr. Usdin was the one conducted by the British in 1940. It spread stories and instigated other activities aimed at generating support for America's entry into the war. Through a new entity called British Security Coordination, Mr. Usdin says, Britain set about "deploying legal and illegal techniques to subvert America's political institutions and manipulate its news media." Some American reporters whose leanings were anti-fascist were only too eager to help. The British considered the U.S. reporters who worked with them to be agents, whether they were on the payroll or not. One American

journalist, Edmond Taylor, is quoted writing that British intelligence "convinced" with "Americans like myself who were willing to go out of regular (or even legal) channels to try to bend US policy towards objectives that the British . . . considered desirable."

One part of the operation, the so-called Century Group, was a network of roughly three dozen "highly placed individuals" who worked against U.S. isolationism. Its U.S. operatives—run out of a suite in the National Press Building—included the Washington bureau chief of the Louisville Courier-Journal. The newspaper's owner, Mr. Usdin reports, paid the man's salary

**From their desks at the National Press Building, foreign 'reporters' once spied and spread lies for their home countries.**

"while encouraging him to work full time for the Century Group and for other pro-intervention groups with close links to British intelligence." In such a way, various reporters disseminated "truths, half-truths and outright lies" to sway American public opinion on behalf of the British—an effort roughly comparable to the mission today of Russian internet trolls.

Some of the fake news came from another British-subsidized entity in the National Press Building—the Overseas News Agency. American newspapers, including the New York Times and the Washington Post, ran stories from the ONA. They included the spreading of made-up rumors, such as one claiming that the Caribbean island of Martinique (then under the control of the French Vichy government) was, as Mr. Usdin writes, "ready to serve as a base for attacking shipping in the Caribbean," though the U.S. could encourage a "pro-American uprising." The false report served the interests of the British, who wanted Americans to believe that if the U.S. didn't enter the war, it would be fighting fascists close to home.

Today, Mr. Usdin notes, news gathering is more decentralized, and cyberspace is a better vehicle for spreading fake news. He believes that the current danger is the undermining of our confidence in the news media altogether, leading people to believe that "there is no such thing as truth." We must remember, he tells us, that "the most advanced devices will never supplant the oldest and most important form of communication, talking face-to-face." Maybe the National Press Building hasn't outlived its usefulness after all.

*Mr. Radosh is a columnist for the Daily Beast and the co-author, with Joyce Milton, of "The Rosenberg File."*

## Victory At a Very High Price

**A Fierce Glory**

By Justin Martin

Da Capo, 318 pages, \$28

BY PETER COZZENS

**T**HE BATTLE of Antietam, fought on Sept. 17, 1862, was the bloodiest single day in American history. Casualties of the battle near Sharpsburg, Md., totaled 22,717. A tactical draw, Antietam proved a strategic Northern victory because Confederate Gen. Robert E. Lee withdrew the Army of Northern Virginia from Maryland after the battle, ending his short-lived invasion of the North. In the battle's aftermath, President Abraham Lincoln relieved Union Maj. Gen. George B. McClellan of command of the Army of the Potomac for refusing to pursue Lee.

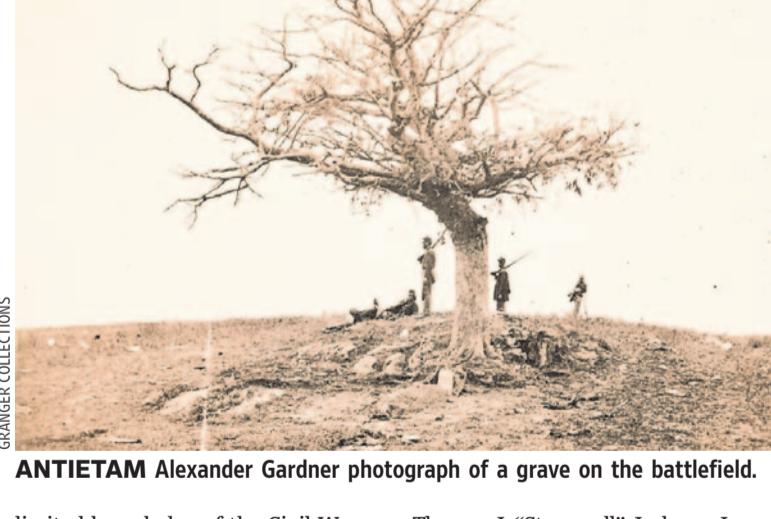
In "A Fierce Glory" author Justin Martin well portrays the horror of Civil War combat from the common soldier's perspective. His deft human touch, evident throughout the narrative, makes for a complete sensory experience. "The day was turning out to be unseasonably warm," he writes. "It was disagreeably humid, too. . . . The coarse powder clung to the men's damp skin like beach sand. Because soldiers tended to favor one side of their mouth for tearing open car-

tridges, men with half their mouth smeared with black powder—a grotesque carnival touch—was a common sight. The smell of sulfur permeated everything."

But when Mr. Martin turns away from such details, he quickly gets lost. The author, who previously wrote books on Walt Whitman and Frederick Law Olmsted, boldly asserts that Antietam "was a more critical battle than Gettysburg." Victory at Antietam, after all, permitted Lincoln to issue his Emancipation Proclamation on a high note. The collapse of Lee's invasion of the North also discouraged Great Britain and France from recognizing the Confederacy. And new medical and photographic practices made their first appearance on the battlefield. Moreover, had the outcome of Antietam been different, Mr. Martin contends, "there would have been no Gettysburg."

But a different outcome in any major Civil War battle would have changed the course of subsequent fighting. And the words of the book's subtitle—"The Desperate Battle That Saved Lincoln and Doomed Slavery"—are similarly hyperbolic. Antietam neither saved Lincoln nor doomed slavery. The presidential election was two years away, and the Emancipation Proclamation only freed slaves in areas under Confederate control, so subsequent battlefield victories were needed to doom the institution.

Mr. Martin intentionally has avoided "minutely detailed descriptions of troop movements . . . in favor of rendering a larger picture." He assures readers, however, that his account "covers the fighting in full." This is a valid approach, appropriate to reaching a general reader with a

**ANTITETAM** Alexander Gardner photograph of a grave on the battlefield.

limited knowledge of the Civil War—provided the author delivers on his promises. But Mr. Martin does not. His "larger picture" consists primarily of drawing President Lincoln deeper into the story of Antietam than one would expect. Ultimately this feels forced—particularly the long digressions about Lincoln's sons Willie and Tad and the former's untimely death.

The larger picture that emerges is kaleidoscopic and fragmented: the tragic death in 1861 of Lincoln's favorite, Col. Elmer Ellsworth; the battlefield ministrations of Union nurse Clara Barton; the grim photography of Antietam dead taken by Northerner Alexander Gardner; the innovations of Union surgeon Jonathan Letterman; and the life of William Slade, an African-American White House usher.

As that choice of characters suggests, "A Fierce Glory" is skewed toward the Union. Where Lincoln looms large, Confederate President Jefferson Davis is ignored. Overlooked, too, are the battle actions of Robert E. Lee's principal subordinates, Maj. Gens.

Thomas J. "Stonewall" Jackson, James Longstreet and James Ewell Brown "Jeb" Stuart. Mr. Martin also leaves out the preliminaries to Antietam: The book opens with the armies already on the field, like chess pieces placed on a board by invisible hands.

Antietam occurred when and where it did because Robert E. Lee had successfully sealed off the passes at South Mountain in Maryland, despite fierce attacks by McClellan on Sept. 14, 1862.

This bought him time to concentrate most of his army near the banks of

Antietam Creek. But Mr. Martin neglects to narrate the events of the Battle of South Mountain.

As for the Battle of Antietam itself, "A Fierce Glory" does not, as Mr. Martin promised, "cover the fighting in full." How can it, when so many essential characters are omitted? Even on the Union side, there are lacunae. For instance, Maj. Gen. Joseph Hooker, who opened the battle, exited early with a foot wound. Maj. Gen. Israel Richardson succeeded him as corps commander until mortally wounded,

whereupon Brig. Gen. George Meade assumed command. We are told that Richardson was wounded, but not who he was or what role he played. Meade, the victor at Gettysburg, is nowhere mentioned. Maj. Gen. Fitz John Porter—McClellan's favorite subordinate—also is omitted.

"A Fierce Glory" contains only one simplistic battlefield map, so the combat flow becomes difficult to follow. Context and continuity are often lacking. Midway through the book, Mr. Martin relates that Lee contemplated a major counterattack, which he put on hold. Later we learn only that "in the course of the afternoon, Lee's top-of-the-battlefield sneak attack had also been launched and had fizzled." This is incorrect. In fact, Jeb Stuart, who was to have staged the attack near the Poffenberger Farm, aborted it because he felt the chance of success was too slim.

Mr. Martin asserts that the Battle of Antietam ended because of "the same factor that had caused attack after attack to falter this day . . . sheer exhaustion." On the contrary, the Confederate counterattack on the southern extreme of the battlefield—the last significant fighting of the day—terminated because Southern commanders were content to pin the Union forces against the bridgehead over Antietam Creek that they had achieved earlier.

Readers interested in a soldier's-eye view of Civil War combat will find aspects of "A Fierce Glory" rewarding. A satisfying narrative style, however, cannot raise the book to the level of a serious study of Antietam.

*Mr. Cozzens is the author of "The Earth Is Weeping: The Epic Story of the Indian Wars for the American West."*

## BOOKS

'In wartime, truth is so precious that she should always be attended by a bodyguard of lies.' —WINSTON CHURCHILL

# Heard During Wartime

## Transcription

By Kate Atkinson

Little, Brown, 343 pages, \$28

BY KATHERINE A. POWERS

**K**ATE ATKINSON'S 10th novel begins in 1981 with what we presume is the death of its main character, Juliet Armstrong, now age 60. She has been hit by a car in a London street, her last words being—or seeming to be—"It's all right." And there, in brief, are key elements in Ms. Atkinson's fiction: sudden death, resignation masked as reassurance, and the seemingness of things. Soon enough the story expands to include other familiar Atkinsonian ingredients: fate's caprice, balked communication, reverberation of past events, and remembrance of Englishness past—all riding on a subtle current of wry humor.

Leaving Juliet lying in the street, the novel moves back to 1950, where we find her working at the BBC in "Schools," producing educational programs for children. The division is a poor cousin in BBC programming and has been relegated to shabby quarters where Juliet and her colleagues can gaze across the road, "not without envy, at their mother-ship, the great, many-decked ocean liner of Broadcasting House, scrubbed clean now of its wartime camouflage and thrusting its prow into a new decade and an unknown future." Most of the other members of the department make up an unfestive, war-riddled crew, among them Juliet's boss, Mr. Prendergast, an ageless Methodist lay preacher whose eyes had been damaged by gas in the First World War; Fräulein Rosenfeld, an Austrian in her 60s, who "had come over in '37 to attend a conference on ethics and had made the wise choice not to go back. And then, of course, after the war there was no one to go back to"; and Charles Lofthouse, peevish and spiteful, who had "trod the boards" until his leg was blown off in the Café de Paris bomb in '41 and he could tread no more."

Ms. Atkinson makes wonderful sport of the stifling earnestness that pervades educational programs for children, and doles out such nicely calibrated mishaps as inebriation, backstabbing and profanity inadvertently loosed upon the airwaves. But something more sinister is afoot, signs of which come to us in chilling hints. Juliet, we learn, is wearing pearls taken from a dead woman; she also realizes she is being observed, and later followed, by a "trollish" little man with "the shabby air of



the post-war European diaspora." What is more, she spots a figure from her past on the street, but when she greets him he refuses to acknowledge his identity or that he knows her. "I should have followed him," she reflects later. "But he would have lost her. He had been rather good at evasion."

We will eventually return to 1950, where things continue to hot up, but first we must go back to 1940, where all the allusions, so deftly inserted, have their source.

Juliet, at 18, has been recruited by MI5. After a short, exceedingly dull stint filing endless manila folders at Wormwood Scrubs prison (taken over by the Security Service for wartime offices) she is given a job in "counter-subversion" transcribing secret recordings of the conversations of British Nazi sympathizers.

Juliet, her boss Peregrine "Perry" Gibbons, and young Cyril Forbes, the sound engineer, spend their days in a Pimlico flat adjacent to

one being used by an MI5 agent, codename Godfrey Toby. He has infiltrated English Fascist circles and is masquerading as an undercover Gestapo agent to play host to a motley band of informants. In they troop—Betty, Trude, Victor, Walter, Edith and Dolly (and her dog, Dib)—bearing their veneration of Hitler, animus toward Jews and little morsels of miscellaneous intelligence in the hope that it will aid the German war effort. MI5's idea is to identify fifth columnists and to siphon off the proffered information, thus preventing it—small potatoes though it may be—from getting to the actual Nazis.

The resulting transcripts of their conversations, usually beginning *in medias res*, are masterpieces of comic incoherence and pop

up now and again throughout the novel. One example will suffice:

Record 10 (contd.)

(Sound of a map being unfolded)

GODFREY. What are the landmarks like?

WALTER. A gas works.

Some conversation, mostly inaudible due to the map, about a gasometer. WALTER says something about "a small road" or load(?) (Two minutes lost through technical hitch. Record very indistinct afterwards.)

WALTER. It is difficult you see, here is . . . (ab. 6 words) exactly how to cross (?)

GODFREY. Cross here?

WALTER. The main point is this, you see. But you know I expect they will (inaudible)

GODFREY. Yes, yes.

WALTER. But they will (inaudible but the word "aerodrome" is heard)

Dutifully typed by Juliet, the transcripts are symptomatic of all that increasingly makes no sense to her. For one thing, Perry, whom she finds attractive and with whom she would like to be initiated into the mysteries of sex—a closed book to her—shows occasional signs of having designs on her. And yet somehow not. An invitation from him to spend a day in the country conjures visions of a romantic picnic, but turns out to be a damp, cold, picnic-less, seemingly endless and terribly funny trek to observe otters.

But if Perry is baffling, that is as nothing compared to what ensues in Juliet's foray into espionage. Set up with a new identity—Iris Carter-Jenkins, a Fascist sympathizer from a posh background—Juliet infiltrates a circle of well-heeled Nazi supporters, only to discover that a surprising number of them are, in fact,

British MI5 operatives. This is practically Lewis Carroll country, a territory that extends

back—by which, of course, we mean forward—into 1950, where Juliet is suddenly visited by fallout from her exploits of the earlier decade. Additional characters from the past pop up, only to disappear or mutate into unexpected identities. Things become curioser and curioser and "sometimes she found herself wondering if all was as it seemed."

There is in this novel, as in all of Ms. Atkinson's, a sense of absurd predicament expressed in wonderful comic set pieces filled with material detail and running jokes. Often enough they involve complacently held, patronizing assumptions about the role of women, assumptions that persist in even ludicrously extreme situations. When, for instance, the bloody evidence of a murder needs to be cleaned up, it is Juliet who is called upon to do it while the men at hand set about less repugnant, executive tasks: "Why was it that the females of the species were always the ones left to tidy up, she wondered? I expect Jesus came out of the tomb, Juliet thought, and said to his mother, 'Can you tidy it up a bit back there?'"

So what is this extraordinarily entertaining novel really about? A great part of its genius is the way it can't be summarized. It materializes out of foreshadowings, reverberations, revisions and transformations. There has never really been a timeline in Ms. Atkinson's novels, but rather a timescape, a realm in which everything exists at once in potentiality and only gradually emerges as a story that is as much quandary as plot. And, indeed, Ms. Atkinson's buoyant wit and cheerful irony make the misfortunes in these lives, including Juliet's, not tragedies but kind-hearted lessons in the human condition.

*Ms. Powers is a recipient of the National Book Critics Circle's Nona Balakian Citation for Excellence in Reviewing.*

## When Nowhere Felt Like Home



## FICTION

SAM SACKS

A searching study of the psyche of a former slave: the survivor's guilt, the unlikely nostalgia, the lasting feeling of exile.

On one hand, Wash's travels are touched by the soft magic of young-adult adventure novels. Having narrowly survived his balloon ride—it ends in a crash on the deck of a boat—Wash joins a scientific

**'FLIGHT'** IS A double-barreled word in Esi Edugyan's runaway-slave saga "*Washington Black*" (Knopf, 334 pages, \$26.95).

George Washington Black, nicknamed "Wash," is a teenage field worker in the Barbados of 1830 when Christopher "Titch" Wilde, the affable younger brother of the vindictive plantation owner, selects him to serve as an assistant in his scientific endeavors. Foremost among these is the prototype of a hot-air balloon he calls the Cloudcutter. Wash is little more than needed ballast at first, but he proves his value as a prodigiously talented sketch artist.

When a tragedy sees Wash wrongly fingered for murder, Titch hastens their inaugural voyage, piloting a midnight escape over the Caribbean Sea.

It's hard to avoid comparisons with Colson Whitehead's "*The Underground Railroad*," especially in the odd-couple marriage of imaginative whimsy and the brutal realities of slavery. Mr. Whitehead, whose novel featured a literal underground train line, pulled off the synthesis by creating an allegory that draws from and revises America's founding mythologies. But in "*Washington Black*," the elements seem in conflict with each other.

On one hand, Wash's travels are touched by the soft magic of young-adult adventure novels. Having narrowly survived his balloon ride—it ends in a crash on the deck of a boat—Wash joins a scientific

expedition to the Arctic Circle. In Nova Scotia, having separated from Titch, he evades a murderous bounty hunter. In London, he helps to organize a groundbreaking exhibition of aquatic life.

But set against these wonders is a searching study of the psyche of the former slave: the survivor's guilt, the paradoxical nostalgia, the feeling of permanent exile. Even when Wash seems to have rewritten his destiny, complete with the love of a good woman, he remains fixated on the past. "She wanted to know if anything would be laid to rest," he says, thinking of his lover, "or if we'd continue to drift through the world together . . . so lacking a foothold anywhere that nowhere felt like home."

These deep dives into the turmoil of Wash's soul are bracing but brief, quickly abandoned for the next fantastical plot turn. Ms. Edugyan is such a fluent, intelligent, natural writer that there's little doubt she could succeed producing popular page-turners. But I'd miss the texture and emotional intensity she sometimes reaches here (and which were on fuller display in her gritty Nazi-era novel "*Half-Blood Blues*"). The story's ambiguous conclusion suggests

her uncertainty about which road to take. Wash has jeopardized everything to reunite with Titch, and a powerful confrontation about their shared history seems promised—and then isn't delivered.

The abrupt, unresolved ending leaves Wash, like the reader, hanging in midair.

For all of their horrors, novels about runaway slaves are inherently hopeful and therefore archetypal of the literature of the New World. Stories about the slave trade as it pertains to sub-Saharan Africa are a different matter, for it was here that entire complex cultures were extirpated to provide for what Léonora Miano, in her extraordinary novel "*Season*

*of the Shadow*" (Seagull Books, 241 pages, \$24.50), calls "human merchandise."

The book concerns the Mulongo, a small, communarian clan in the interior of what is now Cameroon. When the story begins, 12 of its men have gone missing following a great fire. The Mulongo, who rarely venture out of their own territory, are bewildered by the disappearances, unsure who to blame, what rituals to conduct or which spirits to pacify. It is only gradually, in the face of further attacks, that they glimpse the unfathomable truth that a neighboring tribe has

carried out the abductions at the behest of a strange, new, heavily armed people stationed on the coast.

Ms. Miano's feat is to restrict her perspective to the points of view of the Mulongo, conjuring afresh the horror and immediacy of an event that time has rendered matter-of-fact. The Mulongo, one member reflects, are "a people with a language, customs, a worldview, a history, a memory." In the novel's careful reconstruction of their world—Ms. Miano portrays their social order, manner of government, funeral rites and religious convictions—it builds a "rampart against oblivion" even in the midst of dramatizing their extinction.

The writing, benefiting from Gila Walker's excellent translation from the French, is restrained and dispassionate, so that its fierce emotional energy seems to well up naturally from the characters rather than being imposed by the author from without. In one shattering scene, a woman whose son was captured wills his return by summoning his image in her mind: "This is what she thinks. In her self-imposed solitude, she invents a mystique of memory wherein feeling is an act, something more powerful than a force created by nature." A work of remarkable fidelity and dedication, this novel, too, seems to possess the strength to bring back the stolen.

A ghost is granted voice in Elliot Ackerman's short,

devastating war novel "*Waiting for Eden*" (Knopf, 175 pages, \$22.95). In Iraq's Hamrin Valley an IED kills a truckload of Marines, including the narrator.

Barely surviving is Eden Malcom, who is brought back to Texas covered in burns and virtually comatose, quite possibly, his nurses think, "the most wounded man in the history of war."

The story, from the narrator's curious vantage in limbo, wends inside Eden's consciousness, reproducing his memories and imagining his perceptions from his new home in the burn center, throttled by pain and hallucinations.

But the book's central character is Eden's wife, Mary, the person responsible for deciding whether or not to keep him alive. As the novel unfolds the troubles of their relationship before Eden's decision to re-enlist, it gives an uncompromising picture of the war on terror as it's waged at home, by the wives of soldiers fighting for the idea of family as their husbands expend the best of themselves in unending conflicts overseas.

The interest in understanding contemporary war from all angles binds Mr. Ackerman's novels (his previous books centered on a young Afghan villager and an interloper in the Syrian civil war). But while this author is empathetic, he's also pitiless. There are as few consolations in "*Waiting for Eden*" as there would be in a novel set on the battlefield itself.

## BOOKS

'Kick over the wall, cause governments to fall / How can you refuse it? / Let fury have the hour, anger can be power / D'you know that you can use it?' —THE CLASH

# East German Punks

**Burning Down the Haus**

By Tim Mohr

Algonquin, 363 pages, \$28.95

By DOMINIC GREEN

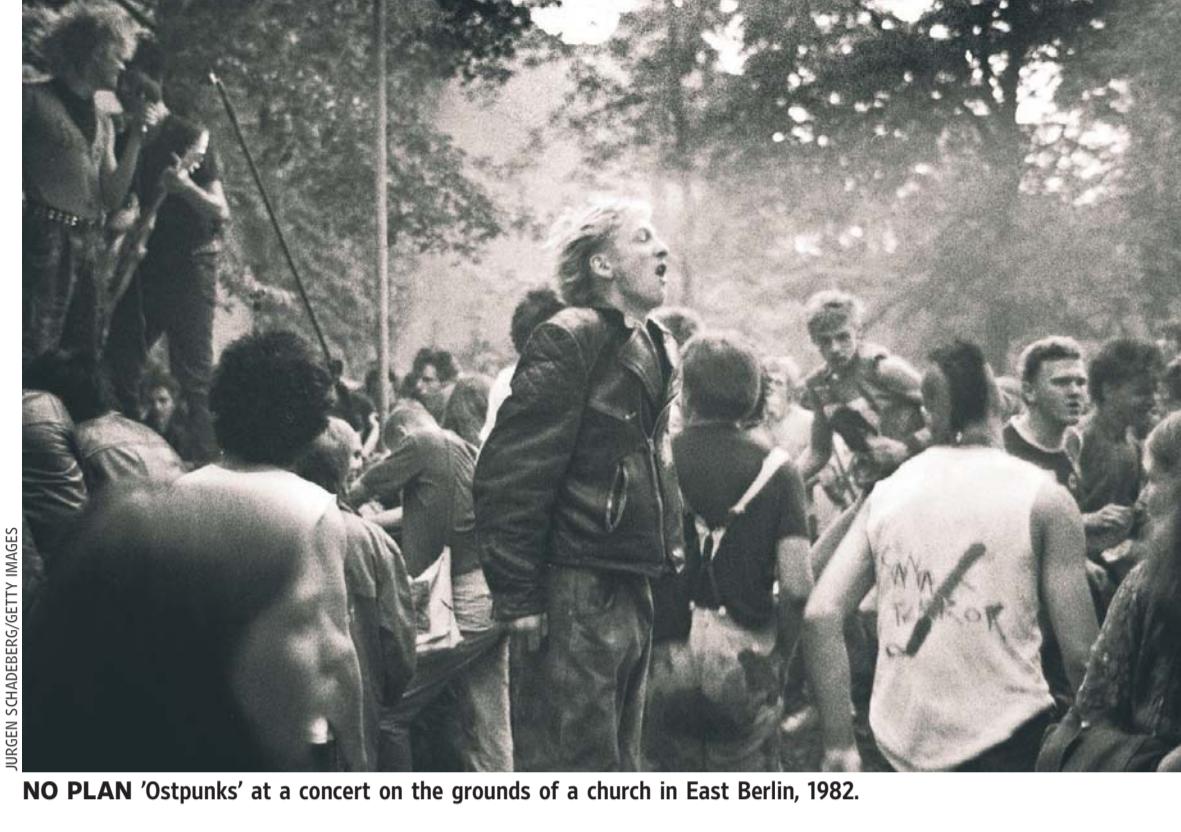
**D**O YOU remember lying in bed, / With your covers pulled up over your head?" the Ramones asked in "Do You Remember Rock 'n' Roll Radio?" (1980). I remember the electric thrill of that crackling, compressed signal. It was illicit outside the home too; in the late 1970s, pirates still roved the airwaves of Europe. As Tim Mohr's original and inspiring "Burning Down the Haus" shows, music could make all the difference in the world.

In September 1977, while I was secretly listening to Radio Luxembourg in London, Britta Bergmann was listening even more secretly in East Berlin. The Luxembourg transmitter was powerful enough to reach nearly everywhere in communist East Germany. Ms. Bergmann had seen the Sex Pistols in a music magazine smuggled from West Berlin. When she heard "Pretty Vacant" on Radio Luxembourg, she hacked off her hair, tore her clothes, affixed two rows of safety pins ("punk-rock epaulets") to her shoulders, and went to school. "Hello, Major!" said a fellow pupil.

"Major" was probably the first East German punk. In May 1978 the police summoned her for questioning. Three months later, the Stasi opened a file on her "negative decadent" tastes. While English punks like the Clash complained about record-company contracts, Major waged a one-woman campaign against a police state. As in Nazi Germany, work was compulsory under communism. Major dropped off the radar, shaking off the Stasi by moving from apartment to apartment. In summer 1979, she discovered she was not alone.

By late 1980 a small group of Ospunks were meeting at a youth club in a Berlin park called Plänterwald. Micha Horschig had also heard the Sex Pistols under the covers, from a *samizdat* cassette. After that, he discovered the forbidden theories of 19th-century anarchists like Bakunin, Proudhon, and Stirner in "an old set of pre-War encyclopedias." He became "A-Micha," Anarchy Micha.

"I've got to go over the Wall," Johnny Rotten had sung in the Sex Pistols' "Holidays in the Sun" (1977). "I don't understand this bit at all."



NO PLAN 'Ospunks' at a concert on the grounds of a church in East Berlin, 1982.

Western punks used pseudonyms so they could continue claiming unemployment benefits—even while they were playing shows and, as the Clash said, "turning rebellion into money." The early Ospunks (including Fatz, Buzzcock, Colonel, Pankow) used pseudonyms to avoid spies, 48-hour interrogations and beatings by the police.

Punks in the West may have complained about conformism, but in East Germany tastes really were imposed from the top down. After November 1965, East Germany had an official youth culture. Dancing was permitted as a "legitimate expression of the joy of life" in Free German Youth, the cadres of communist volunteers whose ranks included a young Angela Merkel. But Beatle haircuts were banned and even amateur bands had to submit to a state audition for an *Einstufung*, or "classification" license.

By 1971, the regime, having relaxed its follicular tyranny, was promoting third-rate acid rock bands through its "youth radio" station and state record label, and allowing churches to hold ersatz rock shows called Blues Masses. As in technology theft, the communists were imitating the West in order to survive.

The first Ospunk band, formed in 1980, began as AFS, for *Antifaschistischer Schutzwall*—the "Antifascist Protection Wall," as the dictatorship

called the Berlin Wall. The name was soon changed to Planlos: "No Plan," a repudiation of five-year plans and the communist future. Ospunk was crude and derivative, but the Ospunks were doing more than aping Western poses. In one of Planlos's first songs, "Waiting in Line at the Currywurst Stand," lyricist Micha Kobs describes being spied on by the Stasi's Department XX—responsible, Mr. Mohr notes, for "subverting underground political activity":

I don't turn around—I've already seen you  
You are my shadow wherever I go  
A dark spot on the sun  
If I think too loud, you are there.

In March 1981, Planlos made a semi-public debut at a party at the Yugoslavian Embassy in East Berlin. By now, Mr. Mohr writes, an "informal national network was starting to take shape": Virus X in Rostock, Wutanfall in Leipzig, Rotzjungen in Dresden. With the Solidarity movement stirring in neighboring Poland, the authorities cracked down. Major was imprisoned for *asozielles Verhalten*, the crime of not working. The Stasi and the KI, the political division of the police, drove punks off the streets and out of sight.

The East Berlin punks retreated to a church where a sympathetic pastor, Uwe Kulisch, allowed them to play mu-

sic and party at "Open Work" youth evenings. By late 1981 "more than a hundred punks would turn up every Monday or Friday night." The Stasi opened a file on Open Work: In spring 1982, following at least "twenty-five visits by informants," Kulisch found his church closed for "renovations."

**In January 1989**  
**a government report**  
**named punk as**  
**'the top problem' in**  
**managing the youth**  
**of East Germany.**

By August 1982 the Stasi estimated that East Germany (population about 15 million) contained 1,000 punk "adherents" and another 10,000 "sympathizers" recognizable "by their appearance." A compilation album, "Live in Paradise DDR," had been smuggled out and issued in the West. Wutanfall had made contact with a nascent punk scene in Hungary.

"We don't need your standards," Virus X sang, "You don't know yourself what's right."

The state decided to destroy Ospunk. Musicians were repeatedly arrested and held in solitary confine-

ment for weeks. Lyrics were hidden or memorized, because some band members had become snitches. Major was imprisoned again, then expelled to the West. A-Micha spent six months in pre-trial detention, with daily interrogations. Planlos' Micha Kobs was drafted into the army.

Despite the crackdown, Ospunk continued to grow. A band called Feeling B played the game, won an *Einstufung* permit and hit the road, their audiences prepared by what Mr. Mohr calls a "shadow media" of illegal recordings on tape. By 1988, the author estimates, "three quarters of all music released in the DDR originated outside the state-controlled media system."

The punks, now organizing themselves into anarcho-syndicalist committees, had built their own society—a living, loud reproach to the communist system. In January 1989, around the time that the Polish regime began negotiating with Solidarity, an East German government report identified punk as "the top problem" in managing East Germany's youth and concluded that expelling the "old classic punks" had only increased contact between West and East.

The collapse of the regime in November of that year led to a brief dream of real anarchy, an Indian summer of squatting and life by committee. "We didn't stay in the non-capitalist world through the long, bitter years of the dictatorship just to sit by passively and watch the breaking up and selling off of our country," a squatting group announced in 1989. Then the democratic authorities asserted control, and the developers moved in. The bands died, though not, Mr. Mohr insists, "the spirit of East Berlin punk rock."

I must admit I like reading about Ospunk better than listening to it. Yet "Burning Down the Haus" is more than an exciting yarn. Mr. Mohr has written an important work of Cold War cultural history, and his first-hand interviews are invaluable evidence. Inspired by the products of a capitalist music industry, the Ospunks created a replica, a musical Trabant. But their music was more than a revolution in the head, and their heroism cannot be erased by the reunification of Germany or the gentrification of Berlin. Ospunk remains a testament to the urge for freedom and the potency of cheap music. As the graffiti in Pastor Kulisch's church said: "Don't die in the waiting room of the future."

*Mr. Green is Life & Arts Editor of Spectator USA.*

## Pachyderm Parties & a Hue That'll Make You Cry

**CHILDREN'S BOOKS**

MEGHAN COX GURDON

A seemingly simple picture book about the color blue deepens into something more: a reverie on youth, life, aging and loss.

**THERE'S NO NEED** to make things complicated in a picture book for the youngest readers. What's wanted is a bit of visual interest and a bit of narrative that will capture the attention of babies and toddlers without overwhelming them. But blandness is no good either; there has to be some fun, some color, some little hook to keep the interest.

Kevin Henkes has demonstrated a knack for getting it right with illustrated books such as "Waiting" (2015) and "Egg" (2017), and he shows it again with "**A Parade of Elephants**" (Greenwillow, 40 pages, \$18.99), a simple book done up in macaron shades of raspberry, blueberry, lemon, cassis and pistachio.

"Look! Elephants!" the first page announces, and that's about as prolix as it gets. From there, the reader—ideally helped by a grown-up—will count elephants on a kind of graph that shows the difference between numbers one to five and then follow the animals as they commence marching in a jolly parade. "Big and round and round they are. Big and round and round they go," we read, as elephants rendered in single colors and thick lines trapse in a circle. As they march, the text introduces children ages 1-3 to spatial concepts such as over and under, in and out, and up and down: It's clear, clean and cheerful.

Laura Vaccaro Seeger slips a considerable degree more complexity into the outwardly simple pages of "**Blue**" (Roaring Brook, 38 pages, \$17.99), a picture book for children who are a step older,

ages 3-7. An exploration of the many shades of a single color, "Blue" is also an emotional tour de force that sneaks up on the reader and, when it's over, all but demands to be read again straightaway.

There's a clue to the book's duality on the front cover: What first appear to be random splotches of thick blue paint represent, in fact, a paw print. The paw belongs to a golden retriever puppy named Blue who belongs to a little boy (see right), and as the pages turn, and we encounter one type of blue after another ("baby blue," "sky blue," "midnight blue"), the boy and the dog get older. They frisk with balls and balloons and in the surf; they play tug-of-war and go camping. As in her previous color story, 2012's "Green," Ms. Seeger uses cut-outs in the pages to artful effect, giving glimpses of what has passed and what is to come.

For many readers, what is to come will be full-out sobs as eventually "old blue" lies without interest beside a full bowl of food—he's not eating anymore—and then, on the next page, rests cradled and dying in the arms of the boy. Oh, we are blue! Yet death is not the end, for "new blue" and new love come to leave the final pages of this tender story.

While we have the tissues out, it's probably a safe time to consider Jonathan Auxier's "**Sweep**" (Amulet, 344 pages,

\$18.99), a novel set in Victorian times with the subtitle "The Story of a Girl and Her Monster." The book could as easily be described as the tale of a girl and her protectors, for the monster in this case is no horrible grotesque but a sweet-natured creature, a golem, formed for the purpose of defending Nan Sparrow when her human guardian no longer can.

Charlie, as Nan calls the golem, is made of soot, but he might as well be made of pure love. Indeed, there is a purity and innocence in the golem—keep the tissues handy—that, quite apart from his unorthodox

composition, make him an outlier in the hard, cruel London of the late 1870s. Eleven-year-old Nan works with a gang of other kids her age, and younger, as a chimney sweep for a money-grubbing sadist named Wilkie

Crutt. Quick-witted and hard-working, Nan attracts the philanthropic interest of a young Jewish teacher, but when disaster strikes—it's a terrifying incident that nearly kills the girl and awakens the golem—she earns the burning hatred of Crutt and the meanest boy in the gang. Mr. Auxier has drawn from history, mythology, and a deep well of personal love and suffering to create a stirring work of magical realism for readers ages 8 to 12.

"It's a truth universally acknowledged that when rich people move into the hood, where it's a little bit broken and a little bit forgotten, the first thing they want to do is clean it up." So begins Ibi Zoboi's "**Pride**" (Balzer + Bray, 289 pages, \$17.99), a teen love story set in modern Brooklyn that borrows its first sentence and other narrative elements from Jane Austen's Regency-era romance "Pride and Prejudice."

Pride in this story comes in

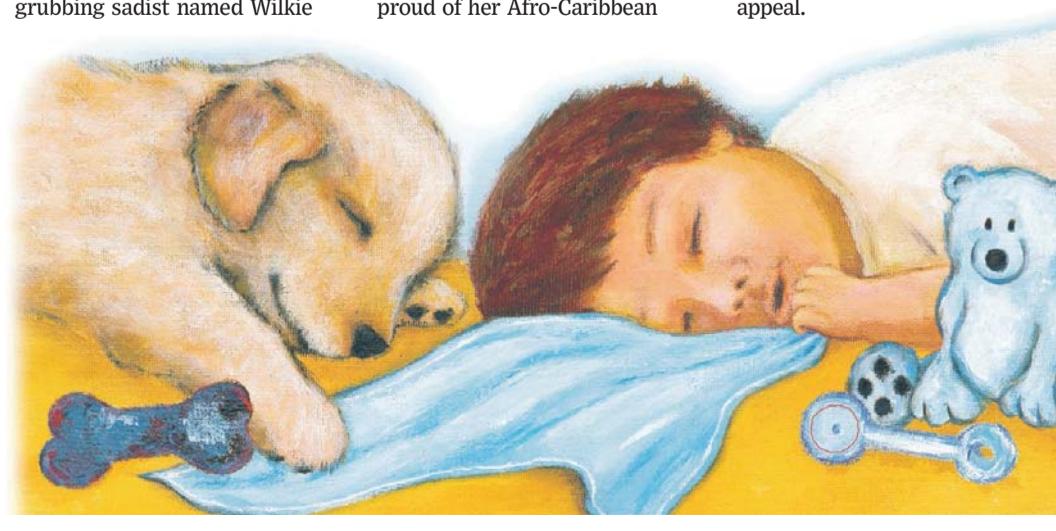
the form of Zuri Benitez, a feisty young woman who is intensely proud of her Afro-Caribbean

heritage and her family's vibrant, noisy block in Bushwick. Zuri also embodies prejudice, which she reveals in her instant dislike of the wealthy, newly arrived Darcy family—particularly handsome, haughty Darius—and in her animus toward the white newcomers who are altering her neighborhood's racial complexion.

As with Austen's heroine, the girl will find that her first impressions of Darius, his brother Ainsley and their charming friend Warren are not a reliable guide to each young man's true character.

Unlike Austen, Ms. Zoboi doesn't write here with literary formality or what has been called classical narrative tact. For her characters, a bad attitude is "stank," a rich family is "bougie as hell," and an instant attraction

is a "you-look-so-damn-good-that-my-eyes-are-eating-your-face thing." Her heavy use of slang will undoubtedly amuse and validate those readers ages 13-17 who use it themselves, but it may otherwise limit the book's appeal.



## BOOKS

'I don't resent being a female painter. I don't exploit it. I paint.' —HELEN FRANKENTHALER

# Expressing Themselves

**Ninth Street Women**By Mary Gabriel  
Little, Brown, 927 pages, \$35

BY ANN LANDI

**T**HE ABSTRACT Expressionist generation has gone down in history as mostly male and exceedingly macho. Jackson Pollock boozing it up and brawling at the Cedar Bar. Willem de Kooning slashing his way through that disturbing "Woman" series. Franz Kline bravely paring back his imagery to a few bold black strokes. Museum shows, biographies and tomes on modern art still celebrate those pioneers of a distinctly American movement, launched in the 1940s and in full flower by the middle of the next decade.

And yet there was a significant cohort of women painters who came into their own at the same time and were by and large accepted as

**The bohemian crowd**  
these female artists ran in favored hard drinking, frequent scuffles and endless partying.

equals in the scruffy downtown milieu that nurtured them all. Recent surveys at the Denver Art Museum and the Museum of Modern Art in New York have paid homage to their accomplishments, and now comes Mary Gabriel's sweeping and deliciously readable "Ninth Street Women." Ms. Gabriel, the biographer of characters as diverse as the suffragette Victoria Woodhull and Karl and Jenny Marx, focuses on five painters: Elaine de Kooning, Lee Krasner, Joan Mitchell, Grace Hartigan and Helen Frankenthaler. These artists are material enough for 700-plus pages, but the author also weaves a vivid tapestry of bohemian life in New York as that city was supplanting Paris as the capital of the art world.

Krasner and de Kooning were the senior members of the group, both Brooklyn-born and determined to be artists at a time when there were few female role models and little encouragement from families and teachers. Both also married future stars of AbEx—Jackson Pollock and Willem de Kooning—and endured years of struggle furthering their husbands' careers, often at the cost of their own. Krasner fought the bigger battle, keeping Pollock on track and sober, while the de Koonings, though breezy about each other's infidelity (at least until Elaine traveled to Provincetown with another man and Bill had a child by another woman), retained a lifelong respect and affection for each other. Both



**PAINTERS** (Clockwise from bottom left) Helen Frankenthaler, Elaine de Kooning, Joan Mitchell, Lee Krasner and Grace Hartigan, long overshadowed by their male contemporaries in the Abstract Expressionist school.

couples quarreled viciously, but it seemed almost the norm in a group that favored hard drinking, volatile meetings and physical scuffles everywhere—at home and in bars, at gallery openings and during an endless cycle of parties.

A striking beauty with a dancer's figure, Elaine rapidly became a magnet on the scene. She was only 20 when, in 1938, she met Bill de Kooning, who was first her teacher and mentor and soon her lover. "As a man, he loved her vibrancy, wit, social grace, but most especially her thick red hair and, yes, her long American legs," Ms. Gabriel writes. "Bill was also extremely proud of her. He had become the envy of his friends, who congratulated him on his 'cute trick.'" But she was no mere arm candy and grew into a dedicated artist and teacher, even as she worked hard to promote her husband's art. Also a writer, she helped put ArtNews in the forefront

of contemporary-art journals, working closely with editor Tom Hess to craft an intimate, conversational tone that explained the artists to one another and to the world at large, which would slowly take note of the revolution under way in New York.

Joan Mitchell and Helen Frankenthaler, nearly a decade younger than Elaine, both came from backgrounds of wealth and privilege, but there the resemblance ends. The daughter of a prominent Chicago doctor and an editor of Poetry magazine, Mitchell enjoyed scant encouragement from her family and rebelled early, wearing men's shirts and jeans (under a fur coat) and leaving home for good at the age of 20 to travel to Mexico and then New York and Paris. Frankenthaler's family of Jewish intellectuals—her father was a New York State Supreme Court judge—was more accommodating of a talented daughter. She studied at

the progressive Dalton School and Bennington College and would make her mark early, inventing at age 23 a new way of working thinned pigments directly onto unprimed canvas, a technique that would spawn what came to be known as Color Field painting. Of Ms. Gabriel's subjects, she enjoyed perhaps the most stable romantic relationship, a 13-year marriage to Robert Motherwell, after a stormy five-year liaison with the influential critic Clement Greenberg.

Grace Hartigan had undoubtedly the roughest and most unconventional path of all. She married at 19 and landed in California, where she soon had a son. After war broke out, she went to work in an aeronautics plant back East and later took a drafting job to support an artist lover who was twice her age. Her introduction to Pollock's work in his first show at Betty Parsons's gallery in 1948 changed her life as a painter

and a woman. Eventually disengaged from both lover and husband, she handed over her son to his grandparents to raise and plunged into the frenetic life of the downtown avant-garde. During the heyday of the movement, she became a glamorous icon, involved with many men but most in love (though chastely) with the poet Frank O'Hara.

"Ninth Street Women" is like a great, sprawling Russian novel, filled with memorable characters and sharply etched scenes. It's no mean feat to breathe life into five very different and very brave women, none of whom gave a whit about conventional mores. But Ms. Gabriel fleshes out her portraits with intimate details, astute analyses of the art and good old-fashioned storytelling. We read of times so desperate that Bill de Kooning made tomato "soup" from ketchup and water, or parties so raucous and heated that Greenberg once knocked Frankenthaler down with a slap and then brawled with her date. An end-of-an-era bash in the Hamptons in the summer of 1958, featuring a dance floor on pontoons and a special barge to carry jazz musicians (among them, artist Larry Rivers), sounds like more fun than anything imagined by F. Scott Fitzgerald.

Anyone with even a small familiarity with the period will enjoy the element of built-in suspense: When will Helen finally break off with the arrogant and insensitive Greenberg, who failed to acknowledge her important breakthrough and disparaged a group of women artists to their faces? Will the stormy de Koonings ever divorce? How will they all respond when the increasingly sodden and boorish Pollock finally plows his car into a tree, killing both himself and a friend of his mistress? And how will these artists, who had developed in the most unpromising of circumstances, handle the world-wide fame and celebrity that came their way in their 40s and 50s? (Short answer: not well.)

The supporting cast of characters—including Rivers, dealers John Bernard Myers and Leo Castelli, curator Dorothy Miller, collector Peggy Guggenheim and Grove Press publisher Barney Rosset—also get their due. Ms. Gabriel is equally adept at sketching out the temper of the times: the end of the Great Depression and World War II, the dawn of the Cold War and the paranoia of the McCarthy era, and the sexist attitudes that prevailed toward female artists. Near the close of the book, she describes the arrival on the scene of fresh young artists like Jasper Johns and Robert Rauschenberg, whose work signaled the arrival of a new and cooler chapter in the story of American art.

*Ms. Landi writes about art and culture from Taos, N.M.*

**Best-Selling Books | Week Ended Sept. 16**

With data from NPD BookScan

**Hardcover Nonfiction**

TITLE / AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
<b>Fear: Trump in the White House</b> 1	New	
Bob Woodward/Simon & Schuster		
<b>Girl, Wash Your Face</b> 2	1	
Rachel Hollis/Thomas Nelson		
<b>The Restless Wave</b> 3	7	
John McCain/Simon & Schuster		
<b>StrengthsFinder 2.0</b> 4	4	
Tom Rath/Gallup Press		
<b>Magnolia Table</b> 5	5	
Joanna Gaines & Marah Stets/William Morrow & Co.		

**Nonfiction E-Books**

TITLE / AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
<b>Fear: Trump in the White House</b> 1	New	
Bob Woodward/Simon & Schuster		
<b>Girl, Wash Your Face</b> 2	2	
Rachel Hollis/Thomas Nelson, Inc.		
<b>Educated</b> 3	3	
Tara Westover/Random House Publishing Group		
<b>Shift the Work</b> 4	New	
Joe Mechnikow/Morgan James Publishing		
<b>Thunder Dog</b> 5	-	
Michael Hingson/Thomas Nelson, Inc.		
<b>Founding Mothers</b> 6	-	
Cokie Roberts/HarperCollins Publishers		
<b>The Children of Henry VIII</b> 7	-	
Alison Weir/Random House Publishing Group		
<b>The Guns of August</b> 8	-	
Barbara W. Tuchman/Random House Publishing Group		
<b>In Such Good Company</b> 9	-	
Carol Burnett/Crown/Archetype		
<b>The Plantagenets</b> 10	-	
Dan Jones/Penguin Publishing Group		

**Hardcover Fiction**

TITLE / AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
<b>Dog Man: Lord of the Fleas</b> 6	6	
Mark Manson/Harper		
<b>Unhinged</b> 7	-	
Omarosa Manigault Newman/Gallery Books		
<b>Educated</b> 8	8	
Tara Westover/Random House		
<b>The Russia Hoax</b> 9	3	
Gregg Jarrett/Broadside Books		
<b>21 Lessons for the 21st Century</b> 10	2	
Yuval Noah Harari/Spiegel & Grau		

**Nonfiction Combined**

TITLE / AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
<b>Fear: Trump in the White House</b> 1	New	
Bob Woodward/Simon & Schuster		
<b>Girl, Wash Your Face</b> 2	1	
Rachel Hollis/Thomas Nelson		
<b>Educated</b> 3	3	
Tara Westover/Random House Publishing Group		
<b>The Subtle Art of Not Giving a F*ck</b> 4	7	
Mark Manson/Harper One		
<b>The Restless Wave</b> 5	8	
John McCain & Mark Salter/Simon & Schuster		
<b>Unhinged</b> 6	-	
Omarosa Manigault Newman/Gallery Books		
<b>21 Lessons for the 21st Century</b> 7	4	
Yuval Noah Harari/Spiegel & Grau		
<b>StrengthsFinder 2.0</b> 8	-	
Tom Rath/Gallup Press		
<b>You Are a Badass</b> 9	9	
Jen Sincero/Running Press Adult		
<b>Magnolia Table</b> 10	-	
Joanna Gaines & Marah Stets/William Morrow & Co.		

**Fiction E-Books**

TITLE / AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
<b>Juror #3</b> 1	New	
James Patterson/Little, Brown and Company		
<b>Shadow Tyrants: Clive Cussler</b> 2	New	
Clive Cussler & Boyd Morrison/G.P. Putnam's Sons		
<b>In His Father's Footsteps</b> 3	3	
Danielle Steel/Delacorte Press		
<b>Leverage in Death (Book 47)</b> 4	2	
J.D. Robb/St. Martin's Press		
<b>China Rich Girlfriend</b> 8	8	
Kevin Kwan/Knopf Doubleday Publishing Group		
<b>Robert B. Parker's Colorblind</b> 6	New	
Reed Farrel Coleman/Penguin Publishing Group		
<b>The Forbidden Door</b> 3	New	
Dean Koontz/Random House Publishing Group		
<b>Leverage in Death (Book 47)</b> 4	1	
J.D. Robb/St. Martin's Press		
<b>Crazy Rich Asians</b> 5	4	
Kevin Kwan/Anchor Books		
<b>Shadow Tyrants: Clive Cussler</b> 4	New	
Clive Cussler & Boyd Morrison/G.P. Putnam's Sons		
<b>The Forbidden Door</b> 5	New	
Dean Koontz/Bantam		
<b>Leverage in Death (Book 47)</b> 6	1	
J.D. Robb/St. Martin's Press		
<b>A Simple Favor</b> 7	-	
Darcie Bell/HarperCollins Publishers		
<b>China Rich Girlfriend</b> 8	8	
Kevin Kwan/Knopf Doubleday Publishing Group		
<b>Where the Crawdads Sing</b> 9	New	
Della Owens/Penguin Publishing Group		
<b>To All the Boys I've Loved Before</b> 9	6	
Jenny Han/Simon & Schuster Books for Young Readers		
<b>Tom Clancy Point of Contact</b> 10	-	
Mike Maden/Penguin Publishing Group		

**Methodology**

NPD BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation's book sales. Print-book data providers include all major booksellers (now inclusive of Walmart) and web retailers, and food stores. E-book data providers include all major e-book retailers. Free e-books and those sold for less than 99 cents are excluded. The fiction and nonfiction lists in all formats include adult, young adult, and juvenile titles; the business list includes only adult titles. The combined lists track sales by title across all print and e-book formats; audio books are excluded. Refer questions to Adam.Kirsch@wsj.com.

**Hardcover Business**

TITLE / AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
<b>StrengthsFinder 2.0</b> 1	1	

## PLAY

## NEWS QUIZ DANIEL AKST



**1. Salesforce.com co-founder Marc Benioff and his wife Lynne are buying themselves a publication for \$190 million. Which one?**

- A. Time
- B. Newsweek
- C. Commentary
- D. The Village Voice

**2. Per a new biography of the young Ben Franklin, which of these was a nom de plume he used for his youthful scribblings?**

- A. Elena Ferrante
- B. Silence Dogood
- C. Prudence Flowers
- D. Virtue N. Moderation

**3. Russia blamed Israel—for what?**

- A. The poisoning of yet another Kremlin critic
- B. The loss of a Russian aircraft to a Syrian missile
- C. The Russian pogroms of the 1880s
- D. Capitalism

**4. The World Bank said the number of people living in extreme poverty has fallen over the past 25 years—by how many?**

- A. More than 100 million
- B. More than 200 million
- C. More than 500 million
- D. More than 1 billion

**5. Comcast and 21st Century Fox will settle their takeover battle for UK broadcaster Sky PLC—in what way?**

- A. Rock, paper, scissors
- B. An auction run by British regulators

**Answers** are listed below the crossword solutions at right.

From this week's  
Wall Street Journal

- C. They'll share ownership.
- D. They'll draw straws.

**6. The Trump administration will cap refugee admissions in fiscal 2019—at what number?**

- A. 1 million
- B. 500,000
- C. 300,000
- D. 30,000

**7. Who's agreed to acquire the operator of a planned high-speed train linking Las Vegas and Southern California?**

- A. The Atchison, Topeka and Santa Fe
- B. France Rail
- C. Brightline Trains
- D. China Railway

**8. President Trump will nominate Nellie Liang, a Democrat, to what post?**

- A. Chief of the Federal Election Commission
- B. Deputy Attorney General
- C. Member of the Federal Reserve's Board of Governors
- D. Ambassador to Iceland

**9. A Domino's Pizza promotion in Russia was cancelled amid a flood of participants. What did you have to do to get 100 free pizzas a year for 100 years?**

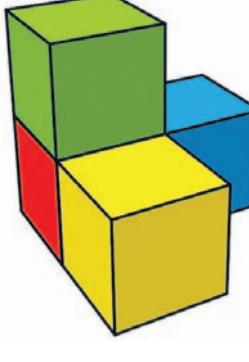
- A. Legally change your name to Domino's Pizza
- B. Get a tattoo of the company's logo
- C. Have the Domino's logo engraved on your front teeth
- D. Eat a large pie single-handed every day for a year



## WSJ BRAIN GAMES

## 1. ★★★★☆

The 3D shape consists of four color cubes—yellow, red, green and blue. Twelve 2D views of the shape (A-L) are provided below. Which views are correct?



A

B

C

D

E

F

G

H

I

J

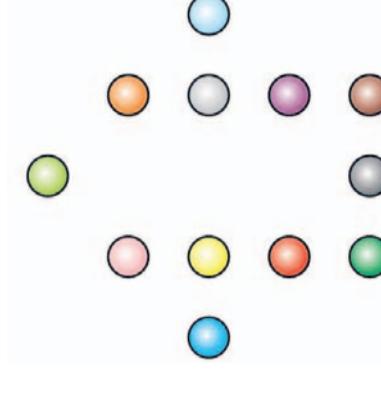
K

L

Provided by Serhiy and Peter Grabarchuk ([grabarchukpuzzles.com](http://grabarchukpuzzles.com))

## 2. ★★★★☆

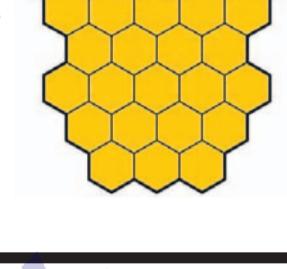
Running once through the center of each of the twelve balls, draw a closed loop of five straight line segments, without lifting your pencil off the paper.



## 3. ★★★★☆

## By Tanya Grabarchuk

Divide the shape into five congruent parts. They can be rotated and/or mirrored. The dividing lines should always go along the lines of the grid.



## SOLUTIONS TO LAST WEEK'S PUZZLES

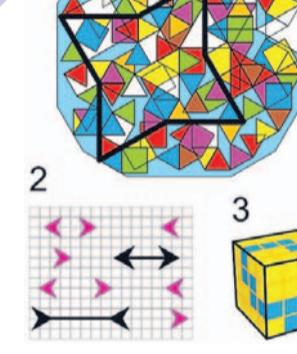
## Past Imperfect



## Spell Weaving



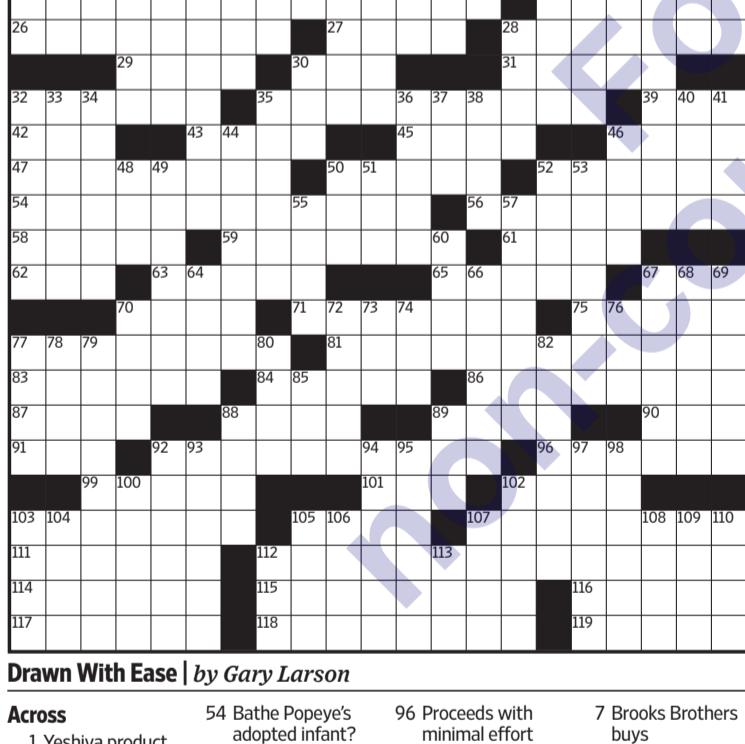
## WSJ Brain Games



For previous weeks' puzzles, and to discuss strategies with other solvers, go to [WSJ.com/puzzle](http://WSJ.com/puzzle).

Answers to News Quiz: 1.A, 2.B, 3.B, 4.D, 5.B, 6.D, 7.C, 8.C, 9.B

## THE JOURNAL WEEKEND PUZZLES edited by MIKE SHENK



## Drawn With Ease | by Gary Larson

Across	54 Bath Popeye's adopted infant?	96 Proceeds with minimal effort	7 Brooks Brothers buys
1	Yeshiva product	56 "See!"	8 Tack on
6	Study the heavens	58 Patty and Selma, to Lisa	9 Upgrade electrically
14	Nursing aid	101 Android rival	10 "Don't wait out here"
20	Beelike	102 Pitching goal	11 River by Rugby
21	Support through a lean period	103 Son of Gaia and Uranus	12 Fezzig is spelled with two of them
22	Wild	105 "It was beauty killed the beast" beast	13 Suffix for quack or mock
23	Scared the daylights out of a wacky cartoon bird?	107 Russia's annexation of Crimea, e.g.	14 George the first?
25	Pothead	111 Colorful fish	15 Being
26	Features of some sewing machines	112 Used a successful line on a Mexican mouse?	16 Pilotless plane
27	Travel stops	113 Diana Prince, for Wonder Woman	17 Pull a prank on Bullwinkle's pal?
28	"Really?"	116 Dance party enthusiast	18 Publican's pints
29	Problem for a plumber	117 "Carol" director Todd	19 Songwriter Laura
30	Jackie's second	118 Sporty auto	20 Broccoli pieces
31	Bloom popular with butterflies	119 Without a break	28 New Mexico resort
32	Stock character	120 Punctual	30 Live and breathe
35	Soul-kiss Nemo's fishy friend?	121 Diana Prince, for Wonder Woman	32 Province of northern Spain
39	Honor bestowed by Queen Eliz.	122 Arles article	33 Do a puzzle editor's job
42	Suffix for court or hotel	123 "Nice job, sister!"	34 Set straight
43	Author Wiesel	124 "Later!"	35 Try to hit
45	Seething states	125 Food thickener	36 Freud prop
46	"Vamoose!"	126 Cocktail garnish	37 Charlemagne's domain: Abbr.
47	Curved blade	127 Opera that starts in a Paris garret	38 Where to find a hero
50	Head in the clouds?	128 "Can't Help Lovin' Man"	40 Scott of "Charles in Charge"
52	Leave hastily	129 Hold a comedic tribute honoring a stuttering swine?	41 Disbelieving question

41 Disbelieving question

44 Place where people practice

46 Lays down the lawn

48 Yoga need

49 Acumen

50 Inclined

51 Genealogy word

52 Limerick lad

53 Faux fat

55 Sister in "Frozen"

57 Major port on the Adriatic

60 Travel the main

64 Scottish denials

66 Like overcast days

67 Triglycerides, e.g.

68 Vivacious quality

69 Salon offerings

70 Crackerjack

72 Exorbitant

73 Black gunk

74 When they're ripped, they're strong

76 Funny fellow

77 Bawdy

78 Running shoe brand

79 Outdo Barney Rubble's blonde bride?

80 Listening devices

82 Some diagnostic tests

85 Chicken tender

88 Broadway debut of October 1982

89 Assents

92 File menu option

93 Unwelcome obligations

94 Made like a pig

95 Dance partner of 71-Across

97 Master

98 Setting of the Cyclades

100 \_\_\_ to go (eager)

102 Flavor quality

103 "Then again..." in textspeak

104 Wrestler-actor John

105 Metric mass

106 Prefix between septa- and nona-

107 Olympics glider

108 Dream, in Dijon

109 Gulf port

110 Antarctic explorer Richard

112 Hole number

113 NYPD rank



A. Mild cleaner that often contains lanolin and beeswax (2 wds.)	62 179 108 91 126 165 143 49	6 152
B. Unexpected development (3 wds.)	31 58 100 196 41 73 5 151	130 115 184
C. Singer with #1 hits of "Am I Blue?" in 1929 and "Stormy Weather" in 1933 (2 wds.)	43 65 171 33 109 198 191 132	12 80 157
D. Tire gauge reading	102 88 55 180 13 28 134 164	87 50 172 122 111
E. Go ballistic (3 wds.)	158 18 34 64 2 148 188 133	158 18 70 172 122 111
F. Grandeur, nobility	67 153 3 78 45 127 110 200 173	129 35 176
G. Mold-ripened cheese often sold in heart shapes	48 189 74 131 16 99 89 113	195 3

## REVIEW

ICONS

# Intimate Encounters With Modern Art

The Glenstone Museum in Maryland unveils an expanded campus and a world-class collection

BY SUSAN DELSON

**F**or art lovers, it sounds suspiciously like paradise: standing quietly before a work that intrigues you, undisturbed by wall-to-wall crowds, selfie-snappers or guards intent on keeping the foot-traffic flowing.

In fact, it's a fair description of the philosophy behind Glenstone, the museum in Potomac, Md., opened in 2006 by billionaire industrialist Mitchell P. Rales—of the Danaher, Fortive and Colfax Corporations—and his wife, art historian Emily Wei Rales.

Numbering some 1,300 works, Glenstone's collection reflects the couple's rigorous approach to postwar art: identifying significant artists and collecting them in depth. "In my opinion, the Raleses have put together one of the most important collections of modern art in this country in the last two decades," said Earl A. Powell III, director of the National Gallery of Art, where Mr. Rales is a trustee.

On October 4, Glenstone will reopen in a dramatically expanded campus, anchored by a new building called the Pavilions. Designed by architect Thomas Phifer, the structure adds 50,000 square feet of exhibition space—making Glenstone's indoor galleries roughly comparable in size to those of the Hirshhorn Museum and Sculpture Garden and slightly larger than those of the Whitney Museum of American Art.

But its approach is what sets Glenstone apart from most museums. "Our mission is to seamlessly integrate art, architecture and landscape," explained Emily Rales, Glenstone's director. Within that framework, said Mitchell Rales, "we're trying to provide an intimate experience, where you can engage directly with the artwork." The keyword is "intimate." Admission to Glenstone is free but reservations are required—crucial for maintaining the unhurried flow, especially with attendance projected at roughly 400 a day, up from a previous 500 or less a week. The museum was almost immediately booked solid for October and November.

In the Pavilions, wall texts are kept to a minimum, encouraging visitors to query the guides stationed there and in the original museum building, which is now devoted to changing exhibitions (currently "Louise Bourgeois: To Unravel a Torment," running through January 2020). The Glenstone estate, roughly 230 acres of rolling pastures and woodland, is studded with monumental sculptures by Richard Serra, Ellsworth Kelly, Jeff Koons and other artists. A new visitor center/bookstore, two cafes and Glenstone's first parking lots are also part of the expansion.

All exhibitions are drawn entirely from the collection. For the opening installation, nine of the Pavilions' 11 galleries will present the work of individual artists. They range from sculptures by Cy Twombly—better known for his calligraphic paintings and drawings—to a room-sized 1992 installation by Robert Gober, its walls covered in hand-painted forest murals and six sinks with running wa-



Clockwise from top:  
Robert Gober,  
'Untitled'  
(detail), 1992;  
Yayoi  
Kusama,  
'Accumulation  
on Cabinet  
No. 1,' 1963;  
and Cy  
Twombly,  
'Cycnus,' 1978



ter. Throughout the galleries, the arrangement of the artworks is uncommonly spacious—there are only two sculptures in the Martin Puryear room, and an enormous gallery devoted to Charles Ray holds just four pieces. The spare approach is deliberate, designed to give both visitors and artworks plenty of elbow room. Over time, other pieces by the same artists may replace the ones currently on view.

The largest gallery in the Pavilions is set aside for exhibitions that change more frequently. If the single-artist galleries suggest the depth of the Glenstone collection, the first of these changing exhibitions emphasizes its breadth, with works by 52 artists spanning the 1950s to the late 1980s. The show opens with abstract-art titans Jackson Pollock, Franz Kline and Clyfford Still but quickly broadens in scope. "It was important to us to open up the conversation to include voices from other cultures," said Ms. Rales, adding that the collection includes significant holdings in Brazilian neo-concrete and postwar Japanese art.

Works in the show have been grouped to play off

each other, to sometimes unexpected effect. A 1969 sculpture by Swiss artist Dieter Roth, comprised of an old-fashioned stove and a mass of chocolate, is shown with a 1962 wall sculpture by Lee Bontecou, made of welded steel, canvas, wire and soot. They're complemented by an oval panel paved with eggshells by Marcel Broodthaers and a white cabinet covered in stuffed protrusions by Yayoi Kusama, presided over by a 1960 Yves Klein painting dotted with sponges and pebbles, done in his iconic blue. With its surreal domesticity, this group is jokingly known among museum staffers as "the kitchen"—"like Alice in Wonderland discovers a kitchen," Ms. Rales said.

Roughly halfway through the Pavilions there's a characteristic Glenstone touch—a small room with a swooping bench, designed by sculptor Martin Puryear, facing out toward the landscape. It's a restful break from the intensive art-viewing, with a thoughtful bonus: The shelves are stocked with books suggested by artists in the collection. "You'll see things like Darwin's 'Origin of Species' and poetry by Adrienne Rich," said Ms. Rales. "It's a whole range."

If Ms. Rales is the moving force in organizing the exhibitions, Mitchell Rales is an active partner in all aspects of Glenstone, from landscape design and building construction to developing the collection and installing the shows. "One person has veto power over the other," he says of their work dynamic, but "we've found a way to ultimately agree on where the emphasis is and how we want to drive the collection."

When October 4 arrives, the Raleses will keep a watchful eye on the number of daily visitors that Glenstone can accommodate without "diluting the experience," as Mr. Rales put it. "We don't care about the number of people that come," he said. "We care about the experience they have." That's the goal for Emily Rales, too. But as opening day approaches, she said, "it's a very steep learning curve right now."

MASTERPIECE | GEMMA AUGUSTEA (A.D. 9-12), POSSIBLY BY DIOSKOURIDES

## A Man Among Gods

BY JUDITH H. DOBRZYNSKI

**CAESAR AUGUSTUS** (63 B.C.-A.D. 14), the founder and great expansionist of the Roman Empire, the architect of the Pax Romana, the creator of a golden economic age, the instigator of grand civic structures, was also an eminent patron of the arts. In the years leading up to his death, he—or a supporter, perhaps?—commissioned a magnificent cameo glorifying his deeds. It is surely the finest and almost the largest cameo that survives from antiquity.

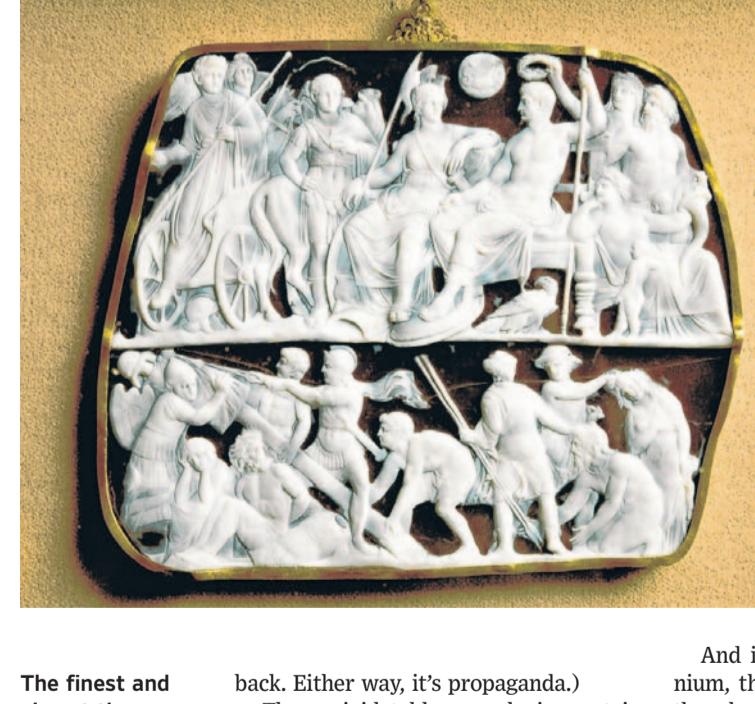
Known as the Gemma Augustea, it tells a story that unfolds in two frieze-like registers. In the upper level, Roma, the goddess of Rome, sits at the center on her throne in a relaxed pose, her eyes meeting those of Augustus, enthroned just to the right. Their knees almost touch. Augustus, his chiseled face in profile and his muscled body naked from the waist up, holds in his right hand a *lituus*, a crooked wand used by augurs for divination. Behind him is Oikoumene, a goddess who personified the civilized world, about to place a military wreath known as a *civica* on his head. Below his throne is an eagle, symbol of Jupiter, touched by the hem of Augustus' garment. Further to the right are Tellus Italiae, a goddess personifying Italy in all its fecundity, who holds a cornucopia, and Oceanus, god of the sea.

The intent is unmistakable: Augustus is exalted as nearly divine. (Soon after his death he

was, in fact, deemed a god.)

The left half of the upper register carries a different but equally potent message. Near the edge is Tiberius, the stepson Augustus adopted as his heir. Holding a staff, he has arrived in a chariot with none other than winged Victory, but is now alighting, as if encouraged by her to move on to the next military challenge. To the right is Germanicus, the nephew Tiberius adopted as his heir at the behest of Augustus, in military dress. Here Augustus is setting forth his plans for a dynasty that will wage war to expand the Roman realm and extend the prosperity he engineered.

The lower register displays a moment of triumphalism whose meaning may be keyed to the date of the Gemma's making (A.D. 9-12): In the year 9, the Roman army conquered the Pannonians with Tiberius as general. The cameo, on the left, depicts Roman soldiers raising a victory monument over their enemies, one clearly stripped of his armor and with hands tied behind his back. On the right, it shows the enemy being yanked into captivity by a pair that may be Mercury and Diana, a sign that the gods sided with the Romans. And this is all happening—literally—at the feet of Augustus and Roma. (The Roman army also suffered a defeat at the hands of Germanic tribes in A.D. 9, and an alternative interpretation holds that the lower register presents a counter-narrative to that set-



The finest and almost the largest cameo that survives from antiquity celebrates Augustus and Roman triumph.

back. Either way, it's propaganda.)

These vivid tableaux—playing out in low white relief against a bluish-black background—are brilliantly executed. The idealized figures are crisply carved in minute detail: delineated feathers on the eagle; muscles, bones, hair curls and toenails on the figures, and irises in the eyes of Augustus and others. The draped garments are delicately diaphanous. Yet the sardonyx into which all this was carved is about a half-inch thick. In Rome at that time, such a fine cameo could have been made only by the Greek master carver Dioskourides (active late first century B.C.), a favorite of Augustus who created his personal seal, or (more likely, given the date) by one of his sons or disciples.

Testament to the Gemma's superiority is

clearly on view at Vienna's Kunsthistorisches Museum, where it hangs in its own vitrine in a gallery filled with other ancient cameos. They do not compare in quality, nor can the one known larger ancient Roman cameo, the 12.2 inch by 10.5 inch Grand Camée de France, created at least a decade later in the first century.

The Gemma, now about 7½ by 9 inches, was originally larger, too, judging by its irregular shape and such features as Tiberius' extended right arm, which seems to reach out to another figure. It was, scholars have posited, probably owned by Augustus or his family and conceived as a private work of art—to be shown to friends at small events. Its edges were probably chipped away as it was handled and transported.

And it did travel. For more than a millennium, the Gemma's whereabouts is unknown, though various theorists place it in Constantinople, then returned to the West by crusaders. In the mid-13th century, it resurfaces in an ecclesiastical inventory in Toulouse, France. In 1533, Francis I has it at Fontainebleau, but it disappears from written record again until around 1600, when it reappears in Venice. There it was purchased by the Habsburg Holy Roman Emperor Rudolph II for 12,000 golden ducats, becoming part of the Imperial collection. It came to the Kunsthistorisches Museum when it opened in 1891, and has been delighting visitors ever since.

Ms. Dobrzynski writes about culture for many publications and blogs at [www.artsjournal.com/realcleararts](http://www.artsjournal.com/realcleararts).

CLOCKWISE FROM TOP: ROBERT GOBER/MATTHEW MARKS GALLERY/GLENSTONE MUSEUM; YAYOI KUSAMA/GLENSTONE MUSEUM; CY TWOMBLY FOUNDATION/GLENSTONE MUSEUM

ERICH LESSING/ART RESOURCE



**Spotty Judgments**  
We choose fall's best leopard-print pieces  
**D2**

# OFF DUTY

THE WALL STREET JOURNAL.

**Magical Thinking**  
A few of magician Penn Jillette's favorite things  
**D11**



FASHION | FOOD | DESIGN | TRAVEL | GEAR

\*\*\*\* SATURDAY/SUNDAY, SEPTEMBER 22 - 23, 2018 | **D1**



F. MARTIN RAININ/THE WALL STREET JOURNAL

## Back to Nature

The 'rewilding' movement is returning land to its savage state—from the Montana prairies to the English countryside. Beasts and tourists welcome

BY NINA SOVICH

I HAVE COME to this isolated spot in northeast Montana to be rewilded, but after an hour of bumping along a dirt track in a Chevy Suburban rental, I am wondering if rewilding—a movement focused on restoring places to their original natural state and reawakening one's animal self by visiting them—isn't too lofty a term. I am to spend some days in a yurt on the prairie with no cellphone reception, no running water and no people for miles. I haven't been camping since the ninth grade. Rewilding to some can look an awful lot like a midlife crisis to another.

My guide, Mike Kautz, the recreation manager at American Prairie Reserve (APR), certainly seems skeptical of my ability. When I told him in an email that I was "not particularly outdoorsy," he volunteered to meet me when I arrived and lead me to the yurt. Riding ahead of me on a motorcycle, he stops and turns every once in a while to see whether I have driven the Suburban off a cliff.

If there were a place to commune with nature—and not a single human—in the Lower 48, this would be it. Since 2001 the nonprofit organization behind APR, funded largely by individual donors, has been buying ranch and private land to return these

Please turn to page D6

## Inside



**O BLESSED DAY HEEL!**  
These mid-height shoes are the answer to women's comfort prayers **D3**



**HIGH-IQ HYGIENE**  
A guide to the ultimate techy bathroom—from smart tub to smart toilet **D10**



**REBELLIOUS RUGS**  
Square, schmear. Eccentrically shaped carpets cut no corners **D9**



**EXPEDITIOUS DISH**  
Ready in 35 minutes, this fish-and-tortillas pairing is a winning weekday meal **D8**

## STYLE &amp; FASHION



**WHAT A FELINE** From left: Zsa Zsa Gabor in a leopard print ensemble circa 1965; a look from Calvin Klein 205W39NYC's Fall 2018 collection.

showing their claws.

"I think every woman who is elegant, who is chichi, knows that wearing leopard makes her feel sexy and strong but still chic," said Amanda Ross, a stylist and creator of e-commerce site A Ross Girl.

For others, it's more complex, given that leopard has a bit of a vulgar reputation. "It's like breaking the chic a bit," suggested Morgane Sezalory of Sézane, the Paris purveyor of gamine-next door pieces like knitwear, floral dresses and, of course, leopard. But that déclassé factor only solidifies its appeal: Wearing leopard suggests a choice; it makes even the laziest outfit seem deliberate. Whether your ideal is Debbie Harry in a leopard catsuit or Carolyn Bessette-Kennedy in a leopard coat, there's a sisterhood of so-bad-it's-good images to choose from.

Richard Bienen, who relaunched his family's Bienen-Davis handbag line last year—his mother worked for Halston and his father made the designer's bags—said leopard is a perennial star performer, both in the 1970s and now: "It's sexy and mischievous and there's some attitude. I don't get to wear it much. I wish I did. I'd feel like a badass."

The power that we associate with leopard comes directly from that of the animal itself. Leopards are fast, powerful hunters, able to carry prey three times their weight. Originally, those who wore leopard, like the Egyptian pharaohs thousands of years B.C., donned the actual fur pelts. Leopard print as a fashion item dates to the 18th century, when it appeared as a pattern on French silks. Men wore leopard print, too: The late-18th-century British macaroni dandies, as in Yankee Doodle, were fond of it. Still, it didn't really emerge as a strong trend until the 1920s, when a leopard fur coat was a sought-after luxury item for women. This remained true during the 1930s, when Elsa

Schiaparelli, ever the iconoclast, made leopard booties. By the 1950s, leopard was part of the stylish woman's wardrobe—the print and, if she could afford it, the fur—a dependable basic like the little black dress. It achieved that status thanks, in no small part, to Christian Dior.

The designer's first collection, the landscape-altering New Look, is now remembered for the structured Bar jacket, resurrected by Raf Simons during his turn as Dior's creative director. But that collection also included a belted leopard print dress; what's more, a leopard paw featured in the advertising for Dior's first perfume, Miss Dior. The women who inspired these gestures were, respectively, Mitzah Bricard, Monsieur Dior's muse, a reputed demimondaine who loved leopard, and his sister Catherine, for whom the perfume was named, a resistance fighter who had been cap-

### Leopard print makes even the laziest outfit seem deliberate.

tured and tortured by the Gestapo. They were part of Dior's inner circle and he equated them with grace and courage, qualities he expressed through leopard print, which remains a motif of the House of Dior.

The association of leopard with bad taste and the sexually available but perhaps not desirable woman took root in the '60s. That's when leopard became the uniform of the bad mom, said Ms. Weldon. "The mother in Lolita, Mrs. Robinson [in "The Graduate"], Ann-Margret in "Tommy," and later Peg Bundy [in "Married with Children"]—I think that's where so many men's negative association of leopard comes from."

Given this history, I don't think it's a coincidence that leopard print is experiencing a resurgence at the same time that the dynamics of sexual power are being loudly and publicly challenged.

FASHION WITH A PAST / NANCY MACDONELL



## The Lore Behind the Love for Leopard

**WANDERING THROUGH** the Victoria and Albert Museum's "Fashioned From Nature" exhibition recently, I came upon a 1997 Jean Paul Gaultier gown. The big cat's head formed the bodice, its body was draped over the spreading skirt, and its tail dangled, casually but suggestively, from the mannequin's hand. It was, I realized, a textbook illustration of the deep-seated dislike many men have for leopard print—the fear that they, too, might be disemboweled and displayed by the woman in the glistening pelt.

"There's an association with predatory women," agreed Jo Weldon, the author of "Fierce: The History of Leopard Print." "You don't have to be a misogynist to think she might turn on you."

For women, as the title of Ms. Weldon's book suggests, leopard print represents fearlessness (leopard, for the purposes of this column, being any of the spotted big cats). Name a woman who's worn it—Jackie O, Michelle Obama, Lady Gaga—and one thinks instantly of strength. Among designers, for

whom a strong, fashion-loving mother is a leitmotif, leopard print has been a constant for decades. This season, when the #MeToo movement and the record number of women running for office serve,

among other things, as the background to the daily routine of deciding what to wear, leopard print is out in force. From Tom Ford and Michael Kors to Victoria Beckham and Diane Von Furstenberg, designers are



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### THE CAT CAME BACK / THE MOST INTRIGUING FALL PIECES WE SPOTTED



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### ROUTINELY VS. RARELY

#### Gayle King



In their closets, most people have everyday workhorses and seldom-worn stars. 'CBS This Morning' co-host Gayle King shares one of each

**Routinely** "I'm calling this Missoni dress my dress of the summer. Every city I went to I wore it. It's very eye-catching and I love the colors. I bought it in Capri and it was on sale, which makes it cuter. Often, you buy stuff on vacation because you're caught up in the moment and you get it home and you're like, 'Why did I buy that?' But this dress I knew I would wear again."



**Rarely** "It's an Alexander McQueen black leather jacket. The peplum is killer and it was more than I've ever paid for any jacket but I love it. I'm not a black-leather-biker-chick girl but I feel very—I don't want to say cool but cool. I don't wear it a lot because it's very 'extra' as the kids say. I'm going to Beyoncé's concert and I might break it out for that."

—Lauren Ingram

GETTY IMAGES; ILLUSTRATIONS BY MATTHEW COOK

BY LAUREN INGRAM

**H**IDEN BELOW the tidy surface of my desk lies a shameful secret. Okay, so it isn't exactly a scandal, but the unseemly pile of heels and sneakers that has accumulated at my cubicle has gotten out of hand. Like many women who commute to work, I'm continually caught between wearing stylish heels that feel bad, and comfortable sneakers that look bad. The Holy Grail shoe-wise would be a chic heel that I could put on in the morning, commute in, work in, go out to dinner in and stroll merrily home in. Is that too much to ask?

I could, of course, cede to the common sense of a low-maintenance flat. Women are increasingly taking that route—last year, high-heel sales in the U.S. tumbled by 12% according to market-research firm NPD Group. But, to me, only a heel provides the dressiness needed for an important presentation or a sophisticated event. "I opt for a small heel when I want to up the ante with my look a bit," said Caroline Huang Maguire, fashion director at e-tailer Shopbop. "A little heel goes a long way in making a look feel polished."

Enter the day heel: a burgeoning category of low-heeled shoes that aim to deliver good-looking comfort. Available from affordable direct-to-consumer brands like Everlane and Margaux, and higher-end labels like Manolo Blahnik, this sensible sister to the sexier (and infinitely more treacherous) stiletto is becoming a standby for women whose schedules involve more than lunch.

In these mid-heels, I can avoid becoming that working-woman cliché who wears "practical" shoes while toting heels in a bag. That overburdened creature inspired essentials brand Everlane's signature shoe, the "Day Heel" (a name that's

**This sensible sister to the sexier (and infinitely more treacherous) stiletto is becoming a standby.**

now shorthand for the entire category). "We should not have to carry a second pair of shoes to get through the day," said Alison Melville, Everlane's general manager of footwear and accessories.

Remember the scene in the 2001 rom-com "The Wedding Planner," in which Jennifer Lopez's otherwise-efficient character caught her Gucci heel in a manhole cover as a trash bin barreled toward her? Wouldn't happen with a day heel. Here, we compare and contrast five comely options.

# We Have (a Little) Lift Off

Desperate for a presentable shoe with some height that doesn't pinch, women have made the work-appropriate 'day heel' a cottage industry. But how do these low-rise options stack up?



F. MARTIN RAMIN/THE WALL STREET JOURNAL, STYLING BY JILL TELESNICKI

## THE 9-5 BALLERINA

**Repetto**  
**'Camille'**

\$425, [repetto.com](http://repetto.com)

### Brand Bragging Rights

Brigitte Bardot sourced her signature flats from this French dance house.

**The Vertigo Variable** At 1.1 inches, the heel is a subtle step above a basic ballet flat; good for heel-phobics.

**Toe Style** Round, cinched with a delicate elastic bow.

**Potential for Indecision** The sweet Camille is available in 12 patent, metallic and matte variations.

**Band-Aid Situation** While most real ballerinas are expert toe-tappers, you needn't worry about these soft lambskin steppers.

**Fitbit Factor** Comfy enough to rack up some serious miles from 9-5.

**Where to Wear** Perfect for demonstrating "the floss" dance during your company all-hands meeting.

## THE BOURGEOIS BELLE

**Roger Vivier**  
**'Belle Vivier'**

\$895, [rogervivier.com](http://rogervivier.com)

### Brand Bragging Rights

The Parisian brand, endorsed by Catherine Deneuve, claims to have invented the first stiletto.

**The Vertigo Variable** The narrow, 1.7-inch heel has a stylish slant.

**Toe Style** Slim, squared, trimmed with a stately buckle—'60s in a good way.

**Potential for Indecision** The Belle Vivier style is stocked in a full rainbow assortment.

**Band-Aid Situation** Breaking them in may require a heel guard or two.

**Fitbit Factor** Best for stepping from curb to Uber, you won't be running marathons in these.

**Where to Wear** A secretive midday rendezvous with a friend to the local art house cinema.

## THE NEW STANDARD

**Everlane**  
**'Day Heel'**

\$150, [everlane.com](http://everlane.com)

### Brand Bragging Rights

The San Francisco e-commerce brand launched its first heel with a 28,000-person wait list.

**The Vertigo Variable** This 2-incher is significant, without treacherous teetering.

**Toe Style** A structured toe box adds a bit of polish.

**Potential for Indecision** Choose, agonizingly, from eight shades in suede and eight in smooth leather.

**Band-Aid Situation** The scrunchy elastic-tabbed back flexes to succor heels.

**Fitbit Factor** Suitable for marching energetically from meetings to school drop-offs. Your pedometer will thank you.

**Where to Wear** To a pitch meeting with venture capitalists—and a tedious networking party afterward

## THE UPTOWN ANSWER

**Manolo Blahnik**  
**'Listony'**

\$665, [farfetch.com](http://farfetch.com)

### Brand Bragging Rights

The designer was encouraged to do shoes by iconic editor Diana Vreeland.

**The Vertigo Variable** The slight height of the 1.2-inch heel is elegantly low.

**Toe Style** Its tapered round toe has a modest feel.

**Potential for Indecision** Low: It's typically offered in a few neutral shades in suede, calf skin and textile.

**Band-Aid Situation** Have the narrow insole of these pumps pre-stretched to prevent blisters.

**Fitbit Factor** Average. Mincing through cocktail parties and offices, you'll rack up decent distance, but don't go crazy.

**Where to Wear** Ideal for a day that starts with an early meeting at the Metropolitan Museum of Art.

## THE ARTY EVERYDAY

**Maryam Nassir Zadeh**  
**'Roberta'**

\$379, [mnzstore.com](http://mnzstore.com)

### Brand Bragging Rights

New York's resident downtown cool girl once had So-lange perform at her show.

**The Vertigo Variable** At 1.5 inches, this is a Goldilocks-approved ideal.

**Toe Style** The narrow tip hugs the toe with snug suede or leather.

**Potential for Indecision** Most seasons, Roberta is offered in a palette of shades that tend to sell out quickly; don't hesitate.

**Band-Aid Situation** The inner line of grip tape at the heel helps this pliable, glovelike pair stay on without clinging.

**Fitbit Factor** High. Walking over the Williamsburg bridge is doable.

**Where to Wear** To sip turmeric-laced cocktails at an avant-garde poetry reading.

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## STYLE &amp; FASHION



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**LITTLE MATCH MEN** Coordinating combo looks from the fall '18 collections. From left: a casual take from Bonne Suit, a scaled-back look from Ermenegildo Zegna, a youthful duo at Sunnei, a zip-up idea at Neil Barrett and a slouchy, patterned iteration at Lemaire.

# Uproot the Suit

Designers are pulling the work uniform out of its rut and remixing it into casual, new permutations. Are you ready for the neo-suit?

BY JACOB GALLAGHER

**W**HEN WE HEAR the word "suit," most of us obediently picture a tailored, lapeled jacket with a pair of straight-legged trousers, cut from a sober wool fabric, or perhaps a khaki cotton for summer. While that uniform still rules at most offices and formal events, designers are reimagining the suit, unstiffening its fabric, deregulating its form. They're taking the basic idea of a matching jacket and pants and mixing up its elements.

A cotton jacket may button all the way up the neck while its complementary pants slouch like lounge wear, as in the case of Parisian brand Lemaire's paint-swirled pairing. A top may echo a riveted jean jacket, paired with high-rise

trousers, as in the case of Maison Margiela's cobalt set. A zippered jacket with two angled hip pockets may sit, iconoclastically, atop a pair of dress trousers, as in Neil Barrett's black-and-white tattersall "suit."

The shape shift the suit is undergoing couldn't come at a better time. With companies like J.P. Morgan allowing men to swap tailoring for polos and chinos, and other corporations tolerating fleece vests in lieu of sport coats, a full formal suit can feel overly imposing these days. "We've been constantly trying to figure out a way to make a suit more casual," said Josh Peskowitz, the co-owner of Los Angeles boutique Magasin, of the styling tips on modernizing suits that magazines keep spouting: Wear a T-shirt under your jacket! Throw on some edgy sneakers with a wool suit! But what if

the suit itself, not the styling, is the issue? With these new complementary, yet casual, combos, designers are debating that question.

When Bulgarian designer Kiko Kostadinov arrived in London for design school, he'd never worn a suit but was intrigued by the for-

## Many of these combos require just a smidge more care than a hoodie.

mality of those on the city's streets. "I wanted to wear a suit," he recalled. "I wanted to look sharp." Yet he was equally inspired by the coordinated matchiness of military and firefighting uniforms, so when launching his line, he combined these ideas into both

wool-blend and cotton suit-ish outfits that feature dress trousers beneath straight-hemmed, dual-pocket jackets (think work shirts).

Designers are stretching the suit's possibilities not just in silhouette, but also in color and pattern. "A suit doesn't leave much space to imagination, especially the ultra-elegant and tailored one," observed Loris Messina and Simone Rizzo, the two designers behind the youthful Milanese brand Sunnei. For their relaxed suits, the pair chose striking hues, such as a bright blue that brings to mind a French chore coat (like the one photographed Bill Cunningham used to wear), and sharp patterns, like a smart green-on-black diamond motif. Though not work-appropriate for most of us, these suits would be a guaranteed conversation-starter at an office party or an evening out for men who

don't mind being the focus of conversation.

And unlike staid wool suits, which require dry cleaning and a delicate touch, many of these au courant combos, particularly cotton ones, require just a smidgen more care than you'd give a hoodie. "You can leave it lying on the floor, you can throw it in the washing machine," said Bonne Reijn of the sort of affordable suit his Dutch company Bonne Suit sells, with laid-back trousers and jackets that button all the way up like a mini pea coat. "For me it's the easiest piece of clothing," he added. Not only is the nonchalant, neo-suit easy to tend to, it also outranks its more conservative cousin when it comes to comfort. Free of constricting cuts and made from more flexible fabrics, these casual combos are an easygoing uniform for an evolving age.



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[aimeleondore.com](http://aimeleondore.com)



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Fleece Pullover,  
\$299, [Snow Peak](http://SnowPeak.com),  
212-226-8640



## Fleece in Our Time

We all wore versions from outdoor brands in the '80s and '90s, but these modern takes really elevate the look

**WHEN JONATHAN ELIAS** zips on that outdoorsy staple, a fleece jacket, it catapults him back to childhood.

"It's like wearing a warm hug," said the 41-year-old co-owner of Lost & Found, a Toronto menswear boutique. He grew up in Patagonia fleece jackets, and his store stocks fleece pieces from brands like Battenwear and Carhartt W.I.P. year round in what he describes as an "ode to Patagonia." Even during the colder months of spring or the fresher nights of summer, he said, "our easy go-to is one of these fleece jackets."

Though Patagonia kicked off the fleece furor back in the 1980s (and still sells plenty of its Retro-X and Snap-T fleece jackets today), ambitious labels are putting their own spin on fleece. From Snow Peak's pristine white anorak

(like ermine in fleece form) to Battenwear's Mr. Rogers-goes-to-Aspen nubby cardigan to Supreme's lively leopard upgrade, brands are pushing fleece into fashion territory.

As Chris Gentile, the owner of New York brand Pilgrim Surf + Supply explained, "We're not trying to make the Patagonia Snap-T; Patagonia does that." Instead, Pilgrim is adding novel details like hidden hip pockets and a sizable hood and, like his peers at other brands, crafting a more modern fit ("with the '90s Patagonia pieces, when you would buy a size medium it was gigantic"). He considers fleece the ideal lightweight fall layer. "The texture of that stuff," he said a bit rhapsodically. "It looks almost velvety, and there's nothing else that really looks like that." —J.G.

## ADVENTURE &amp; TRAVEL

## The Underdog on the Danube

Vienna and Budapest hog the attention, but it's neighboring Bratislava that truly evokes an eccentric fairy tale

BY TARA ISABELLA BURTON

**T**HERE'S NOTHING in Bratislava." Nearly every person I spoke to in Vienna—just an hour away—exhorted me to abandon my plans to visit Slovakia's minute, 500,000-person capital: perched on the Danube just beyond the Austrian border. According to the Viennese, Bratislava was, at best, a staid backwater; at worst, the border point of a nebulously defined "Eastern Europe," all communist tower-blocks and avaricious taxi-drivers.

Once I got there, even the pink-haired Silvia Augustinova, a guide with Bratislava's daily Be Free city tours, proved a bit defensive. Standing among the neo-Renaissance facades of 19th-century Hviezdoslav Square, Ms. Augustinova recalled former President George W. Bush's visit to the square. "At least he got the name [of the country] right," she said. "Foreign media outlets kept publishing maps of Slovenia."

But Bratislava—long caught up in the squabbles of other empires—has a fragile, mournful beauty all its own. The meandering, hilly streets of its riverside Old Town are less regimented than the grand boulevards of Vienna or Budapest, the twin touristic titans that tend to eclipse Bratislava in terms of attention. Many of the city's old palaces, with their grand staircases and marble floors, have been transformed into intimate museums. Visiting the Mirbach Palace one afternoon to see an exhibit of paintings and drawings by Alphonse Mucha, I found an unheralded afternoon concert of Romantic Franz Liszt's melancholy Liebestraume, sparsely but raptly attended.

A 15-minute bus ride to the city's edges led to the medieval ruins of Devin Castle, which slope down to where the Danube and Morava rivers meet. Its pockmarked balconies face Austrian fields and Slovak forests, and the narrow banks where



**ABOUT TIME** U Dobreho Pastiera, a pub just below the Museum of Clocks in Bratislava's Old Town.  
ALAMY (PIB); GETTY IMAGES (SHOP); JASON LEE (MAP)

the Iron Curtain once figuratively divided them. At the castle base, stands sold a hot black currant wine called *ribezlak* to the few passersby.

Bratislava's main square, a tiny, geometric collection of pastel houses, is lined with opulent coffee houses reminiscent of the Habsburg era. Among them is Maximilian, a phantasmagoria of wrought-iron balconies and wood-paneled walls stacked with cases of chocolates and imitation *sachertortes*, all costing what would pass for spare change

across the border. Opposite the cafe, in the medieval town hall, a cannonball fired by Napoleon's army has been reassembled and embedded in the building walls: a forgiving memento, according to Ms. Augustinova, of the fact that Napoleon bothered to visit at all.

The colorful, confectionary quality of the buildings can give Bratislava something of an unreal quality. As fabulist Hans Christian Andersen famously put it, Bratislava needed no fairy tales, being a fairy tale itself. (For this remark alone, the city gave him a statue near its main bridge. "Say something nice about Slovakia," Ms. Augustinova said, "and we'll make you a statue, too." She wasn't entirely joking.)

But Bratislava's curious power lies in the intersection of its Habsburg past with its more recent history as the "second city" of Communist Czechoslovakia: an uneasy reckoning that renders the city far grittier than pristine Vienna. To learn more, I jumped in the rickety, periwinkle Skoda 110 of Brano Chrenka, whose "post socialist" tours of Bratislava have become something of a Slovak institution. As we drove into Bratislava's outer districts, where palaces and cobble-

stones gave way to social housing blocks—complete with Soviet neorealist bronze reliefs of workers—Mr. Chrenka filled me in: "We've been through everything. Monarchy. Empire. Independence. Fascism," he said, referring to Slovakia's brief, controversial period as a Nazi puppet state. "Communism," he continued. "And now, finally: democracy."

**The cafe keeps bottles of champagne chilling in a bathtub full of ice.**

the kind of cafes that seem less a response to European hipsterdom than an intensification of them. At Shtoor Café in the Old Town, Ludovit Stur—codifier of the Slovak language—is honored with his portrait on the sugar-packets; while lunch menu items (avocado toast, all-day breakfast) seem plucked from a decidedly un-Slovak smorgasbord of post-border cool.

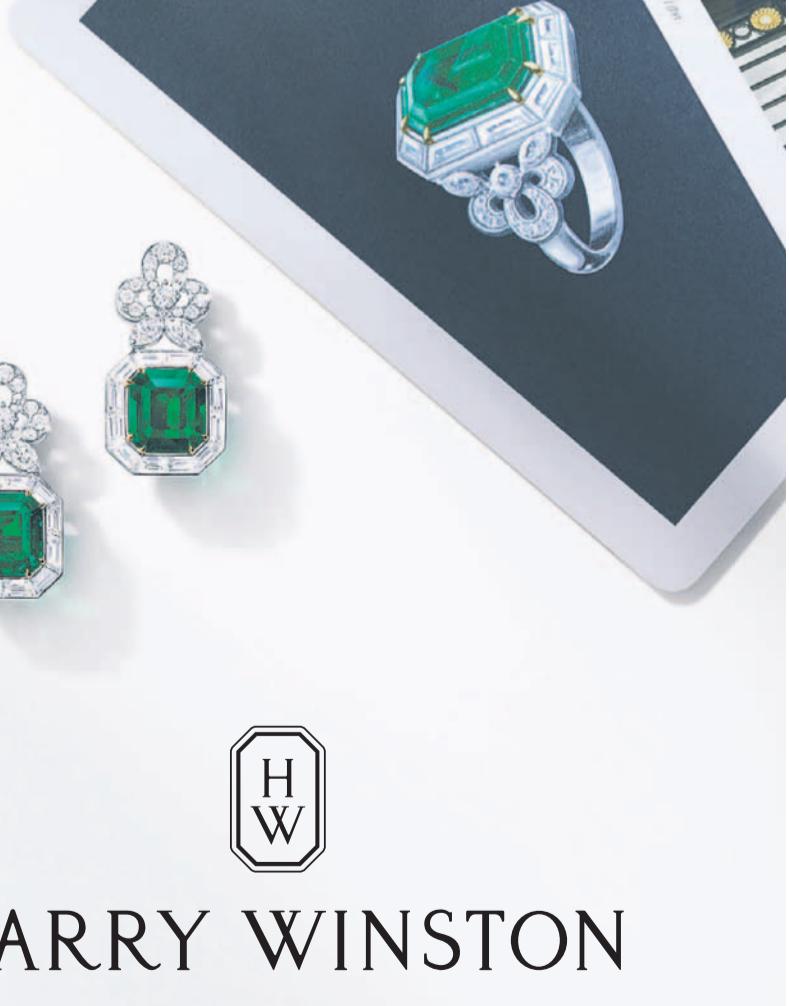
And then there's Savage Garden, a whimsical cafe-bar-restaurant on Bratislava's "Communist" square, Namestie Slobody, bordered by Slovak brutalist buildings. Formed from two shipping container-like structures, the cafe keeps bottles of champagne chilling in a bathtub full of ice. On my last night in town, I met a friend of a friend there, 20-something Michaela Valachova, who works at a notary in the city. Over seared duck breast and mulled wine, I asked about the strange disconnect between the barely advertised Bratislava and the gemlike city I'd found. "That's the problem with Slovaks," she said. "We always underestimate ourselves. Even when we shouldn't."

► For more details on visiting Bratislava, see [wsj.com/travel](http://wsj.com/travel).



**SECRET LOVE** A souvenir shop in Bratislava's Old Town.







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## ADVENTURE &amp; TRAVEL



## LITTLE YURT ON THE PRAIRIE

Montana's American Prairie Reserve encompasses 400,000 acres that are being restored to their 18th-century beauty. Visitors can overnight in a campground or one of the secluded yurts.

REID MORT

## The Call of Rewilding

Continued from page D1

grasslands to the state they enjoyed when Lewis and Clark first arrived here in 1805. At 400,000 acres, APR is already larger than the Grand Teton National Park in Wyoming and the nonprofit is aiming for around 3.5 million acres of interlocking public and private land that would become a refuge for bison, pronghorns, prairie dogs, wolves and grizzly bears. In an effort to foster public goodwill among the neighbors and highlight accessibility, APR is building a series of affordable yurts and huts on the prairie for the public. Hike to one of the shelters, spend a couple of evenings for \$125 a night, then move on to the next. Enjoy America as it was enjoyed by Native Americans, French trappers and the hardiest pioneers.

When we finally arrive at the yurt, it is as sleek as a spaceship and nestled into the side of the hill to protect it from the wind. In the distance, rolling hills of grass and



## RAW FOOTAGE / AMBITIOUS CONSERVATION PROJECTS THAT WELCOME VISITORS

## Wolves and Wine Pairings

The European Safari company aims to open restored and rewilded land throughout seven European countries. One can visit Lapland in Sweden and stay at the Arctic Retreat (pictured above), which offers husky sledding and northern lights safaris. In the Central Apennines of Italy—where bears, wolves and wild boars roam the hills—you can bunk down in the Bisegna Mountain Refuge. Or, if you'd prefer to rough it, to some extent, the Fly Camp in Portugal's Faia Brava Reserve provides tents with comfortable beds and ca-

tered meals with wine pairings. From about \$100 a night for the Fly Camp, [europeansafaricompany.com](http://europeansafaricompany.com)

chef. From \$1,000 per guest per night, [americanprairie.org](http://americanprairie.org)

## Range Roving

American Prairie Reserve (APR) accommodates guests on its 400,000 acres with a campground and two 30-foot yurts that accommodate nine people. From \$10 a night for the campsites and from \$125 a night for the yurts. For those with deeper pockets, APR can make its all-inclusive Kestrel camp open for parties of 8-10. Guests get personal wildlife and natural history tours and gourmet meals prepared by a private

## Rare Britannia

In southern England's West Sussex, Knepp Wildland Project was once a struggling farm. Now the 3,500-acre estate is a completely rewilded land. The landowners brought in Tamworth pigs and rare species like nightingales and purple emperor butterflies began to appear. Visitors can visit on a day trip or spend the night in a hut or the Tawny Owl treehouse and barbecue wild boar on the premises. Treehouse from about \$359 a night, [knepp.co.uk](http://knepp.co.uk)

## I walk across grasslands loud with crickets. A pronghorn antelope comes over a hill.

sage unfurl to the horizon. Below, the Missouri River winds through a valley of cottonwood trees. There is not even a whisper of human habitation.

Mike shows me around the yurt, which is all light pine wood, gray steel accents and white cloth walls, with a living-room and dining area and a sleeping area that can sleep up to nine. The dry toilet is discreetly hidden behind two doors. There is a stove and refrigerator and a bucket under the sink for catching dishwater. I put away the groceries I bought in Lewistown before I entered the reserve. "Should I show you how to change the tire on the Chevy?" he asks me, ready to go. "No," I say. "I won't be able to change a tire on a Chevy." He shrugs. "OK, well if we don't see you in a couple of days we'll send someone out." Then he hands me a sleeping bag and places two 5 gallon jugs of water on the table. He gets back on his bike and disappears over an outcrop. I stand at the door like a pioneer woman, waving my handkerchief in the infernal wind. I am alone. Let the rewilding begin.

Rewilding began as a conservation movement roughly 30 years ago—take land that had been hammered by humans and turn it back to its natural state. First let the trees and grasses grow back, then introduce herd animals like deer and bison. Insects and birds would thrive and eventually, apex predators

would come back, restoring the cycle to one of health and equilibrium. APR's founders aim to do that, while adding a tourism element to the operation, as do other rewilders. The Tompkins family, creators of the North Face retail brand, sponsors a host of rewilding projects in Chile and Argentina that have opened around 2 million acres to the public. Around 20 years ago, writer Isabella Tree and her husband Charlie Burrell turned their 3,500-acre Knepp Farm, outside London, into a rewilded area that now hosts some of Britain's rarest species. The Dutch government took a shine to the idea of rewilding, introducing deer and Konik horses to a 12,300-acre parcel of marshland outside Amsterdam but failed to cull the herd in winter or introduce any predators. The animals began to starve and distraught citizens found themselves pitching hay over the fence for the horses.

Successful rewilding takes a tremendous amount of space because predators need large territories. The politics of that, not to mention the economics, are daunting. What happens when you turn ranchland into prairie or farms into forests? Well, you lose money, unless you can offer the public an experience worth paying for. Enter spiritual rewilding. "At the end of the day, we all come from Africa," said Deborah Calmeyer, CEO and founder of Roar Africa, a luxury safari operator. Last April she brought a small group to the Segera Retreat in Kenya to be rewilded. Guests did all the normal safari things but also met with a nutritionist to discuss ancient man's eating habits and a psychiatrist to discuss their relationship with animals and the land. "We've gained so much in lifestyle," Ms. Calmeyer said. "But we have also lost so much. We run from the rain. Don't like the cold. But these are the things our five senses are attached to. This has been wired into us from many millions of years ago."

Ms. Calmeyer's crowd is a demanding one, and luxury is an important component to the rewilding experience. An unpleasant meal, a poorly lit tent, can distract people from their chance to reconnect with nature, she said. Guests are encouraged to talk about why they came to Africa, to relate their experiences in poetry, and to leave the phone and computer behind. "There is no such thing as human nature," said Ian McCallum, the Cape Town-based psychiatrist who joined the trip. "There is just nature." When he leads sessions he asks people what their favorite animal is and why. Often, he finds, the qualities in animals they admire are the qualities they aspire to for themselves.

With increasing concerns that checking one's cellphone 50 times a day is bad for the soul, the pull of spiritual rewilding is such that a small cottage industry has sprung up around it. Forest bathing, first popularized as *shinrin-yoku* in Japan in the 1980s, is on the

rise in the U.S. Ben Page has trained 150 foresttherapy guides in recent years. One can now forest bathe everywhere from Lapland to Central Park.

Forest bathing requires the bather to slow down and experience the forest. Instead of hiking through to the waterfall at breakneck speed, the walker is encouraged to move as slowly as possible. Mr. Page stops to point out the fiber in a leaf; he gets participants to put their toes in the stream. The whole idea is to move from the sympathetic nervous system, fight or flight, to the parasympathetic system, rest and digest. "People are on their cellphones all day dealing with alerts about nuclear war, the rise of fascism," said Mr. Page. "They are triggered into a fight or flight constantly. But we have no physical exercise."

I like the idea of forest bathing. It sounds reassuringly like "taking a walk" in the way my mother and grandmother take walks. Any one can do it. No special shoes or education required. On my first morning in the yurt, I do just that. It's not a hike. It's not a trek. I don't stray too far from my yurt because I don't want to get lost. I walk across grasslands loud with crickets. A pronghorn antelope comes over a hill, looks at me and holds my eye for a thrilling moment or two. Grouse fly up from a thicket, fat and slow. Somewhere in the warm wind blowing up from the prairie, I hear bison bellowing. I end up walking for hours. When I get back I make a huge dinner, read by the dying light and wait for night to fall. I walk outside at 9 p.m. and there are so many stars, the dome of the sky is so evident, I feel vertiginous. I am falling through space.

I don't know if I've been fully rewilded. The idea seems both ephemeral and highly personal. I know this place is beautiful, and to experience beauty like this, without distraction, feels not only natural, it feels human.



DENNIS LINGHOR (BLISON) A bison at American Prairie Reserve. The animals were reintroduced to the area in 2005.

## EATING &amp; DRINKING

# Your New Favorite Flavor Bomb

Move over, prosciutto. The hams of Yunnan, China, are world-class, and the region's cooks really know how to get the most out of them

BY GEORGIA FREEDMAN

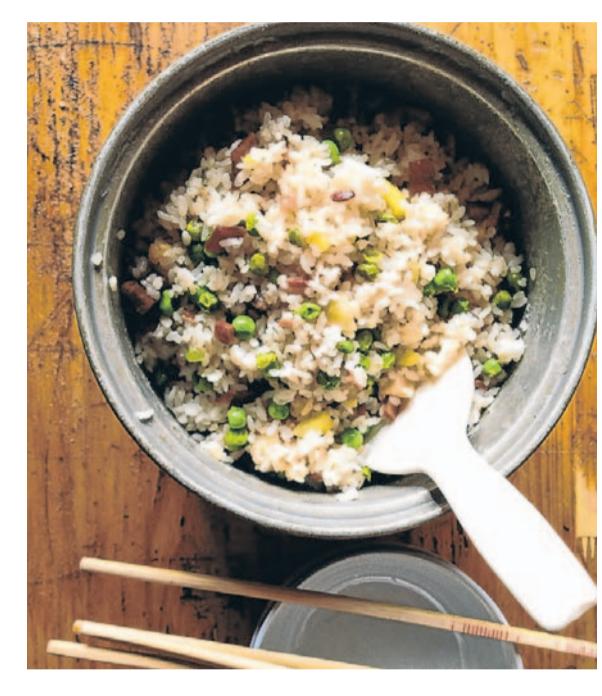
**T**HE BEST PIECE of ham I've ever tasted was handed to me, freshly cut, on a farm in the mountains of western China. The meat was beautifully pink and marbled, meltingly tender, sweet and rich. I've had high-quality jamón Iberico in bars in Madrid and excellent prosciutto di Parma in salumerias in Rome, but neither possessed the same depth of flavor.

This was a piece of *Xuanwei huotui*, an air-cured ham from Xuanwei, a rural, mountainous county in Yunnan Province, in the southwestern corner of China. Xuanwei's hams are some of the country's most famous. I had met Cui Tonggang, a local ham-maker, through friends of friends, and he invited me to visit his new aging facility, still under construction, near his village. The cinderblock building stood high in the hills, surrounded by cornfields. Inside, thousands of hams hung from the rafters in closely packed rows that stretched from the high ceiling almost to the cement floor.

Traditionally made in winter, Xuanwei hams come from the hind legs of the area's free-ranging Wujin pigs, known for their muscle quality, thin skin and high fat content. Artisans like Mr. Cui rub the fresh hams with salt to pull out the meat's moisture, let them drain, then salt them twice more before hanging them in an aging room for up to three years.

The resulting meat is a delicacy in most parts of China, but in this corner of Yunnan, local cooks treat it as a regular part of their diet—especially if they happen to be married to someone who makes the hams for a living. A couple of days earlier, at another ham-maker's home one county over, I was treated to a meal that included ham served four ways: uncooked, stir-fried with dried chiles, steamed with potatoes and even boiled in soup. Tao Lianfen, the cook who made me that meal, explained that, to cooks in this part of China, only the middle section of the leg, with the best meat, is good enough for eating uncooked or stir-frying. The tougher areas of the ham, at the top and bottom, are reserved for soup.

Mr. Cui's wife and her sister prepared me a meal that included ham stir-fried with sliced fresh green chiles, ham

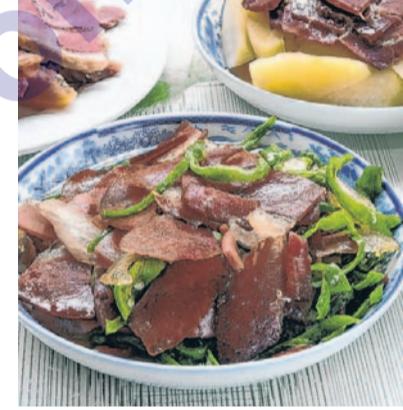
**Fried Rice With Ham, Potatoes, and Peas****Total Time:** 15 minutes**Serves:** 4

**2½ ounces Yunnan ham or Spanish Jamon Serrano**  
**¼ cup vegetable oil**  
**1 cup peas, fresh or thawed**  
**2 medium waxy potatoes, such as Yukon gold, peeled and cut into ½-inch dice**  
**1 teaspoon salt**  
**½ teaspoon ground white pepper**  
**1 cup water**  
**4 cups cold cooked white rice, preferably prepared the day before**

1. Remove rind from ham. Cut ham into ½-inch dice.
2. In a wok, heat oil over highest heat until very hot. Add peas, potatoes and ham to wok, and stir and toss to coat. Add salt and pepper and stir-fry, stirring and flipping constantly, until seasonings are well combined and fat on ham is translucent, about 1 minute.
3. Add 1 cup water to wok (enough to cover vegetables and ham by about ¼ inch). Cover wok with a lid or aluminum foil. Cook ingredients until tender, 8–10 minutes. Remove lid and let any remaining water boil off.
4. Add rice to wok and stir-fry until ingredients are well combined and rice is heated through. Adjust seasonings as needed.



**CURE VALUES** Ham producer Cui Tonggang in his aging room in Xuanwei.

**Stir-Fried Ham with Green Chiles****Total Time:** 10 minutes**Serves:** 4

**½ cup vegetable oil or rendered lard**  
**8 ounces Yunnan ham or Spanish Jamon Serrano**  
**2 Korean long chiles, cut crosswise at an angle into long, ¼ to ½ inch thick slices**

1. Remove rind from ham. Cut ham into ¼-inch-thick slices.
2. In a wok, heat oil or lard over highest heat until very hot. Add ham and stir-fry, stirring and flipping frequently, until fat is translucent, about 30 seconds. Remove ham from wok with a wok shovel or perforated scoop, leaving oil in wok.
3. Add chiles to oil, and stir-fry until some pieces begin to brown, about 30 seconds.

Return ham to wok and stir-fry together so that ham and chiles flavor each other, 30 seconds. Transfer mixture to a serving plate, draining off excess oil.

fried with dried chiles, and fresh pork belly, one of the leftover cuts from the flavorful Wujing pigs, accompanied by fried potatoes tossed with garlic chives and dried chiles. Cutting through the richness of these dishes was a garlicky, vinegary salad made from a locally foraged vegetable that tasted similar to carrot greens. It was a decadent spread—perhaps one of the richest, most flavorful lunches I've ever had—but it was also the same meal the women had prepared for the local construction workers who were building Mr. Cui's new aging room.

The recipes featured here were adapted from my new book, "Cooking South of the Clouds—Recipes and Stories from China's Yunnan Province" (Kyle Books). Serving sizes are estimated with the understanding that the dishes

will be part of a multi-dish meal. Xuanwei hams aren't available in the U.S., but I've found that jamón Iberico comes the closest in flavor and texture. You'll want to get large pieces of ham, unsliced, from Spanish specialty markets, so you can cut it into thick slices that will hold up to stir-frying.

The stir-fried ham with green chiles is the most common preparation in Yunnan

and a dish you'll find on many restaurant menus in ham-producing regions. It comes together quickly and requires absolutely no seasoning, as the rich saltiness of the ham marries perfectly with the fresh green flavor of the chiles. I like to serve this dish alongside fried potatoes and with garlic chives, like Mr. Cui's family does, because cooking the potatoes in the oil leftover from the stir-fried ham

gives it a lovely flavor. Many cooks also serve ham dishes with a salad of blanched greens—I call for carrot greens here—dressed with garlic, vinegar and soy sauce, to complement the ham.

If you'd like a dish that combines the flavors of ham, potatoes and vegetables all in one, try the fried rice with ham, potatoes and peas. I learned to make this light, flavorful dish from a friend,

Zhu Bo, whose parents make hams on their farm. When Ms. Zhu goes home to visit, her parents give her a leg, which she takes back to her city apartment and enjoys slowly, in dishes like this one that allow her to stretch the wonderful flavor as far as possible.

► Find a recipe for fried potatoes with garlic chives at [wsj.com/food](http://wsj.com/food).

**Carrot Greens Salad****Total Time:** 15 minutes**Serves:** 4

**6 cups packed carrot tops**  
**5 teaspoons Shanxi vinegar**  
**4 teaspoons light soy sauce**  
**1 tablespoon minced garlic**

1. Bring a pot of water to a boil. Add greens and blanch until thick parts of stems

are tender and pliable, 1–2 minutes. Drain greens, rinse under cold water to halt cooking, then squeeze out all excess water. Cut greens into 1½- to 2-inch-long pieces. (You should have 1½–2 cups of greens).

2. Transfer greens to a medium bowl. Just before serving, add remaining ingredients and mix well. Season to taste with more vinegar or soy sauce.

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## EATING &amp; DRINKING

ILLUSTRATION BY PEP MONTSERRAT; F. MARTIN RAMÍN/THE WALL STREET JOURNAL (BOTTLES)



ON WINE / LETTIE TEAGUE



## Where's the Love for Spanish Sparkling?

**A NECTAR**, a coffee, a kind of alcohol, a sparkling soda, a restaurant and "fake Champagne": Those were a few of the answers I received from the wine drinkers to whom I posed the question "What is Cava?" Some didn't even venture a guess, and only two correctly identified Cava as a sparkling wine that hails from Spain—though neither of them knew exactly where.

The third-largest-production sparkling wine in the world, after Prosecco and Champagne, Cava is surprisingly little known and even less well understood. Perhaps that's because producers of Prosecco and Champagne have done a better job of marketing their wines and Cava just

doesn't have as famous a name.

Cava is a DO-classified wine, short for *denominación de origen*, which translates literally as "appellation of origin" and carries with it a raft of regulations regarding quality control. But while most Spanish DOs identify specific regions such as Rioja or Ribera del Duero, Cava is a wine type that isn't tied to one region. While just about all Cava is produced in the Penedès region northwest of Barcelona (mostly centered around the town Sant Sadurní d'Anoia), Cava can be also produced in Rioja, Navarre, Valencia and other regions.

Spanish producers first made this type of wine in the late 19th century,

and stored it in a cave, or *cava*. The wines were inspired by French Champagne and made by the same method. Cava producers even used the name "Spanish Champagne" until Spain joined the EU in 1986 and they were forced to stop.

The grapes most commonly used to produce Cava are native Spanish varieties such as Xarel-lo, Macabeo and Parellada—names unknown to most wine drinkers—though some producers also add Champagne grapes like Chardonnay and Pinot Noir for elegance and depth.

When I conducted my highly informal, unscientific poll, I expected most people would know that Cava is a sparkling wine, and I figured at

least half of them would know that it comes from Spain. That they did not come as a bit of a shock.

I first tasted Cava decades ago. The wine was Freixenet Cordon Negro, the cheap wine in the fashionable matte-black bottle. That wine is still cheap (\$9 at my local retailer) but far from fashionable today.

Freixenet—one of the two largest Cava producers in Spain along with Codorniu, the company credited with creating Cava—dominated the Cava market in the U.S. for decades. That market is more diverse today, with more brands, including high-quality small producers like Gramona, Juvé y Camps and Fermí Bohigas. But their wines aren't necessarily easy to find.

Ines Oro, the U.S.-based sales manager of Terra Nostra de Vinos, a consortium of Spanish wineries that includes Fermí Bohigas, believes that more of the people I polled actually knew Cava. "They just don't remember," she said. I wasn't sure if that counted as good news or bad, but she was optimistic. It's just a matter of education, she said, including tastings at restaurants and stores. Cavas are doing particularly well in Boston, said Ms. Oro.

Eileen Elliott, director of operations and wine of Social Wines in South Boston, agreed and credited Bostonians' Cava savvy to the number of good Spanish restaurants in the city. Ms. Elliott also noted Cava producers' willingness to spend time in her town. She'd met quite a few of them, unlike producers of other sparkling wines. "We don't see anyone from Champagne," she said. As a result, her customers not only know that Cava is a dry "Champagne-style" wine but buy lots of it, too.

By contrast, Scott Levine, manager and wine buyer at Oak & Barrel wine shop in Manhattan, has to steer customers to the Spanish sparkling wine.

"If they're Prosecco drinkers looking for something drier, I'll suggest Cava," he said. And if they're looking for an inexpensive Champagne, he will steer them to Gramona Imperial Cava instead. Made by the same method as Champagne and, at \$30, around the same price as a Champagne made by a cooperative, Gramona is a richer, more nuanced and complex wine than a similarly priced Champagne, he said.

The 2011 Gramona Imperial Brut Gran Reserva was the priciest of the 15 Cavas I bought for my tasting; the \$9 Freixenet Cordon Negro, the cheapest. The gulf between the two was far greater than \$21. While the former might have been mistaken

for Champagne, the latter would do little to dispel the impression that Cava is a cheap, simple wine.

"The secret to a great Cava is aging," said Xavier Gramona, co-owner of Gramona. Gramona ages even their simplest Cava 4-5 years before release, a costly practice, Mr. Gramona pointed out, as that means years of delayed revenue.

Mr. Gramona laments that Cava is associated with cheap wines. He hopes Javier Pagés, the new president of the DO Cava, will pay attention to his dissatisfaction and that of several other quality producers. Some, like Pepe Raventós of Raventós i Blanc, have already left the DO. Mr. Gramona doesn't want to leave; he wants to improve the quality of the wines and elevate their image.

**I figured at least half of them would know that Cava comes from Spain. That they did not come as a bit of a shock.**

After tasting 15 Cavas, I'd say the odds are long. Although Mr. Gramona's Cava was superb and we tasted several good wines, there were many disappointing ones, too—including a soapy tasting Freixenet Cordon Negro, a truly tinny Rondel Brut (in a tacky blue bottle) and a weirdly candied Babot Brut Nature.

The better bottles included the crisp Mas Vida Brut (\$11) and the Dibon Brut Reserve (\$10), pleasant if simple—good wines for a crowd. The Bohigas Brut Reserva, a decided step up, was lively and dry with a citrus note, and at \$12 a good buy. The Gran Campo Viejo Brut Rosé (\$14) was juicy and toothsome if a touch coarse. The Juvé y Camps Reserva de la Familia (\$17) was bright and well balanced, and the 2011 Gramona Imperial Brut Gran Reserva (\$30) was lush, layered and beautiful.

I asked Mr. Pagés, CEO of Codorniu Raventós as well as the new president of the DO Cava, if he would encourage those who left the DO to return. He responded (via email), "Unity will make us stronger." His is an understandably optimistic position, but I can't help wondering if the DO Cava might be even stronger if the caliber of the wines were consistently higher overall.

► Email Lettie at [wine@wsj.com](mailto:wine@wsj.com).



## OENOFILE / 5 BOTTLES THAT RAISE CAVA'S CRED

**Dibon Brut Reserve Cava \$10** This dry sparkling wine from the Penedès-based Bodegas Pinord is made from the three classic Cava grapes: Macabeo, Parellada and Xarel-lo. It may not be complex, but it's a pleasantly refreshing drink.

**Mas Vida Brut Cava \$11** Citrus notes and a clean finish made this Cava a crowd favorite among our tasting panel, and at \$11 a bottle, this wine is also an excellent buy. A perfect party sparkler, made from the classic Cava varieties.

**Bohigas Brut Reserva Cava \$12** This is a dry Cava full of character from all estate-grown, organic fruit, a blend of Macabeo, Parellada and Xarel-lo. Aged about two years on the lees, it has a rich, toasty note and represents remarkable quality for the price.

**Juvé y Camps Reserva de la Familia 40th Anniversary Limited Edition Brut Nature Cava \$17** This very dry, crisp wine commemorates 40 years of this bottling from the Juvé family, one of the most storied in Sant Sadurní d'Anoia, center of Cava in the Penedès.

**2011 Gramona Imperial Brut Gran Reserva Cava \$30** The Gramona family produces what may well be called the Champagne of Cavas. This wine was aged almost six years before release, and the result is a full-bodied, complex, sumptuous wine with a soft finish.

SLOW FOOD FAST / SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

## Fish a la Devil With Warm Corn Tortillas

**AT SUERTE** in Austin, Texas, the masa dough for the tortillas is made fresh every day. "It's the backbone of Mexican cuisine," said chef Fermín Nuñez.

His first Slow Food Fast recipe calls for a stack of warm corn tortillas, and what goes with them has become another Suerte signature, called Fish a la Devil. Flaky roast fish—Mr. Nuñez suggests branzino or pompano—is served atop a chile-spiked tomato sauce

dotted with buttery Castelvetrano olives. Charring the tomatoes gives the sauce a nice smoky depth.

Mr. Nuñez recommends seeking out freshly made tortillas, if at all possible. At the table, diners can pile them as they please with the fish and sauce, then garnish with punchy quick-pickled shallots and a drizzle of rich avocado salsa. The result: fish tacos of a higher order. —Kitty Greenwald

**Total Time** 35 minutes  
**Serves** 4

**4 branzino or pompano fillets**

**4 tablespoons olive oil**

**2 shallots, peeled**

**4 Roma tomatoes, halved and cored**

**Kosher salt**

**1½ garlic cloves, sliced**

**1 serrano chile, sliced into rounds**

**2 tablespoons tomato paste**

**½ cup pitted and roughly chopped Castelvetrano olives**

**¼ cup cilantro, roughly chopped**

**1 cup distilled white vinegar**

**Juice and grated zest of 1 lime, plus 1 lime, quartered**

**1 teaspoon sugar**

**1 avocado**

**8 warm corn tortillas**

**1.** Preheat oven to 425 degrees. Season fish with salt and 1 tablespoon oil. Roast until flesh flakes easily when pressed, about 7 minutes.

**2.** Set a large, heavy pan over medium-high heat. Place 1 whole shallot and whole tomatoes in dry pan. Cook, turning occasionally, until blackened all over, about 5 minutes total. Transfer blackened vegetables to a food processor and purée until smooth, about 2 minutes. Season with salt.

**3.** Thinly slice remaining shallot. In the same pan, heat 2 tablespoons olive oil over medium-high heat. Add garlic and cook until aromatic, about 1 minute. Stir in chiles, tomato paste and half the sliced shallots. Cook until shallots soften, about 2 min-

utes. Pour in tomato-shallot purée and simmer until thickened to a dense sauce, about 5 minutes. Remove pan from heat and stir in olives and cilantro. Season with salt.

**4.** In a small pot, combine vinegar, lime zest, sugar and a pinch of salt. Set pot over high heat and bring to a boil. Add remaining sliced shallots and simmer until softened, about 2 minutes. Let shallots cool and drain before serving.

**5.** In a clean food processor, purée avocado with a pinch of salt, 1 tablespoon olive oil and lime juice until smooth.

**6.** To serve, spoon tomato



**POUR IT ON THICK** The tomato sauce, a riff on the classic Mexican salsa veracruzana, gets flavor and texture from chopped green olives.



## The Chef

Fermín Nuñez

.....

## His restaurant

Suerte in

Austin, Texas

.....

## What he's known for

Smart, elevated

takes on Mexican

cooking. Perfecting

the art of the

tortilla

JAMES RANSOM FOR THE WALL STREET JOURNAL, FOOD STYLING BY EUGÈNE JHO, PROP STYLING BY CARLA GONZALEZ-HART; ILLUSTRATION BY MICHAEL HOEWELER

## DESIGN &amp; DECORATING

# Carpet In Rare Forms

New rugs in stylishly irregular shapes make 90-degree angles seem awfully square

BY SARAH STORMS

In his New York apartment, interior designer David Kaihōi had the living-room floors painstakingly painted with an intricate tumbling-block pattern. Unwilling to entirely mask the motif with the "stuffy" rectangle of a traditional area rug, he cut a Moroccan wool remnant into an 8-foot-wide Y shape, and positioned one end under the sofa with the others forking into the room. The effect, he said, "has the gravitas of an area rug but is just a little bit lighter."

He has since teamed with venerable floorcovering brand Patterson Flynn Martin on a collection of conceptual carpets including the creatively contoured XY design below, no shears required. The motivation? A desire, he said, that seems to be gaining traction: to "explore ways of thinking about rugs that you don't see every day." For Spanish brand GAN, architect and interior/product designer Patricia Urquiola embraced out-of-the-box shapes, from jagged-edge geometrics to the more organic Mangas collection, including the luxuriously lumpy runner (right) that adds warmth and movement to the hallway of a Madrid apartment. "With GAN, we are trying to see the carpet in a different way, no longer like a static, flat piece," said Ms. Urquiola, who's



GAN RUGS

**DO THE BUMP** In Madrid, designer Mike Alleg ran a Patricia Urquiola rug for GAN down a hallway.

known for innovating when it comes to shape and scale.

Lauren Geremia, a San Francisco designer, has installed Grain Design's blobby Pool rug (below) when she needed a grounding element that's "a little more feminine in nature," as she put it. To serve its curves, she has paired the braided-wool amoeba with round-back rattan chairs and circular accent tables. In a Manhattan living room that features a gridded wall of windows and a fireplace with a sharp-lined metal facade, Joe Nahem, of Fox-Nahem Design, introduced a serpentine sofa and curvy midcentury club chairs, and a customized carpet with a slithering, meandering silhouette. "An amorphous shape breaks up the hard angles of the room's architecture," he said. "It contours around the furniture and makes the layout more interesting."

In the sweeping living room in decorator Regina Moskow's Manhattan apartment, a pair of wavy-edged rugs from Edward Fields delineate two seating areas, the white silk pile parting like the Red Sea to expose a path of bare hardwood floor leading to the room's balcony.

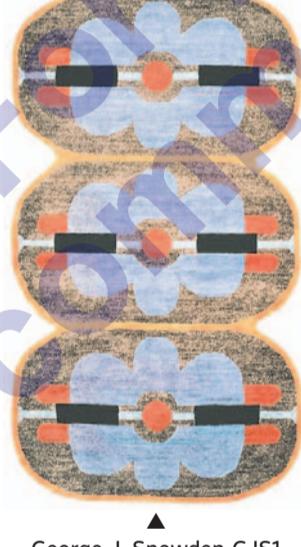
Smaller irregularly shaped rugs freshen up layering. "If you need a room to have a lovelier floor coverage but want something fun in front of your sofa or under a coffee table, one of these rugs works perfectly," said New York designer Tamara Eaton. "It's a bit more exciting than a square on top of a square."

Though purposely misshapen rugs have few precedents, Mr. Kaihōi likens the current appetite for them to the geometric abstraction movement in art. "It's the echo of an Ellsworth Kelly impulse: to break the shape of the canvas itself," he said. Though woven patterns and pile cut in relief have been widely explored, many designers feel shape is the last frontier in creative rug design. "What are the obvious things that people haven't tried or played with?" Mr. Kaihōi asked. "This is the big one. Shape is a different paradigm."

## SHAPED CRUSADERS / DEFIANTLY UNCONVENTIONAL AREA RUGS



Maisonette Rug, about 8 feet by 11.5 feet, \$6,020, [Roche Bobois](http://RocheBobois.com), 212-889-0700



George J. Snowden GJS1 Carpet by Post Design, about 5 feet by 8.5 feet, \$5,550, [artemest.com](http://Artemest.com)



Mae Engelgeer Bliss Big Rug, about 5.5 feet by 10 feet, \$8,150, [cc-tapis.com](http://CC-Tapis.com)



David Kaihōi XY Rug, about 8.5 feet by 8 feet, \$8,835, [pattersonflynnmartin.com](http://PattersonFlynnMartin.com)



Pool Rug, about 8 feet by 10 feet, \$4,645, [graindesign.com](http://GrainDesign.com)

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## GEAR &amp; GADGETS

## When Your Shower Is a Higher Power

With voice-control and custom features, the new smart showers elevate hygiene to a spiritual experience

By RACHEL JACOBY ZOLDAN

**F**OR MANY OF US, showers are a sanctuary, a rare place to actually relax in solitude. But as smart home devices proliferate, people are starting to expect more than mere bliss from their showers, looking for brainy innovations that will make getting drenched more pleasurable and personal while saving water.

A forecast by market research firm TechNavio shows the entire smart bathroom category is expected to balloon to more than \$1 billion by 2022, but among a deluge of divine gadgets, showers are getting the most seriously souped up.

The smartest system on the market may be the U by Moen, a multi-valve approach that offers three different ways to control your shower: tapping a companion smartphone app, using a wall controller or just shouting. While making morning coffee, holler, "Alexa, prepare my shower at 103 degrees." If you get distracted while coercing your kids into their school clothes, tell Alexa to pause the stream so you won't waste water.

**While making coffee, just holler, 'Alexa, prepare my shower at 103 degrees.'**

"Consumers are increasingly expecting that kind of voice interaction," said Michael Poloha, a product manager at Moen.

The U by Moen allows you to tailor and save specific shower settings, whether you're looking for a masochistic cold morning blast, a steamy post-workout schvitz or a long luxurious pampering.

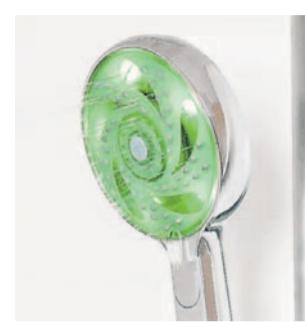
You can nab the two-outlet valve (\$1,225, moen.com) to control a main showerhead and hand-held power spritzer, or upgrade to the four-outlet iteration (\$2,265) if you seek serious spa quality. It lets you tack on a few body jets to help you cleanse every crevice and wrinkle.

But unless you're planning a gut renovation, you may find installing the U by Moen overly burdensome. Far simpler: EvaDrop, (\$199, evadrop.com), a sleek white device roughly the size of a Cracker Jack box that slips easily between the pipe and your existing head.

EvaDrop's controls resemble U by Moen's, but it also comes with

**JET SET**

Nebia uses 'microdroplet technology' to create a serene steam-room that blankets your skin in H2O. \$399, [nebia.com](http://nebia.com)

**HAVE A BLAST / THE BEST SMART SHOWER HEADS**

Created with efficiency in mind, the futuristic **Hydrao Aloe** uses color LEDs to track how many gallons of water you're using in real time. About \$82, [hydrao.com](http://hydrao.com).



**U by Moen** lets you dial in the temperature, pause the flow and set a timer via voice command. A smartphone app notifies you when your shower is ready. From \$1,125, [moen.com](http://moen.com)



The **Kohler Moxie** can stream audio from any device via Bluetooth. When you're clean, take its magnetized speaker with you. \$199, [kohler.com](http://kohler.com)

"proximity sensors" that adjust the water stream based on your distance from the head: Step back to suds up and flow reduces to 70%. Retreat further to shave your legs and it drops to 40%, enough to keep things steamy with minimal water waste. EvaDrop promises to slash gluttonous water usage in half—the average American uses 17 gallons

during an 8-minute shower—without sacrificing pressure, unlike most feeble low-flow heads.

To accommodate individual shower-experience needs, other new smart heads come designed to deliver custom pampering. Want to belt out your favorite Beyoncé hits while you wash? The Kohler Moxie shower head (\$199, [kohler.com](http://kohler.com)) has

a rechargeable and detachable speaker that can stream music from any digital device. Looking for a hard-core way to save water? The French-made Hydrao Aloe challenges you to clean quickly and beat the clock; color LEDs around the hand-held head shift from green to pink to a sinister blinking red when it's time to step out

(about \$82, [hydrao.com](http://hydrao.com)). And if you demand convenience, set the Livin Shower (\$500, [livinshower.com](http://livinshower.com)) to your schedule and preferences, so it preps your ideal shower before you step in; it can store up to 10 different shower profiles to cater to the idiosyncrasies of each family member. Because everyone deserves to feel smart in their sanctuary.

## The Brainy Bathroom

Smarten up your entire lavatory with these other high-tech, spa-worthy upgrades

**1. THE SCALE** Instead of shaming you with digits, Shapa's app uses a five-color system to quell anxiety over daily weight fluctuations, logs data and rewards you with badges for a job well done. \$99, [shapa.me](http://shapa.me)

**3. THE TOILET** The voice-activated Kohler Numi Intelligent Toilet features a touch screen remote, heated seat and auto-closing lid. Bluetooth tech lets you DJ your defecations via built-in speakers. \$8,000, [kohler.com](http://kohler.com)

**5. THE BIDET** The Bio Bidet IB-835 comes with a wireless remote, smart body sensors that know when you've landed, an oscillating nozzle and adjustable dryer settings to warm your backside. \$1,700, [biobidet.com](http://biobidet.com)

**7. THE SINK** Delta's Zura Single Handle Vessel Bathroom Faucet has infrared sensors to limit water waste while you brush your teeth—for two full minutes! \$600, [deltafaucet.com](http://deltafaucet.com)

**9. THE SOAP DISPENSER** Replace your sticky drugstore soap pumps with Simplehuman's Foam Cartridge Dispenser. It's leakproof, gunk-proof, touchless and completely portable. \$50, [simplehuman.com](http://simplehuman.com)

**2. THE TOOTHBRUSH** The Philips Sonicare DiamondClean has five modes, including Polish, Gum Care and Sensitive. A stern timer ensures you always brush for the full two minutes. \$220, [philips.com](http://philips.com)

**4. THE TV** The sleek Northstar Waterproof Bathroom TV practically disappears into a wall. Its floating remote—a nice rubber-ducky upgrade—let you flip channels as you soak. Price upon request, [electricmirror.com](http://electricmirror.com)

**6. THE CABINET** Roben's refrigerated cabinet cold-stores cosmetics and medication and offers shavers LED lighting, USB charging plugs and a magnifying mirror to facilitate precision tweezing. \$2,150, [roben.com](http://roben.com)

**8. THE TOWEL BAR** Heated terry cloth turns every shower into a posh spa experience. Our pick? Signature Hardware's 33" Towel Warmer. \$224, [signaturehardware.com](http://signaturehardware.com)

**10. THE TUB** Incorporating Kohler's Konnect app, the PerfectFill tub auto-plugs the drain once the flow reaches your preset temperature and avoids overflows should you zone out. \$1,500, [kohler.com](http://kohler.com) —R.J.Z.



JAMES BOAST

## GEAR &amp; GADGETS



JAGUAR LAND ROVER

RUMBLE SEAT / DAN NEIL



## Jaguar's 'Brilliant' I-Pace Still Can't Catch Tesla

**THE 2019 JAGUAR I-PACE cross-over, the company's first electric vehicle, is brilliant, as the Brits would say: smart and sensual, quick and quiet, athletic and aesthetic, a class act all the way.**

Not perfect—the lagging touch screen in my test car made me want to drive it off one of Monterey Peninsula's scenic cliffs—but still, pretty great. Two, but only two, car makers sell luxury electric crossovers now: Tesla and Jaguar Land Rover. One is American and one British, with a banker in India.

And the German Big Three, the industry's tech standard-bearers?

Still bravely in their foxholes. Earlier this week VW Group's premium Audi division unveiled its e-tron electric SUV, with the first U.S. deliveries scheduled for Q2 of 2019. Porsche's all-electric four-door coupe, the Taycan, is probably a spring 2020 arrival (the company won't commit). Also this month, Mercedes-Benz pulled the silk off its new EQC electric SUV, expected to arrive stateside in 2020. And BMW showcased its Vision iNext concept—how's that for preliminary-sounding?—the fruit of which won't come to market until 2021.

Germans are usually so punctual.

JLR's jump on electrification has bought it a competitive advantage of roughly 18 months over every premium car maker that isn't Tesla. What good is that? Well, it's definitive for the brand, especially among the next generation of car buyers in Europe and particularly China, where the government is effectively regulating gas cars off the market.

Jaguar's ahead-of-the-curveness is also a matter of well-judged necessity. It's axiomatic that no company can catch Tesla if they don't first leave the gate.

Listen up, consumers: A lot of armchair quarterbacks have as-

**TAKE CHARGE**  
The I-Pace fares well on soft roads and excels on blacktop: 0-60 mph in 4.5 seconds.

stores 90 kWh of energy. Overhead, the Jag's heavenly lightsource, the panoramic roof. Typical of EVs, the I-Pace's cab-forward floor plan is open but the dramatic roofline holds cargo capacity to a scant 51 cubic feet.

All-wheel drive comes by way of AC synchronous motors fore and aft with integrated single-speed transmissions, delivering a combined 394 hp and 512 lb-ft of ready torque, enough to toss the little British space pod to 60 mph in 4.5 seconds and top out at 124 mph. At low speeds and low demand the rear motor does all the work in near silence of oiled electrons. The tire

roar is by far the loudest thing. But when you boot the I-Pace to full power, it sings to you, a spiraling aria analogous to a standard car's rising revs.

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roar is by far the loudest thing. But when you boot the I-Pace to full power, it sings to you, a spiraling aria analogous to a standard car's rising revs.

The I-Pace chassis is also well credentialed, with double-wishbone front suspension, integrated multilink in the rear, and standard air suspension with adaptive ride height. Weight distribution is almost exactly 50/50 and its center of gravity is Lamborghini-low.

All of which, plus its stance-laden width, give the I-Pace nice pointability and respectable sideways grip in balanced, steady-state cornering. In the foothills of Monterey I really had to torment the front Pirelli P Zeros to make them squeal. Central to this car's gestalt is the high level of regenerative braking effect. The car can use its motors to decelerate up to 0.04 g's before getting the brake pads involved. For most drivers this amounts to one-pedal driving, a sort of rheostatic response to the right-foot pressure. It's fun. For those who don't want to retrain, the Jag includes a light-regen mode with more familiar brake and throttle behavior.

It's clear the designers tried to avoid alienating consumers, a la the bone-chilling minimalism of a Tesla Model 3. Comparatively, the I-Pace UX looks like Mission Control with leather upholstery. There are a good number of physical rotary controllers, switches and ergonomic landmarks at hand, so you don't always have to go ferreting around its torpid touch screen.

Looks great, doesn't it? The contrasted trapezoids like folded-paper art? In one respect, though, I-Pace is a bit of a fashion victim. The exaggerated wheel arches accommodate optional, and audacious, 22-inchers, which is what our test car was wearing. They glam magnificently; but over rough road these biggie wheels trembled hard, even with air springs and adaptive suspension. It's just a bit much unsprung weight.

Still, Jag isn't letting perfect be the enemy of the good.



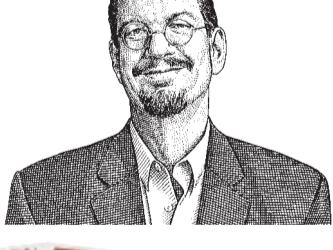
## 2019 JAGUAR I-PACE

**Base Price** \$70,495 (before \$7,500 tax credit)  
**Price as Tested** \$86,895 (First Edition trim)  
**Powertrain** Battery-electric powertrain, with two permanent-magnet AC synchronous motors with integrated epicyclic single-speed transmission on front and rear axle; liquid-cooled 90 kWh 432-cell nickel manganese cobalt (NMC) battery pack; full-time AWD  
**System Power/Torque** 394 hp/512 lb-ft  
**Length/Width/Height/Wheelbase** 184.3/84.2/61.3/117.7 inches  
**Curb Weight** 4,784 pounds  
**0-60 mph** 4.5 seconds  
**Charge Time** Single phase/230 V/32 amp (7kW), to 100% capacity: 12.9 hrs.; DC fast-charge (50kW) to 80% capacity: 85 minutes

## MY TECH ESSENTIALS

**Penn Jillette**

The master magician on why he conjures only with red cards, plays a pink bass and drives his Tesla slowly



I always have a deck of cards on me. **Tally-Ho No. 9**, circle back. Always red. They feel the best in my hands. They're \$6 a deck. I love them.

The constant hum of airplane engines used to drive me crazy. But my **Bose QuietComfort 35 Wireless II headphones** have changed travel for me completely. They make a flight totally peaceful. I often don't listen to anything.

Lou Reed could just sit and touch his guitar. There was something sensual about it that connected with him. I never had that feeling until I got my first computer, a little 1985 Kaypro. My first week with it, I wrote five stories that were published. Now I love the **iMac** because I hate clutter. There's nothing on my desk except for it, an Amazon Echo and four drinking birds.

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