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★★★★ \$5.00

DIJA Closed (37385.97)

NASDAQ Closed (14992.97)

STOXX 600 Closed (477.60)

10-YR. TREASURY Closed (3.907%)

OIL Closed (\$73.56)

GOLD Closed (\$2,057.10)

EURO \$1.1017

YEN 142.33

What's News

Business & Finance

◆ **Southwest Airlines** canceled hundreds of flights Sunday and more than 100 on Monday after a dense fog snarled operations at Chicago's Midway International Airport, where Southwest is the main carrier. **A3**

◆ **British billionaire** Jim Ratcliffe agreed to buy a minority stake in Manchester United in a deal that values the renowned soccer club at around \$6.3 billion including debt and ends more than a yearlong sales process. **B2**

◆ **China's CSI 300** stock index is down about 14% this year, putting it on track for its third consecutive year of declines, as shares joined other Chinese asset classes that disappointed investors in 2023. **B1**

◆ **Dealerships** and price points are among the challenges Amazon is set to face in expanding its online car-buying program beyond a pilot phase for employees starting early next year. **B1**

◆ **Young children's** accelerating preference of YouTube over Netflix for on-line content is changing the major streaming services' approach to kids' entertainment. **B1**

◆ **U.S. consumers** continue to burn through their pandemic savings and are taking on more debt, as they face high prices on everything from food and housing to entertainment. **B3**

◆ **Billionaire investor** Nelson Peltz resigned from his position at the Simon Wiesenthal Center after the Jewish organization urged people not to buy Ben & Jerry's ice cream. **B9**

World-Wide

◆ **Escalating Iran-backed** attacks against global commercial shipping in the Red Sea have heightened pressure on the Biden administration as officials scramble to protect trade while trying to avoid a direct confrontation with Tehran. **A1**

◆ **The U.S. struck** three drone facilities used by militant groups in Iraq in response to a series of attacks on American positions in Iraq and Syria. **A8**

◆ **Israel's war cabinet** gathered to discuss a three-step plan put forward by Egypt for ending the war in Gaza, Israeli officials said. **A8**

◆ **Lawyers for Trump** asked an appeals court to throw out the case that he illegally sought to undo his 2020 election loss, reiterating his argument that those efforts fell within the ambit of his official duties as president. **A4**

◆ **Jailed Russian** opposition figure Alexei Navalny was moved to a remote penal colony in the country's far north, making it harder for him to organize any meaningful resistance to Putin's plan to remain in power in next year's presidential election. **A18**

◆ **Two federal inspectors** general are investigating whether a nonprofit group involved in high-risk coronavirus research in China double-billed U.S. taxpayers for hundreds of thousands of dollars for that work, according to people familiar with the matter. **A2**

◆ **Harvard faculty** called for members of the university's governing board to step down as the school struggles with reputational damage and demands for the resignation of President Claudine Gay. **A3**

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Ukraine Celebrates Christmas as War Rages On



NEW CALENDAR: Military chaplains lead a Christmas Day service for soldiers near the front line in the Donetsk region, after the nation moved its Christmas celebrations to Dec. 25, as in the West, ending a tradition of celebrating it in January. **A18**

Beijing Is Stealing AI Secrets To Power Its Spying, U.S. Says

On a July day in 2018, Xiaolang Zhang headed to the San Jose, Calif., airport to board a

*By Robert McMillan,
Dustin Volz and Aruna
Viswanatha*

flight to Beijing. He had passed the checkpoint at Terminal B when his journey was cut short by federal agents.

After a tipoff by Apple's security team, the former Apple employee was arrested and

charged with stealing trade secrets related to the company's autonomous-driving program.

It was a skirmish in a shadow war between the U.S. and China for supremacy in artificial intelligence. The two rivals are seeking to jump ahead in a technology with the potential to reshape economies, geopolitics and war.

Artificial intelligence has been on the Federal Bureau of Investigation's list of critical U.S. technologies to protect,

just as China placed it on a list of technologies it wanted its scientists to achieve breakthroughs on by 2025. China's AI capabilities are already believed to be formidable, but U.S. intelligence authorities have lately made new warnings beyond the threat of intellectual-property theft.

Instead of just stealing trade secrets, the FBI and other agencies believe China could use AI to gather and stockpile data on U.S. citizens at a scale

never before possible.

China has been linked to a number of significant thefts of personal data over the years, and AI could be an "amplifier" to support further hacking operations, FBI Director Christopher Wray said at a news conference in Silicon Valley earlier this year.

"Now they are working to use AI to improve their already-massive hacking operations using our own technology," Wray said.

Altman's Big Allies Keep Rescuing Him

Minutes after the board of OpenAI fired CEO Sam Altman, saying he failed to be truthful, he exchanged texts with Brian Chesky, the billionaire chief executive of Airbnb.

*By Deepa
Seetharaman, Keach
Hagey, Berber Jin and
Kate Linebaugh*

"So brutal," Altman wrote to his friend. Later that day, Chesky told Microsoft's CEO Satya Nadella, OpenAI's biggest partner, "Sam has the support of the Valley." It was no exaggeration.

Over the weekend, Altman rallied some of Silicon Valley's most influential CEOs and investors to his side, including

Vinod Khosla, co-founder of Sun Microsystems and the founder of Khosla Ventures, OpenAI's first venture-capital investor; Ron Conway, an early investor in Google and Facebook; and Nadella. Days later, Altman returned as OpenAI's chief executive.

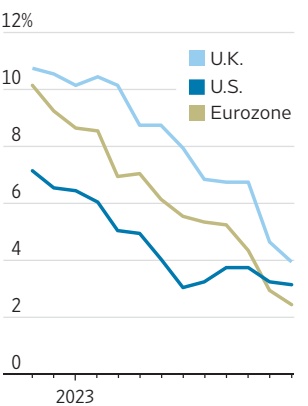
Altman's firing and swift reversal of fortune followed a pattern in his career, which began when he dropped out of Stanford University in 2005 and gained the reputation as a Silicon Valley visionary. Over the past two decades, Altman has lost the confidence of several top leaders in the three organizations he has directed. At every crisis point, Altman, 38 years old, not only re-

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Inflation Pulls Back

Around the globe, inflation is slowing faster than expected and could be back to normal levels next year. **A2**

Consumer prices, change from a year earlier



Sources: Office for National Statistics (U.K.); Labor Department (U.S. CPI); Eurostat (eurozone)

Queen of Crypto Reigns at Binance

U.S. authorities toppled the king of crypto. But the queen is still standing.

*By Angus Berwick,
Patricia Kowmann,
Caitlin Ostroff and
Vicky Ge Huang*

Changpeng Zhao's time atop Binance was cut short after he pleaded guilty to violating anti-money-laundering laws. The government's case showed that the world's biggest crypto exchange was a den of international money transfers for terrorists, drug dealers and sanctions violators.

Untouched in the upheaval was Yi He, who co-founded Binance with Zhao and has been

Red Sea Attacks Intensify Pressure On Biden

U.S. tries to deter Iran proxies' assaults on ships without inflaming tensions

*By Benoit Faucon
and Gordon Lubold*

Escalating Iran-backed attacks against global commercial shipping in the Red Sea have heightened pressure on the Biden administration as officials scramble to protect trade while trying to avoid a direct confrontation with Tehran.

The U.S. Navy said late Saturday that two more vessels had been attacked that day by Iranian-backed Houthi forces in Yemen, bringing the number of commercial ships attacked near a crucial passageway between the Horn of Africa and the Middle East to 15. The Pentagon said earlier in the day that a chemical tanker in the Indian Ocean was struck by a drone launched directly from Iran, a claim Tehran denied.

The shipping attacks are part of a regional confrontation between Iran's allies and the U.S. and Israel, and are increasing. A declassified document from the Defense Department shows Houthi attacks on ships escalated during the first half of December to eight incidents, compared with three during the last half of November.

The Houthi attacks have

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◆ **Egypt offers new Gaza peace plan..... A8**
◆ **U.S. strikes militant drone sites in Iraq..... A8**

What 'Meeting?' You Were Sneaking Out to a Matinee

Afternoon performances aren't just for seniors anymore, as patrons skew younger

By Charles Passy

For generations, Broadway fans have sought out prime seats for evening performances, firm in their conviction that a night out on the town is just that—an opportunity to celebrate the magic of theater, so long as it's after sunset.

And the matinee crowd? They have tended to be senior-oriented, suburban and a bit more sedate, with a heavy concentration of women, according to theater historians.

But try telling that to Colin A. Weil, a 57-year-old real-es-

tate professional who lives in Manhattan. He recently caught a Wednesday afternoon performance of the critically acclaimed revival of Stephen Sondheim's "Merrily We Roll Along." And he felt right at home.



Daytime drama

"It's not the ladies who lunch anymore," says Weil, aptly quoting the title of a Sondheim song from another show, "Company"—with lyrics that reference women who attend matinees.

Weil is far from the only atypical matinee attendee these days. Based on recent

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One Woman's Puzzle: Who Gets My Embryos?

U.S. has over a million in frozen storage

By Amy Dockser Marcus

There are many ways to be a mother. Lynn Wesley has pursued about all of them.

Wesley, a high-school algebra teacher in Dalton, Mass., has taken in more than 70 children for foster care over the years, some for just a night or two. Social workers sometimes woke her up, asking if they could bring over a baby right away. She adopted three of them, two girls and a boy, now ages 7, 12 and 14. Wesley, 40, tried to have her own baby through artificial insemination. When that

didn't work, she turned to in vitro fertilization.

She gave birth to a daughter in 2018. That left her with three embryos that went into cold storage with more than a million others kept by families in facilities around the U.S. IVF entails the extraction of eggs from a woman, and, because of advances, doctors are more likely than in the past to implant only one embryo at a time. Higher success rates—the procedure now accounts for an estimated 2% of U.S. births—leave more embryos unused.

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INSIDE



SPORTS

From Lionel Messi to Simone Biles—to Taylor Swift? The top sports memories that defined 2023. **A14**

BUSINESS & FINANCE

Major streaming services fight for the attention of children drawn to videos on YouTube. **B1**