

THE WALL STREET JOURNAL.

DOW JONES | News Corp *****

FRIDAY, SEPTEMBER 13, 2024 ~ VOL. CCLXXXIV NO. 63

WSJ.com

★★★★ \$5.00

DJIA 41096.77 ▲ 235.06 0.58% NASDAQ 17569.68 ▲ 1.0% STOXX 600 512.08 ▲ 0.8% 10-YR. TREAS. (Reopening) yield 3.679% OIL \$68.97 ▲ \$1.66 GOLD \$2,551.20 ▲ \$39.10 EURO \$1.1077 YEN 141.82

What's News

Business & Finance

◆ **JPMorgan Chase and Bank of America** plan to limit and more closely track young bankers' hours following a WSJ investigation that detailed a dangerous culture of overwork on Wall Street. **A1**

◆ **Norfolk Southern** fired Chief Executive Alan Shaw and the company's general counsel after its board found that the two engaged in a romantic relationship. **B1**

◆ **A U.A.E. state-backed** company is in talks to invest in OpenAI as part of a multi-billion-dollar fundraising round for the startup. **B1**

◆ **GM and Hyundai** are exploring a partnership that could result in the joint development and production of their vehicles. **B1**

◆ **The Treasury** Department released 603 pages of proposed rules for the corporate alternative minimum tax. **A2**

◆ **BlackRock** plans to offer wealthy investors a way to get easier access to private equity and private credit. **B1**

◆ **Warner Bros. Discovery** renewed its distribution deal with Charter ahead of schedule, as the company prepares for life without the NBA. **B2**

◆ **U.S. stocks** turned higher after the latest read on inflation. The Nasdaq, Dow and S&P 500 rose 1%, 0.6% and 0.8%, respectively. **B9**

◆ **Boeing's new boss**, Kelly Ortberg, urged union members not to go on a strike that would halt most of its airplane production. **B3**

◆ **Microsoft** is laying off approximately 650 employees from its videogame business, in a move to cut costs. **B4**

World-Wide

◆ **Elon Musk** secretly channeled hundreds of thousands of dollars into a local race in Travis County, Texas, in an unsuccessful effort to unseat a prosecutor. **A1**

◆ **Edward Caban**, the New York City Police Commissioner, has resigned after becoming embroiled in a federal investigation. **A3**

◆ **A senior Israeli** military intelligence official said he would resign because of his failure to prevent the Hamas-led attack on Oct. 7. **A7**

◆ **The U.S. and Chinese** militaries are taking tentative steps to re-engage diplomatically after a two-year freeze in relations. **A8**

◆ **Proposed legislation** would allow the FDA to warn and fine companies and individuals who post false information online about medications. **A3**

◆ **Donald Trump** ruled out another debate with Kamala Harris, a day after sending mixed signals following their clash in Philadelphia. **A4**

◆ **Lindsey Graham** urged Trump to distance himself from Laura Loomer, a right-wing conspiracy theorist who posted racist comments about the vice president. **A4**

◆ **The U.S. leveled** sanctions against 16 Venezuelan officials for allegedly helping Nicolás Maduro steal the July presidential elections and launch a crackdown. **A5**

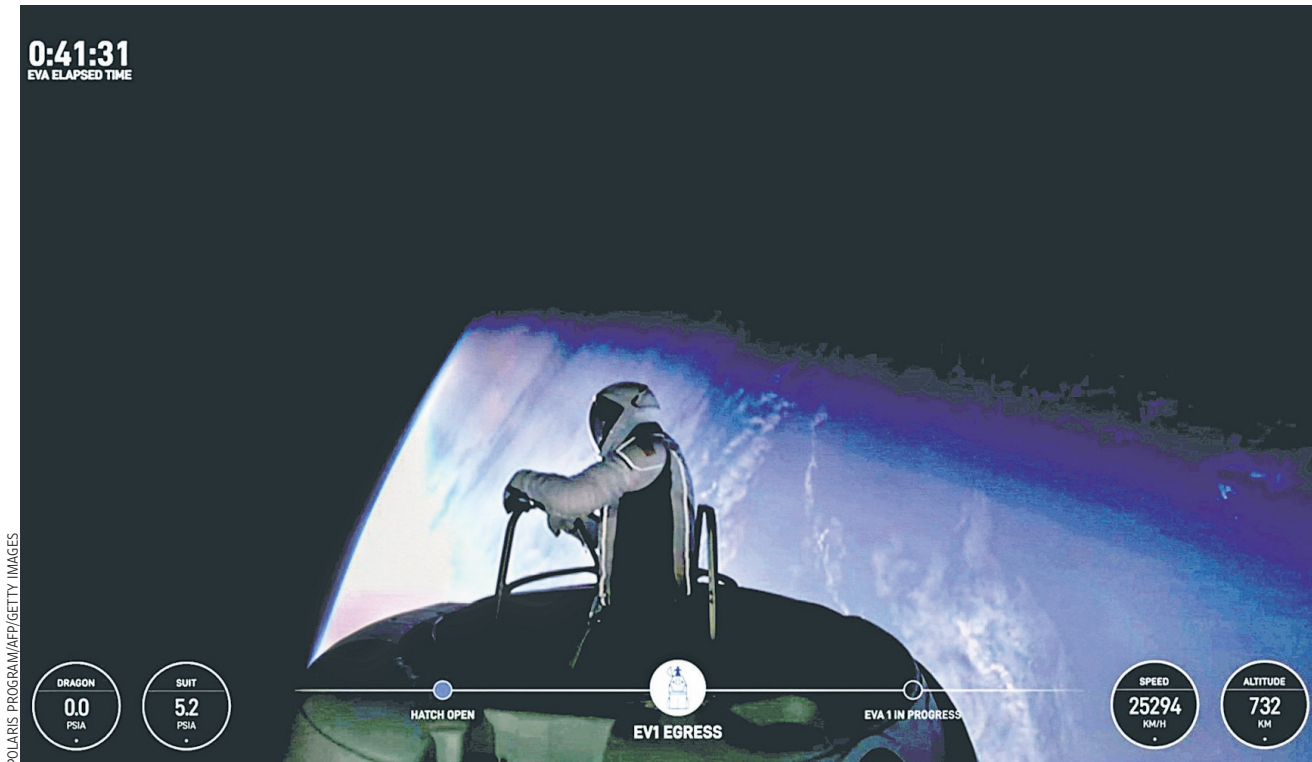
◆ **The European Central Bank** lowered interest rates by a quarter point, its second cut in three months, widening a policy gap with the Federal Reserve. **A7**

CONTENTS Mansion..... M1-16
Arts in Review A10-11 Markets & Finance B9
Business & Finance B2 Opinion..... A13-15
Business News..... B3 Sports..... A12
Crossword..... A11 Technology..... B4
Equities..... B6 U.S. News..... A2-6
Heard on Street..... B10 World News..... A7-8,16



© 2024 Dow Jones & Company, Inc.
All Rights Reserved

First Private Citizens Take a Spacewalk



OUTER SIGHT: Jared Isaacman, a tech-industry billionaire, climbs out of the hatch of the SpaceX Crew Dragon craft Thursday, becoming the first private citizen to conduct a spacewalk. For a video, scan the QR code with the article on A3.

Size of Fed's Expected Rate Cut Remains Close Call Before Vote

By NICK TIMIRAS

Federal Reserve Chair Jerome Powell faces a difficult decision as the central bank prepares to cut interest rates next week: Start small or begin big?

The central bank is set to reduce rates for the first time since 2020 at its meeting on Sept. 17-18. Because officials have signaled greater confidence that they can make multiple rate cuts over the next several months, they are confronting questions over whether to cut by a traditional 0.25 percentage point or by a

larger 0.5 point.

Powell kept all his options on the table in a speech last month in Jackson Hole, Wyo., that surprised some of his colleagues with its unambiguous call to turn attention to incipient risks in the jobs market. "The direction of travel is clear, and the timing and pace of rate cuts will depend on incoming data, the evolving outlook and the balance of risks," he said then.

Officials last year raised their benchmark rate to around 5.3%, a two-decade high, and will have held it at that level for the past 14

months to combat inflation, which has declined notably.

They are nervous about keeping interest rates too high for too long amid evidence that higher borrowing costs are working as intended to slow inflation by cooling spending, investment and hiring. They don't want to let slip through their grasp a soft landing, in which inflation falls without a serious jump in joblessness.

Answers to the tactical question over how fast to go could reveal clues about the Fed's broader strategy. The amount of cuts during the

next few months "is going to be a lot more important than whether the first move is 25 or 50, which I think is a close call," said Jon Faust, who served until earlier this year as a senior adviser to Powell.

Recent economic data have been mixed. Several analysts said firmer housing costs in the consumer-price index re-

Please turn to page A2

◆ **ECB makes second 2024 rate reduction..... A7**
◆ **Investors go on defense ahead of a Fed move..... B1**
◆ **Heard on the Street: Rate cut won't hit all banks... B10**

Gang From Venezuela Gains Toehold in U.S.

By JUAN FORERO

U.S. law-enforcement officials had watched with alarm the spread of a Venezuelan gang known for dismembering rivals from Chile to Colombia. But the gang, known as the Tren de Aragua, seemed contained in Latin America.

Then late last year, Anthony Salisbury, a top Homeland Security official, got a call. "Hey, have you heard of the Tren de Aragua?" a Texas official asked.

"Please don't tell me you've seen them," Salisbury responded.

In fact, the colleague said, Tren de Aragua members were operating in Texas. Now, Salisbury said, there are also dozens of criminal cases involving the gang in Miami,

where he is based.

"They expanded fast in Latin America," he said, "and they're expanding fast here."

Founded in a Venezuelan prison where it ran a zoo, swimming pool, disco, restaurant and bar, the Tren de Aragua has grown into a fearsome transnational criminal force in less than a decade—"MS-13 on steroids," as one federal official put it, referring to the Central American gang that is entrenched in many U.S. communities.

The specter of crime caused by immigrants has become a major theme in the presidential campaign, with Republican presidential nominee

Please turn to page A5

◆ **U.S. sanctions 16 figures in Venezuelan regime..... A5**

A Rogue Goat Escaped Capture—Now He Is a Local Celebrity

* * *

Crisco makes the bucket-list in the Ozarks; even ZZ Top's guitarist weighs in

By JIM CARLTON

OMAHA, Ark.—Bucket-list goals for retirees Sharon and Allen Jones include seeing the Grand Tetons, Glacier National Park—and Crisco, the goat mascot of Table Rock Lake.

Last week they scratched Crisco off the list, capping a two-year quest for the elusive goat. Bearded with long, curled horns, the shaggy white billy came into view on a rocky ledge as the couple approached by pontoon.

The humans were thrilled. Crisco was meh. Mostly he just lay there, twitching an ear. "We're easily entertained," says Sharon Jones, 72, of Liberty, Mo.

For nearly a decade, Crisco,

who escaped a roundup, has ruled the bluffs overlooking this reservoir straddling Arkansas and Missouri.

His legend exploded after a Facebook page began chronicling his exploits three years ago. Now some 14,000 followers eagerly await updates about Crisco.

With his relaxed posture and aloof stare, Crisco cuts a regal figure amid the Ozarks' lush vegetation and golden sun. His solitary life of leisure spurs onlookers to pursue their own unapologetic independence, a prized regional trait.

Crisco has spawned paintings, T-shirts, hoodies, mugs, pillows and debates about his love life (some talk of recruit-

Please turn to page A2



No kidding

TOMORROW



WSJ. MAGAZINE

DONALD GLOVER

Family Rift Drives Murdochs to Court

Siblings face off in succession drama as patriarch seeks to amend his trust

The Murdoch family had cause to celebrate in the spring of 2019. Patriarch Rupert Murdoch's sale of Fox

By Jessica Toonkel, Amol Sharma, Alex Frangos, Katherine Sayre and Keach Hagey

entertainment assets to Disney had netted some \$12 billion to be split up among his children.

The media titan had an unusual request: He wanted each of his four oldest children to give him upward of \$100 million from their pay-

outs. Three of them—Lachlan, Elisabeth and Prudence—agreed to do so, people familiar with the situation said, in a sign of respect for the fortune he had earned over the years.

Murdoch's younger son, James, who was increasingly at odds with his father, refused to go along, those people said.

It was a peculiar twist in a family drama centered mostly on how to transfer wealth and power from the patriarch to his heirs—not the other way around. Now, after years of internal battles over busi-

Please turn to page A9

Musk Secretly Sought To Oust Texas Prosecutor

By JOE PALAZZOLO AND DANA MATTIOLI

Elon Musk secretly channeled hundreds of thousands of dollars into a local race in Travis County, Texas, in an unsuccessful effort to unseat a prosecutor who had won the office with the backing of the investor and Democratic donor George Soros.

A group primarily funded by the Tesla and SpaceX chief executive, which called itself Saving Austin, sent out fliers and texts and spent more than \$650,000 on television ads attacking District Attorney José Garza in the Democratic primary race earlier this year, according to people familiar with Musk's involvement, as well as Federal Communications Commission filings and corporate documents.

Musk, who is worth more than \$200 billion and is the

owner of a major social-media network, has used his influence and money in hopes of helping Donald Trump return to the White House. His support for Trump marks a political shift that could have major ramifications in the presidential race.

His covert effort in the local prosecutor's race in Texas shows that his engagement in politics is broader than previously known.

It was also provocative. One of the fliers sent to voters in February bore Garza's photo above an image of a rumpled teddy bear, stained with what appeared to be blood.

"José Garza is filling Austin's streets with pedophiles & killers," the flier said. "The next victim could be your loved one." On the back of the flier was a photo of a man's hand covering a child's mouth.

Left-leaning Austin is the

Please turn to page A4

INSIDE



MANSION

Jacksonville, Fla., luxury market is skyrocketing even as sales overall stall. **M1**

U.S. NEWS

Donald Trump says no to presidential debate rematch with Kamala Harris. **A4**