

THE WALL STREET JOURNAL.

DOW JONES | News Corp. * * * * *

MONDAY, MARCH 4, 2024 ~ VOL. CCLXXXIII NO. 52

WSJ.com

★★★★ \$5.00

Last week: DJIA 39087.38 ▼ 44.15 0.1% NASDAQ 16274.94 ▲ 1.7% STOXX 600 497.58 ▲ 0.1% 10-YR. TREASURY ▲ 20/32, yield 4.180% OIL \$79.97 ▲ \$3.48 EURO \$1.0841 YEN 150.13

What's News

Business & Finance

◆ **An investor group** composed of Arkhouse Management and Brigade Capital raised its offer to buy Macy's by nearly \$1 billion after the beleaguered department-store chain rebuffed its prior proposal as too low. **A1**

◆ **A debate is building** among economists over whether some industries are becoming too dependent on foreign labor as migration hits record levels worldwide. **A1**

◆ **The rapid surge** in Nvidia's stock price has some Wall Street professionals wondering whether the enthusiasm for AI-related shares is becoming a classic stock bubble. **B1**

◆ **Chinese electric-vehicle** makers have eclipsed foreign rivals to develop cars faster, push the boundaries of smart tech and swamp consumers with choice. **B1**

◆ **Conflict in the Middle East** is threatening the integrity of important undersea internet cables that pass through the narrow strait at the southern end of the Red Sea. **B1**

◆ **"Dune: Part Two"** sold \$81.5 million worth of tickets in the U.S. and Canada, after a delayed release that fulfilled Hollywood's hopes for a hit. **B3**

◆ **Japan's Nikkei 225** Stock Average traded above 40000 for the first time, in early trading Monday, lifted by strong earnings and semiconductor stocks. **B10**

◆ **Chinese gangs** are using cryptocurrencies to launder billions of dollars, including money raised from helping supply drugs to the U.S. **B11**

World-Wide

◆ **Voters are shedding** some of their pessimism about the economy, a new Wall Street Journal poll found, but the more upbeat mood is producing only a marginal improvement in views of Biden. **A1**

◆ **Hamas officials** are in Cairo for negotiations on a potential deal that would see the release of hostages in exchange for a temporary cease-fire in Gaza, Egyptian officials said, in a push to stop the fighting before the Muslim holy month of Ramadan. **A8**

◆ **A plurality of American** voters thinks Israel has gone too far in responding to the October attacks by Hamas, and a growing share believes the U.S. isn't doing enough to help the Palestinian people, a new Wall Street Journal poll found. **A4**

◆ **A British-owned ship** struck on Feb. 18 by Yemen's Iran-backed Houthi forces sank in the Red Sea, U.K. and Yemen officials said, threatening to cause an environmental disaster. **A18**

◆ **Oregon is on the cusp** of ending a three-year experiment as the only state in the nation to allow people to freely use drugs from heroin to cocaine to fentanyl. **A3**

◆ **Russian spies recorded** Germany's air-force commander and his top officers discussing the possible delivery of Berlin's most powerful guided missiles to Ukraine. **A18**

◆ **Gov. Newsom** is staking his political capital on a multibillion-dollar ballot measure aimed at addressing mental illness, drug abuse and homelessness in California. **A3**

JOURNAL REPORT

Investing Monthly:
Where to find 5%-plus
yields. **B5-6**

CONTENTS	Mutual Funds.....B9
Arts in Review.....A13	Opinion.....A15-17
Business News.....B3	Sports.....A14
Crossword.....A14	Outlook.....A2
Heard on Street.....B12	Personal Journal A11-12
Markets.....B11	U.S. News.....A2-6
Markets Digest.....B8	World News. A8-9, 18



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

California Snowin': Blizzard Hits Sierra Nevada



BROOKE HESS-HOMER/ASSOCIATED PRESS

DIGGING OUT: More snow is headed to Northern California this week, after a powerful blizzard dumped more than 60 inches over parts of the Sierra Nevada. The blizzard began on Thursday and grew in intensity until Sunday. **A3**

Voters' Views of Economy Warm, Benefiting Biden Just Marginally

By AARON ZITNER

WASHINGTON—Voters are shedding some of their pessimism about the economy, a new Wall Street Journal poll finds, but the more upbeat mood is producing only a marginal improvement in views of President Biden.

Some 31% of voters in the survey said the economy had gotten better over the past two years, during the majority of Biden's tenure, a rise of 10 percentage points from a Journal poll in December. And 43% said their personal finances are

headed in the right direction, a 9-point increase from the prior survey.

But the recent spate of rising consumer prices still weighs heavily on the public. More than two-thirds of voters say inflation is headed in the wrong direction, despite ample data showing that it has moderated. Nearly three-quarters say price increases are outstripping gains in household income. Only one-quarter see an improvement in the ability of the average person to get ahead.

The new survey gives clues

to one of the most pressing questions in the 2024 presidential campaign: whether an improving economy will lift Biden's re-election prospects against former President Donald Trump. The answer so far appears to be that it is helping Biden just a bit—but also that more voters are turning their attention instead to immigration, a perilous issue for the president.

Trump, the front-runner for the GOP nomination, holds a narrow lead over Biden, a Democrat, in a head-to-head test of the expected 2024 presidential

matchup, with 47% backing Trump and 45% picking Biden, a difference within the survey's margin of error of plus or minus 2.5 percentage points.

In December, Trump led by four points. Some 37% now approve of Biden's handling of inflation, up 7 points from the December survey, and 40% approve of his handling of the economy overall, a 4-point increase that is within the poll's margin of error.

Those findings, while suggesting improvement for the president, still show voters

Please turn to page A4

BlackRock Retreats From ESG Following Pushback

By JACK PITCHER
AND AMRITH RAMKUMAR

Climate investing is booming at BlackRock. Just don't call it ESG.

After crusading for years for investment funds and companies to take into account environmental, social and governance factors, Larry Fink has purged the letters from his vocabulary.

He attempted to use BlackRock's clout as the steward for millions of investors to prod companies toward climate-friendly policies and press them to disclose the social effects of their businesses. He long argued that the world's largest asset manager and its peers could simultaneously make money and make the world a better place.

Fast forward to 2024, and the chief executive has stopped mentioning the abbreviation in public letters and comments. He retreated after a conservative backlash against "woke capitalism" made the term politically toxic. Furthermore, he faced criticism, even in the finance industry, that he was moralizing, playing God and stepping beyond BlackRock's fiduciary duty to maximize financial returns for clients.

BlackRock is still wagering that fighting climate change will be a generational investment opportunity—but is no longer pushing for changes in corporate behavior, talking about hard-to-quantify social issues or actively promoting ESG investing criteria. Instead,

Please turn to page A6

INSIDE



CLIFF JET/ASSOCIATED PRESS

SPORTS

Caitlin Clark is going pro despite having another year's NCAA eligibility. **A14**



REUTERS/ALAMY/GETTY IMAGES

AUTOS

Once laggards, Chinese automakers have raced to the front in EV production. **B1**

The 'Most Annoying Thing In Computer History' Hangs On

* * *

Clippy, Microsoft's once-reviled animated virtual assistant, continues popping up

By ROBERT McMILLAN

Clippy, Microsoft's unwanted, unloved Office assistant, once listed as one of Time's 50 Worst Inventions, is experiencing a renaissance.

You remember Clippy. He was the animated paper clip who would pop up, uninvited, in Microsoft Office to state the obvious and offer unwanted advice: "It looks like you're writing a letter. Would you like help?" Some found that annoying. He was later forced into retirement.

But today, ugly Christmas sweaters featuring Clippy are listed for hundreds of dollars on eBay. In December, he showed up on a handmade sign

at a Las Vegas esports tournament; in September he was stolen from a New York bar.

And in June, a software developer named Ayushmaan Bordoloi rebooted him as an AI chatbot. Thousands of people downloaded his Clippy app, which looked like the original, but had its chatting capabilities provided by OpenAI's GPT software.

That AI incursion was a step too far for Microsoft, which has a longstanding love-hate relationship with the sad-eyed paper clip. A few months after he released his code, Bor-

doloi received an email from Microsoft's Trademarks Team, asking him to confirm his software was "properly autho-

Please turn to page A10

Unsolved Deaths Befall Russians

Pilot who defected adds to growing list

On a Tuesday afternoon last month, Maksim Kuzminov drove up to his new condo overlooking a palm-

By Drew Hinshaw,
Joe Parkinson and
Matthew Luxmoore

lined Spanish beach, unaware that an assassin was waiting for him by the parking garage.

Local police stationed less than 500 feet away needed only minutes to respond, but witnesses said it was too late for the former Russian heli-

copter pilot. The killer had vanished, driving out over the 28-year-old victim's bullet-ridden body. A medic who sliced through his shirt with bandage shears noted the accuracy of the five small-caliber shots, one directly piercing his heart.

Six months earlier, Kuzminov, a native of a town near Russia's North Korean border, had defected to Ukraine, his Mi-8 attack helicopter taking small-arms fire as he flew barely 20 feet above the ground. After turning over

Please turn to page A10

Rich Countries Depend More on Migrant Labor

By TOM FAIRLESS

A debate is building among economists over whether some industries are becoming too dependent on foreign labor as migration hits record levels worldwide.

Many business owners have said bringing in low-skilled foreign workers has become essential, as local populations age and labor forces shrink. In rural Wisconsin, John Rosenow said it is impossible to find locals to work on his 1,000-acre dairy farm. He relies on 13 Mexican immigrants, up from eight to 10 a decade ago. That has enabled him to avoid making costly investments in robots that can help milk cows, as some other dairy farmers have.

"We get really good people," Rosenow said. With immigrant labor, "I'm pretty sure if I wanted to double employment, I could get it done

within a week."

To some economists, however, dependence on imported workers is approaching unhealthy levels in some places, stifling productivity growth and helping businesses delay the search for more sustainable solutions to labor shortages.

Those solutions could include bigger investments in automation, or more radical restructurings such as business closures, which are painful but might be necessary long-term, these economists said.

"Once industry is organized in a certain way and the structure encourages employers to recruit migrants, it can be very hard to turn back," said Martin Ruhs, a professor of migration studies in Florence, Italy. "In some cases, policymakers should ask, does it make sense?" said Ruhs, who is also a former member of the U.K.

Please turn to page A9