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What's News

Business & Finance

- ◆ **United States Steel** agreed to be acquired by Nippon Steel in a \$14.1 billion deal that would give the Japanese steel giant a major role in U.S. steelmaking. **A1**
- ◆ **Google parent Alphabet** agreed to pay \$700 million and make certain changes to its app store to settle an antitrust challenge brought by a group of states. **B1**
- ◆ **U.S. stocks advanced**, with the S&P 500 and Nasdaq adding 0.5% and 0.6%, respectively, while the Dow rose roughly one point to eke out its fourth straight record close. **B12**
- ◆ **Adobe called off** its planned \$20 billion acquisition of collaboration-software company Figma, weeks after a U.K. regulator warned that the deal would likely harm innovation. **B1**
- ◆ **Elon Musk's** social-media platform X will face a formal probe in Europe over its handling of illegal content and disinformation in a first test of the European Union's new online-content law. **B4**
- ◆ **Amazon is in talks** to invest in Diamond, the biggest regional-sports programmer, in a move that would advance the e-commerce giant's aggressive push into sports content. **B4**
- ◆ **Southwest faces a civil** penalty totaling \$140 million after the Department of Transportation said the airline violated consumer-protection laws during its holiday meltdown last year. **B3**
- ◆ **IBM said it would** buy German company Software's webMethods and StreamSets divisions for the equivalent of \$2.3 billion. **B3**

World-Wide

- ◆ **The U.S. unveiled** a multinational naval force to protect merchant vessels in the Red Sea after Houthi rebel attacks threatened the Suez Canal's central role in global trade. **A1**
- ◆ **The most senior U.S.** intelligence and defense officials began a new round of on-the-ground diplomacy aimed at resurrecting talks to release hostages still held by Hamas in Gaza and ending the war. **A6**
- ◆ **A Russian court asked** the country's prison service to provide it with information on the whereabouts of incarcerated opposition politician Alexei Navalny, whose associates say he has been missing for almost two weeks. **A8**
- ◆ **Smugglers sneaking** migrants to the U.S. border have moved from major crossings to more remote spots like Lukeville, Ariz., in recent months, overwhelming less-staffed facilities. **A3**
- ◆ **Texas is set** to begin arresting and potentially deporting migrants under a bill signed into law Monday. **A3**
- ◆ **More than 100 people** were killed and many more were injured after an earthquake struck northwestern China's Gansu province. **A5**
- ◆ **Hungarian Prime Minister** Viktor Orban, long a thorn in the side of the European Union, is now trying to upend its plans, using his veto in an effort to pry loose money and tilt EU policy. **A7**
- ◆ **The Vatican published** an eight-page document setting guidelines for priests blessing same-sex relationships, elaborating on a letter by Pope Francis released in October. **A7**

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Amid War's Horrors, an Interlude



MARTIAL ART: An Israeli soldier played the violin in southern Israel near the border with the Gaza Strip on Monday, while U.S. officials pushed for a new round of diplomacy to revive talks to release hostages held by Hamas and to end the war. **A6**

Pentagon, Allies Create Force To Protect Shipping in Red Sea

By COSTAS PARIS AND JOE WALLACE

The U.S. unveiled a multinational naval force to protect merchant vessels in the Red Sea after Houthi rebel attacks threatened the Suez Canal's central role in global trade.

On Monday, the Pentagon said it was establishing a security operation to protect seaborne traffic from ballistic mis-

siles and drone attacks launched by the Houthi groups in Yemen. Operation Prosperity Guardian will include the U.K., Bahrain, France, Norway and other nations.

Many of the world's biggest shipping lines, oil producers and other cargo owners in recent days started diverting vessels from the region, prompting a jump in oil prices and insurance rates. The Houthis have

threatened to launch attacks in support of Hamas in its conflict with Israel.

"This is an international problem. And it deserves an international response," U.S. Defense Secretary Lloyd Austin said in Tel Aviv on Monday.

U.S. officials tried to secure the support of Saudi Arabia and the United Arab Emirates, the two main players in the Yemeni civil war, people famil-

iar with the discussions said. The two countries have opted to stay out for now as they are long at odds over how to deal with the Houthis, who get weapons and money from Iran.

Oil giant BP on Monday became the latest company to halt its tankers from sailing

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◆ **A kibbutz grasps for ways to stick together..... A6**

Nikola Founder Gets 4 Years

Trevor Milton, leaving court Monday in New York, was sentenced to four years in prison for defrauding Nikola investors. **B1**



YURI IWMANURA/BLOOMBERG NEWS

Mastermind 'Fat Leonard' Sinks Navy Corruption Trial

Businessman bilked the U.S. out of millions then disappeared

By ARUNA VISWANATHA AND NANCY A. YOUSSEF

Navy Capt. David Lausman, once the commanding officer of an aircraft carrier in the Pacific, stood front and center in a trial that capped one of the biggest military corruption cases in U.S. history.

He and his alleged co-conspirators enjoyed "36 hours of straight drinking, prostitutes and hotel rooms," a prosecutor told the jury. Debauchery was among the rewards Lausman and four senior officers al-

legedly got for helping Malaysian businessman Leonard Francis carry out a scheme that cost the U.S. tens of millions of dollars.

Francis, who carried 350 pounds on a 6-foot-2 frame and was known as "Fat Leonard," acknowledged paying bribes and overcharging the U.S. to service Navy ships at ports around the Pacific. He struck a deal with federal prosecutors to provide evidence against the high-ranking Navy personnel who helped him.

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Flaco the Owl Has Become A Peeping Tom

* * * Famous zoo escapee visits New Yorkers at home; 'I audibly gasped' ◆

By JOSEPH PISANI

NEW YORK—One recent morning, Reilly Richardson woke up to being watched. She jumped out of bed, went to the window of her Manhattan apartment and fell to the floor when she saw the peeper.

"It absolutely scared the you-know-what out of me," she recalls about the 2-foot-tall owl staring back at her. "It's New York City. It's the last thing you expect to see."

Richardson, 31, and an actor, didn't know it then, but her feathered visitor was Flaco, an orange-eyed Eurasian eagle-owl who became a New York celebrity after he escaped a zoo in February and turned leafy Central Park into his home. He's drawn binocu-

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More American Households Own Stocks Than Ever Before

By HANNAH MIAO

The share of Americans who own stocks has never been so high.

About 58% of U.S. households owned stocks in 2022, according to the Federal Reserve's survey of consumer finances released this fall. That is up from 53% in 2019 and marks the highest household

stock-ownership rate recorded in the triennial survey. The cohort includes families holding individual shares directly and those owning stocks indirectly through funds, retirement accounts or other managed accounts.

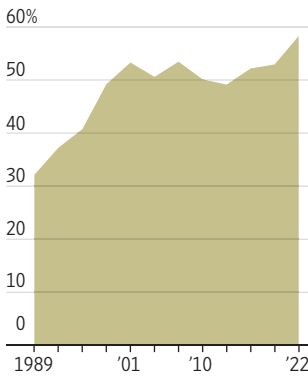
The data provide the most comprehensive snapshot yet of how the Covid-era explosion in investing has reshaped Ameri-

cans' personal finances. Stuck at home during the pandemic with extra cash, millions jumped into the stock market for the first time. The elimination of commission fees on stock trading across U.S. brokerages made investing

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◆ **Stock market extends rally on rate hopes..... B12**

Percentage of U.S. households owning stocks

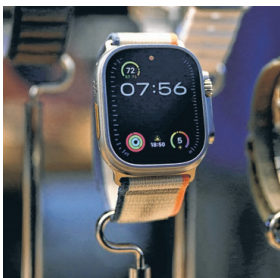


Note: Includes direct and indirect stock ownership Source: Federal Reserve Survey of Consumer Finance

INSIDE



JASON GAY Brock Purdy, the final pick in the 2022 NFL draft, now makes his MVP case. **A12**



BUSINESS & FINANCE Apple to pause some watch sales to comply with federal trade ruling on patents. **B1**

Chinese Quit Rat Race, Choosing to 'Let It Rot'

By SHEN LU

China's ruling Communist Party wants the country's young people to be ambitious, work hard and prepare for adversity.

Li Jiajia just wants to win the lottery.

Demoralized by a weak economy, unfulfilling jobs and a paternalistic state, young Chinese such as Li are looking for pathways out of the carefully scripted lives their elders want

for them, putting themselves at odds with the country's priorities.

After moving to Beijing from her hometown in southeastern China in April, the 24-year-old Li found her new job as a content creator at a technology startup uninspiring. She said she has no desire to climb the corporate ladder, especially

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◆ **China's wealthy are pulling back..... B11**