

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **Opening statements** were made in federal court in Virginia in the Justice Department's case alleging Google has an unlawful grip on the market for software used to buy and sell digital ads, known as ad-tech. **A1**
- ◆ **Norfolk Southern CEO** Alan Shaw is expected to depart the company as soon as this week amid a board investigation into an alleged relationship he had with an employee at the railroad, according to people familiar with the matter. **B1**
- ◆ **Apple introduced** a new generation of iPhones that put AI at the forefront of the device's operating system, a test of consumer appetites for such tools. **B1**
- ◆ **More than 11 million** DirecTV subscribers missed out on ESPN's telecast of the season's first "Monday Night Football" game as a contract dispute with Disney entered its second week. **B1**
- ◆ **Givenchy has hired** British fashion designer Sarah Burton, previously the design head of Alexander McQueen, as its new creative director. **B1**
- ◆ **U.S. discount retail chain** Big Lots filed for bankruptcy and agreed to sell its business to an affiliate of private-equity firm Nexus Capital Management. **B3**
- ◆ **Activist investor** Starboard Value said News Corp should eliminate its dual-class share structure, saying it gives too much influence to the family of Rupert Murdoch. **B3**
- ◆ **U.S. stocks recouped** some of last week's losses with the Dow, S&P 500 and Nasdaq each rising 1.2%. **B11**

World-Wide

- ◆ **Harris and Trump** will clash Tuesday evening on the debate stage, creating the presidential campaign's biggest moment since Harris replaced Biden as the Democratic nominee. **A1**
- ◆ **Emergency appeals** have inundated the Supreme Court during its summer break, especially challenges to new Clean Air Act standards. **A3**
- ◆ **Diversity is down** at some of the nation's most selective colleges this fall after the Supreme Court ruling barring schools from explicitly considering race in their admissions decisions. **A3**
- ◆ **Tropical Storm Francine** was expected to drench the Texas coast before hitting Louisiana as a hurricane. **A4**
- ◆ **Jailed ex-movie mogul** Harvey Weinstein underwent emergency heart surgery. **A4**
- ◆ **The Syrian government** accused Israel of launching missile strikes at its territory that killed 16 people, deepening tensions between the two countries. **A6**
- ◆ **Former ECB President** Draghi delivered his prescription for jump-starting Europe's economy and strengthening its defense industry. **A7**
- ◆ **Catherine, the Princess of Wales**, said she had completed her chemotherapy and would resume a light program of royal duties. **A7**
- ◆ **Former Canadian fashion mogul** Peter Nygard was sentenced in Toronto to 11 years in prison for sexually assaulting four women. **A7**
- ◆ **Died: James Earl Jones**, icon of stage and screen, 93. **A3**

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The Faithful Greet Pope in East Timor



WARM WELCOME: Catholic faithful take shade under the colors of the Holy See as they wait to welcome Pope Francis in Dili on Monday. The pope's arrival in the East Timor capital opens the third leg of his trip through Southeast Asia and Oceania.

System Built by U.S. Allowed Iraq Banks to Wire Funds to Iran

By DAVID S. CLOUD

Ali Ghulam was the undisputed dollar king of Iraq for almost a decade. His three Baghdad banks wired tens of billions of dollars outside the country, ostensibly for car parts, furniture and other imports. He was one of the biggest operators in an ad hoc banking system set up around two decades ago under the U.S. occupation that gave the Federal Reserve Bank of New York a key role in processing Iraq's international transactions.

Years later, when the Fed be-

gan looking closely at where the money was going, it shut him down almost overnight. U.S. officials suspect his banks were among more than two dozen Iraqi banks involved in funneling dollars to Iran and its militia allies, using front companies and falsified invoices to circumvent sanctions that block Iran from the global financial system. Audits of Ghulam's banks completed in May, reviewed by The Wall Street Journal, reveal extraordinary details of overseas dollar transactions that auditors said raised money-laundering

concerns. Ghulam, in interviews, denied the allegations. As much as 80% of the more than \$250 million in dollar wire transfers flowing through Iraqi banks overall on some days were untraceable and some portion of that amount went secretly to Iran's Islamic Revolutionary Guard Corps and the anti-U.S. militias it supports, according to U.S. officials. A top U.S. Treasury official told Iraqi officials at a Baghdad meeting in January that Iraqi banks "deliberately exploited" their access to U.S. dollars to support the Quds Force, a para-

military arm of the IRGC, and also militia groups operating in Iraq that the Iranian government backs. The militias were involved in "ongoing attacks" on U.S. forces, including some that have caused casualties, Brian Nelson, under secretary of the Treasury for terrorism and financial intelligence, told Central Bank of Iraq officials at the meeting, according to U.S. officials familiar with the discussions. The U.S. has taken action to block the suspected Iraqi banks from using the Fed system to

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Gangs in India Help Exam-Takers Cheat

By VIBHUTI AGARWAL

NEW DELHI—This year, hundreds of students were bused in for an overnight stay at the Nature Valley Resort, a mid-budget hotel just outside India's capital. There wasn't much partying or communing with nature. Instead, the students pored over an exam paper at which they had each paid about \$15,000 to \$20,000 to have an advance peek. Now, many of the people who planned and hosted that cheating holiday have been arrested. Police have filed a 900-page indictment against at least half a dozen suspects—including a police officer with advance access to the exam paper—for gaming an exam to

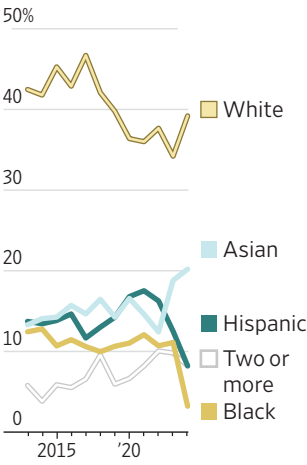
recruit thousands of officers. India is facing an epidemic of cheating in college-entrance and job-recruitment exams, as the sheer number of people competing for a tiny pool of opportunities creates a lucrative opportunity for people to help students gain an advantage, often at an enormous cost to their families. "It's a game of money. Whoever has money can get these question papers," said Vivek Pandey, an activist who helps students and their families file lawsuits over exam cheating. "The deserving candidates feel shattered and demoralized." The money charged for access to exam papers means that even if just a few thousand students cheat on an exam, cheat-

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Diversity Falls On Campuses

Several colleges are seeing sharp declines in enrollment among racial minorities. **A3**

Share of first-year students at Amherst College



Sources: Education Department (2013-2023); the school (2024)

New Antitrust Trial Puts Google Back In the Crosshairs

By JAN WOLFE AND MILES KRUPPA

ALEXANDRIA, Va.—It is a rare day when a company faces a federal-government lawsuit alleging it is illegally monopolizing the marketplace. Google is facing the second such case in less than a year, placing unprecedented U.S. legal pressure on the search giant. U.S. District Judge Leonie Brinkema heard opening statements Monday in the Justice Department's case alleging Google has an unlawful grip on the market for software used to buy and sell digital ads, known as ad-tech.

The trial, expected to last four weeks, is taking place in Northern Virginia, across the Potomac River from where a federal judge in Washington ruled last month that the Justice Department proved its claims that Google was using illegal tactics to preserve its dominance in search. The judge in the search case now must decide how to remedy Google's antitrust violations, which could mean limiting its ability to pay web browsers and phone manufacturers to be their default search engine. If the company also loses in Virginia, the

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Zero-Day Option Bets Draw In High Rollers

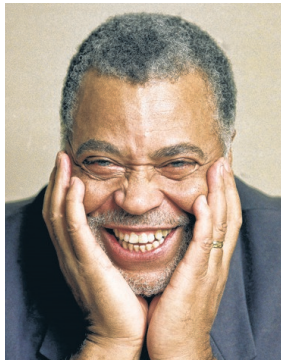
By ALEXANDER OSIPOVICH

A popular, fast-paced trade has boosted the options market to record volumes in recent years. Now, Wall Street is looking to push it even further. Zero-day-to-expiration options let investors bet on whether a particular stock-market index will rise or fall by the end of the day. They have drawn an enthusiastic following among amateur investors, even as skeptics call them a form of gambling. They are sometimes known by the hashtag #0dte. So far, the #0dte boom has been limited to options tied to indexes such as the S&P 500 or Nasdaq-100. The next frontier could be options on stocks such as Tesla or Nvidia. Currently, options tied to individual stocks expire

weekly, on Fridays. To bring #0dte to single-stock options, exchanges would need to add new expirations for Monday through Thursday. Michael McCaskill, a 48-year-old day trader and volleyball-programs coordinator in Louisville, Ky., trades short-dated options in hopes of hitting the jackpot. He is intrigued by the prospect of more-frequent expirations on single-stock options. "The percentage gains are incredible," said McCaskill, who has previously made profitable bets on GameStop, Netflix and PayPal. "It's the short-dated options that give you that, whether it's weekly or daily." Financial-industry executives hope that rolling out daily expirations on single-

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INSIDE



OBITUARY

James Earl Jones, trailblazing star of stage and screen, was 93. **A3**

SPORTS

NFL's new dynamic kickoff rule falls flat in first week of season. **A12**