

# THE WALL STREET JOURNAL.

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## What's News

### Business & Finance

◆ **American shoppers** spent strongly this holiday season, helping to lift retail sales a seasonally adjusted 0.6% in December from a month earlier, in a sign that consumers can drive economic growth in 2024. **A1**

◆ **An internal Meta** presentation in 2021 estimated that 100,000 minors each day on Instagram and Facebook received photos of adult genitalia or other sexually abusive content. **B1**

◆ **Apple lost its effort** to delay the implementation of a U.S. import ban of its smartwatches while the company appeals a federal trade ruling. **B1**

◆ **Apple's new App Store** payment policies are sparking outrage among software developers who say the iPhone maker is skirting the intention of a court ruling. **B4**

◆ **A Boeing 737 MAX 9** door plug that blew out during an Alaska Airlines flight was made in Malaysia, the top U.S. air-safety investigator said, offering new details of the probe into what led to the accident. **B2**

◆ **U.S. stocks retreated**, with the S&P 500 and Nasdaq both falling 0.6% and the Dow slipping 0.3%. **B10**

◆ **Verizon said it** would take a \$5.8 billion charge to write down the value of its division that offers landlines and internet connections to businesses. **B3**

◆ **BP appointed** Murray Auchincloss as chief executive, turning to a company veteran to continue the oil giant's shift toward renewable energy. **B3**

◆ **Maersk and Hapag-Lloyd** are teaming up to form a new vessel-sharing agreement from next year, shaking up the global lineup of shipping alliances. **B6**

### World-Wide

◆ **Iraq's prime minister** said the U.S.-led military coalition that has been helping his country fight Islamic State militants is no longer needed, though he still wants strong ties with Washington. **A1**

◆ **Congressional leaders** struck a cautiously optimistic tone on reaching a deal combining tighter border security with aid for Ukraine, as they emerged from a meeting with Biden at the White House. **A4**

◆ **The Supreme Court** appeared ready to overturn a 1984 case that business groups and conservative activists argue has handed too much power to unelected executive-branch bureaucrats. **A2**

◆ **More Republicans** are closing ranks behind Trump's campaign to become the GOP presidential nominee following his dominant victory in Iowa. **A4**

◆ **Israel withdrew** thousands of troops from Gaza after U.S. pressure to transition to a more surgical phase of its war against Hamas. **A6**

◆ **Chinese researchers** isolated and mapped the virus that causes Covid-19 at least two weeks before Beijing revealed details of it to the world, congressional investigators said. **A16**

◆ **Cancer rates in the U.S.** are rising for many of the most common cancers, including breast cancer, prostate cancer and melanoma, a new report found. **A3**

◆ **Pakistan said it** carried out airstrikes inside Iranian territory, killing Pakistani militants there, in retaliation for an Iranian airstrike inside Pakistan. **WSJ.com**

CONTENTS	Markets Digest..... B7
Arts in Review..... A11	Opinion..... A13-15
Business & Finance B256	Personal Journal A9-10
Business News..... B3	Sports..... A12
Crossword..... A12	Technology..... B4
Heard on Street... B11	U.S. News..... A2-5
Markets..... B10	World News... A6-716



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## Children of War Search for Shelter in Gaza Rubble



**QUEST FOR SAFETY:** Palestinian children Wednesday make a temporary home inside a building damaged in Israel's bombardment of Rafah in the southern Gaza Strip. Israel, under pressure from the U.S., withdrew some troops from Gaza. **A6**

## Iraq Seeks Exit of U.S.-Led Coalition

Iraq's prime minister said the U.S.-led military coalition that has been helping his country fight Islamic State militants is no longer needed,

By Michael R. Gordon,  
David S. Cloud  
and Elena Cherney

though he still wants strong ties with Washington.

"We believe the justifications for the international coalition have ended," Prime Minister Mohammed al-Sudani told The Wall Street Journal,

as the war in Gaza frays Iraqi relations with Washington.

Sudani didn't set a deadline for the departure of the coalition, which was formed in 2014 to mentor and support Iraqi forces in regaining control of their country after Islamic State militants seized swaths of northern and western Iraq.

Nor did Sudani close the door to a role for U.S. troops advising Iraqi forces to remain under a new bilateral relationship he said should follow.

But in an interview on Tuesday during the World Eco-

nomic Forum in Davos, Switzerland, Sudani expressed broad dissatisfaction with U.S. policy on the Gaza conflict. The West had turned a blind eye toward the plight of the Palestinians before Hamas's Oct. 7 attack on Israel, he said, calling for increased pressure on Prime Minister Benjamin Netanyahu of Israel to end what he described as genocide.

While Sudani condemned the frequent attacks by Iranian-backed militias on U.S. forces in his country, he also assailed a recent U.S. drone

strike in Baghdad against a militia leader as a "clear violation of Iraq's sovereignty."

The Pentagon declined to comment on Sudani's statements but said the Iraqi government hadn't made any official requests for U.S. forces to leave.

"We continue to see ISIS as an international and a regional threat, and so we can't take our eye off the ball," said

*Please turn to page A7*

◆ **Widening Mideast conflict** clouds U.S. goals..... **A6**

## Spotify Struggles With Big Bets

The company expanded beyond music to stay ahead but hasn't been able to consistently make money

By ANNE STEELE

Spotify has a plum position in the audio-streaming business. It's the leading platform, with some 600 million users. Its 30% market share is twice that of its next-largest competitor. Spotify is adding millions of new subscribers a month, and few of its users cancel.

Most companies can only dream of that kind of industry dominance. Yet not even the leading audio-streaming company has consistently made money off audio

streaming.

While customers love the convenience of streaming, the question remains whether companies—in either audio or video—can translate that love to big profits. Spotify pays music labels nearly 70 cents of every dollar it earns from music streaming, its core business, similar to other services.

It has lost money in its \$1 billion push into podcasting—a business that has turned out to be less lucrative than many first expected. An effort

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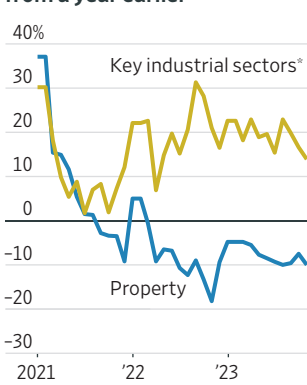
## China Turns Again to Factories In Bid to Kick-Start Economy

By JASON DOUGLAS

China is doubling down on manufacturing to reboot its economy after a turbulent year, a strategy that risks igniting new tensions over trade as countries step up support for prized industries and global growth teeters.

The push for new growth drivers comes as figures showed the world's second-largest economy expanded in 2023 at its weakest rate in decades, aside from the three years when China was closed to the outside world during the Covid-19 pandemic. A drawn-out property crunch means Beijing can no longer rely on debt-fueled real-estate investment to power the economy, and officials have shown little appetite to shift activity decisively to-

**China investment, change from a year earlier**



\*Includes autos, energy production, and communications and electronics equipment  
Source: GlobalData TSLombard

ward consumer spending.

The result: Capital is pouring into factories as Beijing tries to nudge China's supertanker

economy onto what it hopes will be a healthier trajectory.

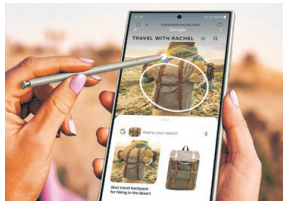
Central to that ambition is a plan to dominate global markets in emerging industries, such as electric vehicles, batteries and renewable-energy gear. Chinese companies such as automotive giant BYD, battery maker CATL and solar manufacturer Longi Green Energy Technology are already among the world's most prominent players in those markets.

The hope is that growth in what Chinese officials refer to as the "New Three" industries and other favored sectors will help China's economy banish the specters of deflation and Japan-style stagnation as a

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◆ **Heard on the Street: Growth** to remain plodding..... **B11**

## INSIDE



**JOANNA STERN**  
Samsung's Galaxy S24 uses AI features to up the ante in its battle with Apple. **A10**



**BUSINESS & FINANCE**  
Family-fun chains tee up deals to lure back business on weeknights. **B1**

## The Reason the Office Isn't Fun Anymore

RIP eavesdropping. Employees now hide out in privacy booths or conference rooms.

By RAY A. SMITH  
AND JOHN KEILMAN

When David Witting prepared digital-marketing agency Dept@'s Boston-area offices for employees' return in 2022, he ordered trendy couches, chairs and high tables, envisioning lively collaboration and banter.

Yet when his co-workers arrived, many skipped the furniture and gravitated toward the private booths scattered in the office. Since then he's jet-tisoned some of the furniture, and added more booths.

"People are coming in to do occasional big meetings, but

really the rest of the time, they want a quiet private spot to get on a Zoom call," said Witting, a partner at the company. "It's weird."

As Covid-19's remote-work surge fades, some workplaces are quieter and odder than ever. Employees have returned only to park themselves in deserted conference rooms or sound-muffling chambers. Colleagues grumble about booth-hogging co-workers, and some companies have started enforcing time limits on them.

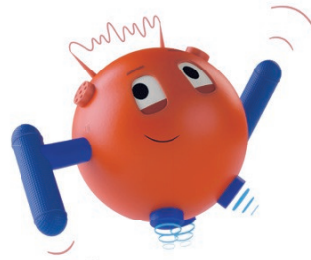
The pods, some resembling old-school telephone booths, have emerged as one of the

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# Artificial intelligence for the real-world enterprise.

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