

THE WALL STREET JOURNAL.

DOW JONES | News Corp *****

FRIDAY, DECEMBER 22, 2023 ~ VOL. CCLXXXII NO. 147

WSJ.com

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What's News

Business & Finance

◆ **The Biden** administration's top economic adviser said the \$14.1 billion deal to acquire U.S. Steel by Japan's Nippon Steel deserved "serious scrutiny" regarding its potential impact on national security and supply chains. **B1**

◆ **Rocket venture** United Launch Alliance received buy-out bids from Jeff Bezos' Blue Origin and from private-equity firm Cerberus, people familiar with the matter said. **B1**

◆ **NBCUniversal's Peacock** streaming service will offer ad-free segments of NFL games this month and next, forgoing revenue in hopes of luring new subscribers. **B1**

◆ **Tesla faces another** potential recall after Norway's traffic-safety regulator launched an investigation into two EV models in connection with suspension failures. **B4**

◆ **British energy** company Harbour said it would buy most of the upstream assets of oil-and-gas producer Wintershall Dea for \$11.2 billion. **B3**

◆ **Major U.S. stock** indexes advanced, with the S&P 500, Nasdaq and Dow industrials gaining 1%, 1.3% and 0.9%, respectively. **B11**

◆ **Activision Blizzard** and a California regulator filed a legal settlement in which the company agreed to pay to resolve gender-discrimination charges while the state withdrew sexual-harassment claims. **B3**

◆ **Biotech startup** Fauna Bio and drugmaker Eli Lilly are using data on the genetics of animals that survive extreme conditions in a collaboration aimed at discovering drug targets for obesity. **B7**

World-Wide

◆ **The Pentagon's top officer** spoke with his Chinese counterpart, restoring dialogue between the militaries after a 16-month rupture during which the U.S. said China's forces conducted dangerous intercepts of American and allied planes and ships. **A1**

◆ **Netanyahu's national** security adviser indicated that Israel could accept a U.S. plan for a revamped Palestinian Authority to govern the Gaza Strip after the war, a sign the Israeli leader is easing his opposition to the idea. **A8**

◆ **Rudy Giuliani**, a former New York City mayor and ex-lawyer for Trump, filed for bankruptcy after a court ordered him to pay nearly \$150 million to two Georgia election workers for defaming them. **A4**

◆ **Harvard University** continued to support its president, Claudine Gay, amid a fresh round of accusations that she plagiarized other academics' work throughout her career. **A6**

◆ **At least 14 people** were killed and dozens more were injured in a mass shooting at Charles University in central Prague, Czech authorities said. **A7**

◆ **Many employers who** received a popular pandemic-relief tax credit can return 80% of the money and escape most scrutiny from the IRS, the agency said. **A2**

◆ **House investigators** called on the defense secretary to explain problems with the V-22 Osprey tilt-rotor aircraft and what the Pentagon is doing to ensure its safety following a series of crashes that have claimed dozens of service members' lives. **A6**

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Now Dash Away! Dash Away! Dash Away All!



CHRISTMAS CRUSH: Passengers wait to check in at Boston Logan International Airport on Thursday, one of the busiest travel days of the year. Despite the crowds, airlines and federal officials are hopeful the flight cancellation rate will be low. **A2**

Warner Chief Gives Big Media A Fresh Try With Paramount Talks

Streaming is losing money. Box-office receipts are underwhelming. Cable networks are dying.

By Joe Flint,
Jessica Toonkel and
Amol Sharma

The entertainment industry is badly in need of a plot twist—and Warner Bros. Discovery boss David Zaslav is ready to supply one in the

form of yet another blockbuster media merger.

Zaslav met this week with Paramount Global CEO Bob Bakish and discussed the possibility of a deal between the media giants. A merger would bring under one roof two storied Hollywood studios and TV networks including HBO, CNN, TNT, CBS, MTV and Comedy Central.

Warner, which has about \$45 billion in debt, would

likely make an all-stock offer if it does pursue a deal, with Paramount overseer Shari Redstone getting noncontrolling shares, according to a person familiar with the situation. It is possible Zaslav won't make an offer, and other suitors also are in the mix for Paramount.

The logic of a Warner-Paramount pairing includes overlapping cable networks and studio operations that would translate into billions in sav-

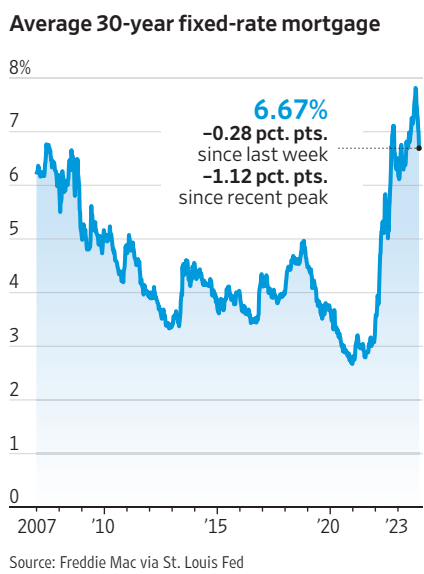
ings. And Warner's Max streaming service would be supercharged with content, while rival service Paramount+ would likely be shuttered as a stand-alone offering, the person said—a positive in a cut-throat streaming market where

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◆ **Peacock tries NFL without commercials..... B1**
◆ **Heard on the Street: Deal would be tough..... B12**

Housing Market Boost

Mortgage rates fell to their lowest levels since June, bringing respite to a housing market hit by higher borrowing costs. The average rate on the standard 30-year fixed mortgage dropped about a quarter percentage point to 6.67%, a survey of lenders by Freddie Mac found. **A2**



Glitches, Red Tape Plague Return of Student-Loan Bills

By Andrew Restuccia
and Gabriel T. Rubin

WASHINGTON—For years, Erica Allen's income-based repayment plan kept her student-loan payments under \$50 a month. So she was stunned when her bank notified her that the company servicing her loans had withdrawn \$588 from her account in November. "I'm not going to be able to pay my rent," Allen, of Smyrna, Del., remembered thinking.

Allen, 41 years old, a single mother of four with roughly \$50,000 in student debt, said she didn't receive a bill from Mohela, the Missouri Higher Education Loan Authority, which oversees her loan, in advance of the charge. She borrowed money to pay the rest of her bills that month and hasn't received satisfactory answers from Mohela about why her payment skyrocketed. As millions of student-loan borrowers make payments this

year for the first time since 2020, many are grappling with maddening bureaucratic problems. Borrowers described waiting on hold for hours, trying and failing to get answers from their loan servicers. Some received inaccurate or conflicting information about amounts owed and the status of their loans. Others heard barely anything at all—only to be hit with surprise bills. The logistical morass,

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Your Friendly D.C. Lobbyist Gift Guide

Trade group produces 'Made in America' catalog

By Bob Tita

At an Appleton, Wis., factory, the company BenShot boasts "unique glassware," and to be sure, it isn't often one comes across a shot glass made with a rifle bullet lodged in the side. The glasses, which are as much for displaying as imbibing, often come with etched slogans, flags or logos, and sell for about \$25.

"Most of our products are targeted at men," says Chief Executive Ben Wolfgram, who started the company with his father in 2015. "Guys are hard to buy presents for."

The bullet glasses are among last-minute Christmas ideas filling an annual catalog you might not know about: the "Made in America Holiday Gift Guide" for discerning givers and die-hard fans of U.S. manufacturing.

It's the handiwork of the

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What TikTok Shows Youth About the War in Gaza

The app can feed children a stream of intense, polarized and hard-to-verify videos about the Israel-Hamas conflict

By Sam Schechner, Rob Barry, Georgia Wells,
Jason French, Brian Whitton and Kara Dapena

Imagine your 13-year-old signs up for TikTok and, while scrolling through videos, lingers on footage of explosions, rockets and terrified families from the war in Israel and Gaza.

Your child doesn't search or follow any accounts. But just pausing on videos about the conflict leads the app to start serving up more war-related content.

That's what happened to a handful of automated accounts, or bots, that The Wall Street Journal created to understand what

TikTok shows young users about the conflict. Those bots, registered as 13-year-old users, browsed TikTok's For You feed, the highly personalized, never-ending stream of content curated by the algorithm.

Within hours after signing up, TikTok began serving some accounts highly polarized content, reflecting often extreme pro-Palestinian or pro-Israel positions about the conflict. Many stoked fear.

Dozens of these end-of-the-world or alarmist videos were shown more than 150 times across eight accounts registered by the Journal as 13-year-old users. Some urged viewers

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Court Asks SEC: Do Outside Audits Matter?

By Jonathan Weil

One of the country's most influential courts has asked the nation's top securities regulator for its views on an uncomfortable subject: whether audit reports by outside accounting firms actually matter.

The court already ruled

that, at least in one case, they didn't. That case, where an insurer overstated profits and an auditor signed off on its books, led to an investor lawsuit against the auditor that was dismissed. In its ruling, the court said the audit report was so general, an investor wouldn't have relied on it.

The decision could have broad ramifications for the Securities and Exchange Commission, which oversees corporate financial disclosures, and for the auditing industry, which charged about \$17 billion last year for blessing the books of publicly listed companies in the U.S.

The ruling, by a three-judge panel of the Second U.S. Circuit Court of Appeals, prompted three former SEC officials to tell the court it got the answer wrong. They asked the court to reconsider its decision, noting that the SEC in a previous enforcement case

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INSIDE



SPORTS

Court ruling could be a boon for organizers of breakaway European Super League. **A14**

MANSSION

A Brooklyn area known for its Christmas lights fights to keep things merry and bright. **M1**