

Partly sunny 51/36 • Tomorrow: Turning cloudy 48/35 C8

Democracy Dies in Darkness

SUNDAY, DECEMBER 31, 2023 • \$5

With no recession, stocks leap into 2024

Indexes surged in 2023; ‘Magnificent Seven’ tech firms led market gains

BY AARON GREGG

A year that many experts believed could end with a recession and rising unemployment instead concluded with a surging stock market and enthusiasm about the economy, as a combination of Big Tech and consumer sentiment sent financial markets barreling into 2024.

The S&P 500, the market-tracking index that underpins the retirement fortunes of millions of Americans, gained nearly 25 percent in 2023, far more than analysts had expected at the beginning of the year. “Nobody was calling for 20 percent last January. ... I mean nobody,” said Michael Farr of the D.C.-based investment firm Farr, Miller & Washington.

The Dow Jones Industrial Average surpassed its earlier record and gained more than 13 percent.

But it was the technology-heavy Nasdaq composite index, led by a group of elite tech firms dubbed “the Magnificent Seven,” that truly wowed Wall Street, gaining more than 40 percent for the year. Those same stocks had borne the brunt of a historic sell-off the year before, when the Federal Reserve began raising interest rates, and they started the year on cautious footing as a recession seemed imminent. Instead, the economy remained stable, bolstering their investment prospects just in time for an explosion of investor attention around artificial intelligence.

Most of the stock market gains
SEE MARKETS ON A15

Anti-union Musk tested by Swedish Tesla strike

BY GERRIT DE VYNCK

MALMÖ, SWEDEN — Every day, port workers here in Sweden’s third-largest city unload shipping containers, oil, chemicals and building materials destined for places across the country. But there’s one thing they won’t touch: Tesla cars.

For six weeks, dockworkers at Swedish ports have refused to load or unload the electric cars made by billionaire Elon Musk. They’re part of a growing movement of workers across Sweden, Finland, Norway and Denmark who are protesting in support of striking Swedish Tesla technicians and their demand for a collective agreement on the terms of their employment.

“We’re going to take the fight all the way,” Curt Hansson, a 55-year-old dockworker here, said in an interview during a break from unloading ships on a cold, gray December day. “Either he leaves or signs an agreement.”

Since October, when a subset of Tesla’s 130 technicians in Sweden first went on strike, tens of thousands of workers in Northern Europe have joined the largest coordinated labor action against Tesla since its founding in 2003. Norwegian and Finnish ports have likewise closed to Tesla shipments. Danish truck

SEE TESLA ON A8

IMPERFECT UNION

Repairing cracks in American democracy

BY DAN BALZ

On the morning of Nov. 10, 2016, Katie Fahey posted a short message on her Facebook page. It read: “I’d like to take on gerrymandering in Michigan, if you’re interested in doing this as well, please let me know.” She ended it with a smiley face emoji.

Fahey was then 27 years old, with little experience in politics. Her message was born of general frustration that the system wasn’t working for most people, including her. She thought that gerrymandering — the manipulation of legislative and congressional districts for political gain — was a major contributor to the problem of lack of representation.

Fahey wasn’t by any stretch a social media influencer, but by lunchtime, she realized she had struck a nerve. Many people “liked” the posting, others re-

Experts say solutions can become reality when ordinary citizens engage



MATT MCCLAIN/THE WASHINGTON POST

Members of the Brooklyn College Veteran Students’ Organization prepare for a Memorial Day parade in May.

sponded with comments, still others sent her personal messages asking how to help. To that question, she had no answer. “Oh, crap,” she thought to herself. And then she Googled, “How do you end gerrymandering?”

Today, because of the grassroots campaign that Fahey launched, Michigan’s district lines are drawn by an independent commission of citizens.

As an example of the power of an individual to change the system, the movement started by Fahey’s Facebook post stands out at a time when so many Americans distrust politicians and political institutions, feel their voices are not heard and are angry at one another.

This series of Washington Post stories has sought to highlight the imperfections of America’s union — including the architecture cre-

SEE DEMOCRACY ON A6

The nation’s capital was largely built on top of fill covering a series of streams. Those underground waterways, long buried, are coming back to life.



JONATHAN NEWTON/THE WASHINGTON POST

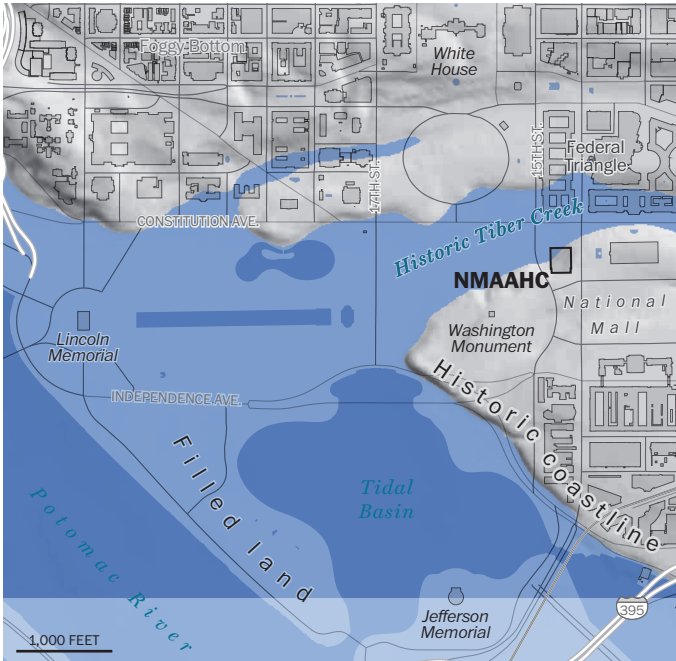
About 300 cherry trees will be cut down near the Jefferson Memorial to raise the Tidal Basin sea wall, battered by climate change’s intensifying storms, higher tides and a sinking foundation. Washington is increasingly vulnerable to devastating floods.

A struggle to avoid drowning

BY DANA PRIEST
AND JOHN MUYSKENS

Derek Ross, head of museum construction, despaired as he stared into the colossal 80-foot pit where workers were digging out the basement for the new African American history museum. The huge excavators had broken into a hard clay soil that encased much of Tiber Creek, which was buried 150 years ago. Over the decades, the soil had formed a pressurized cushion around the underground aquifer that held up other buildings on the Mall. But now, it seemed in danger of collapsing.

The water was rushing out of the aquifer more quickly than it was being replenished by the creek. It was the same aquifer that flowed under the Washington Monument, a mere 800 feet away. Ross worried that if the cushion collapsed, the monument would shift or, worse, topple over. When he closed his eyes, he saw a giant sinkhole.



This is the shoreline George Washington would have seen in 1791, when he chose the site for the nation’s new capital. It was a land of wetlands, marshes and creeks. The National Museum of African American History and Culture was built on what was then the lowest and last spot available on the National Mall in 2012.

“I had a recurring dream that I’d walk to work one day and the Washington Monument wouldn’t be there.”

The work had to stop. Water pumps around the monument normally used to pull extra water out of the ground during rainstorms were reconfigured to force water back underground to refill the cushion. Piezometers were installed to measure the pressure and level of groundwater.

What excavators unearthed at the site of the African American museum in 2012 was not only the long-forgotten topography of the nation’s capital but a subterranean geology that, two centuries later, determines the city’s vulnerability to catastrophic flooding as climate change intensifies storms, rainfall and sea-level rise.

At risk are the national treasures housed inside the Federal Triangle, the low-lying area between the White House and the Capitol, home to 39 critical gov-

SEE WATER ON A9

ELECTION 2024

Divisive stances on race in GOP

LEADING CANDIDATES PROVOKE, POLARIZE

Comments on history distort facts, experts say

BY MAEVE RESTON,
HANNAH KNOWLES
AND MERYL KORNFIELD

Former president Donald Trump uses dehumanizing rhetoric to describe undocumented immigrants before largely White audiences. The runaway GOP polling leader says they are “poisoning the blood of our country” — comments some experts have compared to Adolf Hitler’s writings on blood purity.

Florida Gov. Ron DeSantis defended part of his state’s African American history curriculum standards that claimed some enslaved people developed skills that “could be applied for their personal benefit.”

And Nikki Haley omitted any mention of slavery when she was asked to explain the cause of the Civil War at a town hall event this past week. It wasn’t until the next day that Haley acknowledged the war was “about slavery.”

The Republican Party’s three leading presidential candidates are speaking about history and race in polarizing and provocative ways that sometimes diverge from or distort the facts, some political strategists, experts and civil rights leaders said. Their comments have stoked outrage among many Americans and risk alienating

SEE GOP ON A2

Russia works to undermine French favor for Ukraine

BY CATHERINE BELTON

STRASBOURG, FRANCE — From the top floor of the house he shares here with a senior Russian diplomat — to whom he rents the apartment below — the man who helped bankroll the French presidential bid of far-right candidate Marine Le Pen has been working on plans to propel pro-Moscow politicians to power.

“We have to change all the governments. ... All the governments in Western Europe will be changed,” Jean-Luc Schaffhauser, a former member of the European Parliament for Le Pen’s party, said in an interview. “We have to control this. Take the leadership of this.”

For Schaffhauser, such ambitions are part of a decades-long effort to forge an alliance between Russia and Europe, the prospects of which, however distant, were shattered by Moscow’s invasion of Ukraine in February 2022. But now, as Kyiv’s counter-offensive — and Western funding for it — falters and as governments in Europe battle rising living costs, plunging approval ratings and the rise of far-right populists, Schaffhauser and his Russian associates see fresh opportunity.

Russia has been increasing its efforts to undermine French support to undermine French sup-

SEE RUSSIA ON A18

METRO

The Maryland budget shortfall has legislators looking at taxing the rich.

OPINION

Taylor Swift, Janet Yellen and Barbie: The Year of the (Economic) Woman.



BOOK WORLD

📖 Bonnie Jo Campbell’s “The Waters” delves into a matriarchal family.

BUSINESS

What members of Gen Z have to say about how AI is shaping their future.



ARTS & STYLE

🎥 “Ferrari” from director Michael Mann has real cars at incredible speeds.

SPORTS

With 2024 on deck, we offer up the top questions of the 366 days ahead.

NOTE TO READERS

There is no Travel section this week.

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