

# THE WALL STREET JOURNAL.

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★★★★ \$5.00

Last week: DJIA 39375.87 ▲ 257.01 0.66% NASDAQ 18352.76 ▲ 3.5% STOXX 600 516.60 ▲ 1.0% 10-YR. TREASURY ▲ 18/32, yield 4.272% OIL \$83.16 ▲ \$1.62 EURO \$1.0840 YEN 160.76

## What's News

### Business & Finance

- ◆ **Boeing agreed to plead guilty** to misleading air-safety regulators in the run-up to two deadly 737 MAX crashes, a stunning concession that would brand the world's biggest aerospace company a felon. **A1**
- ◆ **Paramount Global** agreed to merge with David Ellison's Skydance Media in a deal that ends the Redstone family's involvement with the Hollywood company. **B1**
- ◆ **A judge dismissed** for a second time a racketeering suit against McKinsey brought by Jay Alix, ruling that the founder of turnaround consulting firm AlixPartners lacked standing to sue. **B3**
- ◆ **Canada approved** a Glen-core-led \$9 billion deal to acquire coal assets from Teck Resources after receiving investment commitments from both companies. **B3**
- ◆ **"Despicable Me 4"** collected \$229.5 million globally at the box office since its opening last week, extending a winning streak for the family-friendly franchise. **B2**
- ◆ **The New York State** comptroller's office said it would vote against re-electing Best Buy's chairman and other board members over questions about the retailer's commitment to the LGBTQ community. **B3**
- ◆ **New disclosures show** that Google and Microsoft's emissions data are moving in a direction counter to the companies' climate commitments through the end of the decade. **B4**

### World-Wide

- ◆ **A coalition of leftist parties** won the most seats in France's parliamentary elections, according to projections based on ballot counts, in a stunning come-from-behind victory fueled by a groundswell of opposition to Marine Le Pen's anti-immigrant forces. **A1**
- ◆ **Biden faced new calls** from prominent Democrats to exit from the race, as he hit the campaign trail to try to dispel mounting concerns over his fitness for office and chances of defeating Trump in November. **A1, A4**
- ◆ **More Democrats are** publicly and privately suggesting that Vice President Kamala Harris is the only viable replacement were the president to bow out of the race. **A5**
- ◆ **Thousands of Israelis** demonstrated against Netanyahu's government, moved by growing discontent with the prime minister's war management and failure to secure the release of hostages held in Gaza. **A6**
- ◆ **Another wave of record-setting heat** looms for the U.S. West Coast this week, while the East Coast swelters in sticky humidity. **A3**
- ◆ **Iranian President** Masoud Pezeshkian's low-key election campaign helped to make him the regime's safe bet for the position. **A18**
- ◆ **NATO, in its summit** communiqué this week, plans to criticize China for supporting Russia's invasion of Ukraine, alliance diplomats said. **A18**
- ◆ **Died: Jon Landau**, 63, producer of "Titanic" and the two "Avatar" films. **A2**

### JOURNAL REPORT

Investing Monthly: How to start a spirits collection. **B5-6**

<b>CONTENTS</b>		Opinion.....	A15-17
Arts in Review.....	A13	Outlook.....	A2
Business & Finance B210		Personal Journal A11-12	
Business News.....	B3	Sports.....	A14
Crossword.....	A14	Technology.....	B4
Heard on Street.....	B10	U.S. News.....	A2-5
Markets.....	B9	World News.....	A6,8,18



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Crowds gathered at an election rally in Paris on Sunday as the leftist coalition advanced.

## France's Left Takes Lead In Parliament

Far right, which won the first round, trails coalition and Macron, in stunning reversal

By STACY MEICHTRY AND NOEMIE BISSERBE

PARIS—A coalition of leftist parties won the most seats in France's parliamentary elections, according to projections based on ballot counts, in a stunning come-from-behind victory fueled by a groundswell of opposition to Marine Le Pen's anti-immigrant forces. A projection by polling firm Elabe estimated that the New Popular Front—a coalition of parties that includes socialists, greens and far-left France Unbowed—is expected to garner between 184 and 186 seats in the 577-seat National Assembly. The party of President Emman-

uel Macron and its allies won between 160 and 162, according to Elabe, while Le Pen's National Rally and its allies scored between 141 and 143 seats.

The outcome marks a reversal of fortune for Le Pen's party, which a week ago notched an unprecedented victory in the first round of voting.

The New Popular Front and Macron's ranks responded by agreeing to try to pool their voters by withdrawing hundreds of third-place candidates in order to set up head-to-head matchups with Le Pen candidates for the final round. The strategy, known as the "republican front," allowed voters to coalesce around a single National Rally opponent in each of those districts.

Macron, who has vowed to

Please turn to page A8

◆ **Outlook: Crushing debts** await election winners... **A2**

## Boeing Agrees To Plead Guilty

Boeing agreed to plead guilty to misleading air-safety regulators in the run-up to two deadly 737 MAX crashes, a stunning concession that would brand the world's biggest aerospace company a felon.

By Dave Michaels, Sharon Terlep and Andrew Tangel

Boeing will formally acknowledge guilt and accept fresh punishment over its dealings with the Federal Aviation Administration before two 737 MAX crashes that killed 346 people, according to a late Sunday court filing.

As part of a plea to one count of conspiracy to defraud the U.S., prosecutors have asked the company to pay a second \$244 million criminal fine and spend \$455 million over the next three years to improve its compliance and safety programs.

Boeing also must hire an independent monitor for three years to oversee those improvements. A court still needs to sign off on the plea agreement.

Pleading guilty creates business challenges for Boeing. Companies with felony convictions can be suspended

Please turn to page A6

## More Call for Biden to Exit Race

President Biden faced new calls from prominent Democrats to exit the race, as he hit the campaign trail on Sunday to try to dispel mounting concerns over his fitness for office and his chances of defeating Republican Donald Trump. In a private meeting of se-

By Annie Linskey in Philadelphia and Natalie Andrews and Siobhan Hughes in Washington

nior House Democrats, several attendees said Sunday they believed Biden should step aside, according to people familiar with the matter. The members included top lawmakers on ma-

ior committees including Reps. Jerrold Nadler of New York, Adam Smith of Washington, Jim Himes of Connecticut, Mark Takano of California and Joe Morelle of New York.

The developments opened a wide crack in Biden's wall of support, bringing the number of House Democrats publicly or privately saying he should step aside to about 10. They included the top Democrats on the Judiciary, Armed Services and Intelligence committees. The defections cast further doubts on Biden's path forward, even as he controls his own fate because he swept the Democratic presidential primaries.

Biden is bleeding support among Democrats and donors,

despite the president's pledge to remain in the race, following a disastrous June 27 debate against Trump, the GOP's presumptive presidential nominee. While Vice President Kamala Harris has the clearest path to step up if Biden withdraws from the election, dissenting Democrats haven't coalesced around a plan to pick a replacement nominee, and several said Sunday that talk of a fill-in nominee was premature.

Other Democrats have rallied around Biden. Rep. Frederica Wilson (D., Fla.) said Sunday that "any 'leader' calling for President Biden to drop out needs to get their priorities straight and stop undermining

this incredible actual leader who has delivered real results for our country."

The Democratic National Convention is in Chicago in August, when delegates are set to formally nominate Biden to be the party's nominee for president.

Biden spent the day crisscrossing the critical swing state of Pennsylvania, working to shore up support and show off his retail politicking skills.

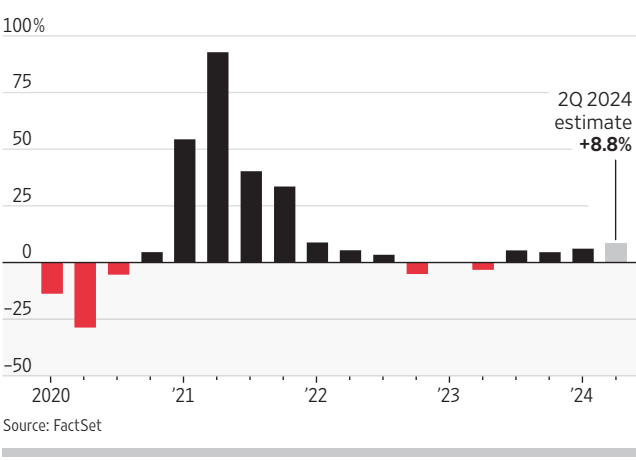
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- ◆ **Donors' views on Biden are hardening**..... **A4**
- ◆ **TV interview does little to ease voters' concerns**..... **A4**
- ◆ **Vice president gets a closer look**..... **A5**

## AI Enthusiasm Faces Test

Technology giants that drove the S&P 500 up 17% this year on excitement over artificial intelligence are under pressure to keep the party going this earnings season. **B1**

S&P 500 quarterly earnings, change from a year earlier



Source: FactSet

## Workers Are Feeling Stuck in Their Jobs

By CHIP CUTTER

You are likely not getting a big promotion this year. So how about a job swap?

Many workers said they are considering that question as they feel stuck in their roles. With the white-collar labor market cooling and declining turnover leading to fewer internal moves, a sense of malaise and frustration is growing inside big companies.

Bosses are noticing. At a range of companies, employers are trying new tac-

tics to spur movement. Consulting giant McKinsey is increasing the size of its mobility budget to let employees take projects in new cities, if only for a few months. Credit-card issuer Synchrony Financial is letting some people apply for temporary positions on other teams. Exact Sciences, a diagnostics company, is expanding some roles to give people fresh challenges.

"The very best people want new experiences," said Kevin Conroy, chief executive of Ex-

Please turn to page A2

## Summer Wear Warning: Those Short Socks Make You Look Old

In the latest generational fashion skirmish, Gen Z draws the line on low-cut socks

By CHAVIE LIEBER

Standing in line for the Seven Dwarfs Mine Train at Disney World, 36-year-old Matthew Hubbard experienced an epiphany. He might be old. Or at least, look it.

A group of teenagers ahead of him were snickering and gawking at his footwear—specifically the no-show socks peeking out from his Adidas running shoes. The kids, by contrast, were all sporting socks that hit midcalf.

"It was very hot, so I couldn't understand why anyone would want tall socks, but I also didn't want to feel like

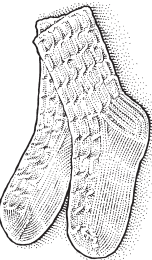
the elderly Disney millennial," says Hubbard, an author who lives in Chattanooga, Tenn.

The next day, he slipped on a pair of gray, midcalf high socks he'd packed for sleeping.

Across gyms, workplaces and the internet, a fierce controversy is kicking around about sock height. Higher socks, such as those that cover ankles and go as tall as midcalf, were popular in the 1980s and '90s. But now, they are seen as stylish and the socks to wear by teens and Gen Z-ers.

"If you are wearing low-cut socks, it means you are 30-plus," says Chidebe Ndibe, a

Please turn to page A10



Sock market is up.

## INSIDE



### SPORTS

England embraces late-game chaos to advance in European Championship. **A14**



### U.S. NEWS

After lockdown years, teenagers crave friends on the job this summer. **A3**

## Baby Boomers' Good Times Drive U.S. Economy

Influx of older Americans bolsters the nation's fastest-growing city

By HEATHER GILLERS AND BEN EISEN

Georgetown, Texas, is the fastest-growing city in the U.S. It's largely thanks to the baby boomers.

Thousands of them have settled in an enormous planned community called Sun City Texas: 5,421 acres of single-family homes clustered around pools, fitness centers and pickleball courts, reserved mostly for buyers 55 and older. The hottest party is the yearly Mardi Gras parade and ball. The median age is 73.

"We're not dead yet," said Suzanne Herndon, 70, who moved to Sun City in 2021.

Cities are often focused on attracting young families, or hip remote workers. But Sun City residents have turned out to be the best economic stimulus Georgetown could ask for. The city's operating budget is flush. Its rainy day fund is brimming. Stores, restaurants, hospitals and health clinics add hundreds of jobs every year. Of Georgetown's 96,000 residents, about 17,000 live in Sun City.

Please turn to page A10