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The Harborside Pool Club at the Boca Raton resort in South Florida is a water park for the wealthy ▷ 73

■ PHOTOGRAPH BY YSA PEREZ FOR BLOOMBERG BUSINESSWEEK

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Coders rewrite their jobs to adapt to AI

An Israeli-Palestinian friendship broken by war

The Wild West market for T. rex fossils

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- Visual artist **Tonje Thiesen** shot all her photographs at her parents' house in Oslo. She likes making imagery that tricks the eye, bringing the stories in our grift package to life. ▷ 30
- **Timothy L. O'Brien**, senior executive editor for Bloomberg Opinion, has been covering Donald Trump since 1990, as a reporter and an author. Nothing the president does surprises him anymore. ▷ 42
- While reporting the coding feature, **Mark Milian**, *Bloomberg Businessweek's* deputy editor, used Claude Code and other AI tools to build a video game with his kids. ▷ 46
- When **Ethan Bronner**, the Israel bureau chief for Bloomberg News, heard about the shattering of a warm friendship between two businessmen—an Israeli and a Palestinian—over the Hamas attack, he knew it stood for something larger. ▷ 54
- **Devon Pendleton**, a wealth reporter for Bloomberg News, discovered that the classic museum pose for T. rex has been wrong. Many original mounts have been changed to show it leaning forward, almost horizontal to the ground. For his illustrations, **Maxime Mouysset** juxtaposed minimalist architecture with textured fossils. ▷ 62

Cover



Photo illustration by Justin Metz for *Bloomberg Businessweek*. The digital artist combined stock photography with CGI, taking three images of the wolf and creating a 3D model of the lamb fleece, isolated in a studio environment.

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Let a US Sovereign Wealth Fund Bloom

● By Brad Stone

Over the past few years, Western countries that were once reluctant to own or invest in their nation's companies have embraced a tool more commonly associated with petroleum-rich and export-driven economies: the sovereign wealth fund. Canada, Ireland, Portugal and Spain all recently unveiled investment vehicles intended to help build up their domestic manufacturing, boost their progress in fields such as artificial intelligence and clean energy, and hopefully squirrel away any winnings for their own citizens. Remarkably, such funds are broadly politically popular even in polarized times. "The tool is everywhere, and it connects the left and the right," says Ashby Monk, executive director of the Stanford Research Initiative on Long-Term Investing. "The state is moving from being a regulator, borrower and spender to an owner, investor and capital allocator."

The US is the latest country to flirt with the idea of a sovereign wealth fund, but somewhat characteristically, it's yet to settle on a concrete plan. President Donald Trump issued an executive order in February 2025 calling for the establishment of such a fund "to maximize the stewardship of our national wealth for the sole benefit of American citizens." The order left out a few key details, such as who'd manage the fund and, crucially, where the money would come from. Since then there's been a series of investments in chipmakers, rare-earth miners and quantum computing companies, though the structures of these transactions lack much consistency. Attempts to shape these ad hoc deals into a cohesive strategy for a sovereign wealth fund have been accompanied by improbable ideas

for how to capitalize it—with proceeds from the sale of the US portion of TikTok by its Chinese parent, ByteDance, or with revenue from Trump's tariffs. (Neither of these options panned out.)

The latest and most intriguing proposal, floated not only by the administration but also by one of its most outspoken critics, Vermont Senator Bernie Sanders, is for the government to anchor a fund with ownership stakes in high-flying AI startups such as OpenAI and Anthropic PBC. There's a good case to be made that all Americans and not just the tech elite should benefit from the AI boom. Even the AI companies seem amenable to the idea. OpenAI Chief Executive Officer Sam Altman suggested giving the US government a 5% stake in his company, according to the *Financial Times*, arguing it would allow US citizens to share in the upside—and presumably also provide a hedge against the possible labor market downsides—of the coming AI disruption.

There are a few reasons sovereign wealth funds are suddenly a hot topic. Saudi Arabia's \$900 billion-plus Public Investment Fund and Singapore's \$500 billion Temasek Holdings Pte Ltd. have generated solid returns since their inception and helped attract development and (arguably) diversify their country's economy. They can also be a fair way to compensate taxpayers when governments are forced to prop up important companies in a crisis, like the too-big-to-fail US banks during the 2008 financial crisis, or bulk up a vital supply chain, such as the personal protective equipment industry during Covid-19. Just imagine if the American public now owned part of N95 respirator maker 3M, along with Ford, Citigroup or JPMorgan Chase.

Sanders, writing in the *New York Times*, argues that powerful AI models were built on our collective intelligence, so citizens should get to partake in their bounty. His proposal calls for a US sovereign wealth fund to take 50% stakes in the AI giants and then pay out a 5% annual dividend directly to citizens. There are several reasons the US may want to proceed cautiously. For starters, state ownership on such a scale would mark

Largest Sovereign Wealth Funds

Funds' total assets

Norwegian Government Pension Fund Global	\$2.05T
SAFE Investment Co. (China)	1.95
China Investment Corp.	1.57
Abu Dhabi Investment Authority (UAE)	1.13
Kuwait Investment Authority	1.07

a notable departure from traditional noninterventionist US economic policy and perhaps deter other investors from buying into these companies. Then there's the issue that if the government invests in tech firms, lawmakers will be naturally more reluctant to hamper their growth with onerous regulation, even when that's in society's best interests. Indeed, that may be one reason for Altman, Anthropic CEO Dario Amodei and their peers to so eagerly volunteer their stock.

A fund also needs seasoned, professional management, free from meddling by government officials and strict independence from whatever stiff political winds are blowing at the time. Consider the fate of the state pension funds of California, Texas and elsewhere, for example, which had to scamper toward and then away from ESG (environmental, social and governance) as socially conscious investing went in and out of fashion. "It's a good idea, but I don't know if it would be a good idea for this country, because we are so polarized," says Michael Maduell, founder of the Sovereign Wealth Fund Institute, a research company.

That polarization is on full display in America's conversation about this topic. Politicians from both parties seem to agree it's a good idea but have different notions on how to fund it, manage it and determine who should benefit from the proceeds. Strategic clarity at the outset is an urgent necessity in such an endeavor. So the question may not be whether the US should have a sovereign wealth fund, but whether the country has its act together enough to deserve one. **B**





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In Context



Europeans Are Finally Warming Up to AC

● By David Rocks, Sabrina Nelson
Garcinuño and Miles J. Herszenhorn

Like much of Europe, Geneva has been brutally hot this summer, approaching 40C (104F). At those temperatures the asphalt melts, dogs and cats stare listlessly from the floor, and humans like

Véronique Haynal seek shade or water. What Haynal and many others in northern Europe generally don't look for is air conditioning. "I just went for a swim," the retired psychologist says. "That was my air conditioning."

Anyone who lives in Europe or has visited in June, July or August can tell

you the place can get hot. Really hot. Paris and Berlin have hit 40C this year, while much of Greece, Italy and Spain can feel like Phoenix or Las Vegas. And with climate change, even northerly locales such as Helsinki and Warsaw are breaking temperature records. More than 200,000 people died from heat across ►

◀ the European Union over the past four years, the World Health Organization estimates. In June, Spain saw 1,028 heat-related deaths, the highest number for the month since records started in 2015. Germany says a heat wave in June was responsible for more than 5,000 excess deaths. And what researchers call tropical nights, when temperatures remain above 20C, are increasingly common, making for more restless sleep.

It's only a matter of time before cities in northern Europe cross the symbolic barrier of 50C, says Christophe Cassou, a climate specialist at France's National Center of Scientific Research. "Heat waves are going to become more intense, and these temperature thresholds will be surpassed," he told French news network BFM TV in June. "It could be as soon as this year, in two years, in 10 years."

Yet, Europeans use far less air conditioning than Americans. While 78% of US households had AC in 2022, across Europe it was 19%, according to the International Energy Agency. And when you take out the Mediterranean countries, that level falls dramatically. Germany's environment ministry estimates that only 6% of homes have cooling equipment, growing to just 8% by 2030. Some places even have laws discouraging the technology: In Geneva you need a permit to install AC in most homes. "If everyone had air conditioning, you'd see an explosion in electricity use," says Cédric Petitjean, head of Geneva's energy regulator. "Before AC, you should try other ideas that use less energy."

Most would agree that AC is needed in some situations—hospitals in particular—but in many corners it's still considered a weakness, something those silly Americans do to excess. Opponents note that AC uses a ton of energy and that cooling your bedroom ejects hot air into the street—a big bummer for neighbors who don't have AC. Better, some say, to make buildings more resilient, with improved insulation, green roofs and higher-quality windows that are oriented away from direct sunlight. "Think about all the people who can't afford AC," says Anastasia Mylona, of the Chartered Institution of Building Services Engineers, a trade group in

London. "We are purposely making things worse for them."

There are reasons, both cultural and historical, for the resistance. The weather has been cooler in the summer (remember the blessed Gulf Stream?) than across North America. Europe's ancient city centers were designed to handle the heat, with thick stone walls and narrow streets, plus shutters and wide eaves to keep the sun off windows. High ceilings allow hot air to rise, and fans can bring in a cool breeze at night, so if you shut down during the day and open up after dark, you might be fairly comfortable. And if things start to bake in the afternoon, there's always the siesta.

Climate change, though, is increasingly forcing Europe to reconsider. While thick walls can keep the heat out, when it stays too hot for too long, the heat can penetrate and settle in for the long haul. Few German schools have AC, so the country has a policy of dismissing students early when classrooms become unbearably hot. Spain tackles the same issue with shorter summer schedules and earlier start times to avoid the hottest afternoon hours.

There's been a run on AC units and fans across the region this summer. Viral videos show fights over fans in French big-box stores. At a Berlin MediaMarkt, a sign reads: "All air conditioners and fans are currently sold out!" One enterprising German has created a website to log shipments of new stock—and charges €3.99 (\$4.56) for three months' access.

The debate over AC—particularly in countries farther north—has, not surprisingly, become political, with the left often resisting the idea and conservatives embracing it. The former tend to argue that Europeans should pursue the passive methods they've used for millennia: trees and traditional building techniques. The latter counter that the past century has seen construction of countless apartment blocks that lack the passive features found in vernacular architecture.

France's far-right National Rally—which has repeatedly voted against measures meant to slow climate change—is pitching legislation to install air conditioning, implying it's the only near-term solution to hotter summers. In the UK,

the Conservatives have adopted "Make Britain Cool Again" as a campaign slogan, accusing London's Labour Party mayor, Sadiq Khan, of a de facto ban on the technology. Although that's not true, Khan has introduced rules that require developers and some homeowners to prove they've tried less energy-intensive methods before getting a permit for AC.

Even as change comes, it can be slow. In Greece, almost all hotels have air conditioning, but a generation ago that wasn't the case. The Attalos Hotel in central Athens, for instance, installed AC throughout the building around 2010, says Melina Zisi, its general manager. Back then few guests inquired about it when booking, something they frequently do today. But Zisi is nonetheless lukewarm to the idea of AC at home, where she uses it only on the very hottest days. "We find other ways to cool down," she says, "like using a regular fan, or opening the windows in the evening if there's a breeze." — *With Dimitra Kessenides, Fabienne Kinzelmann, Sasha Draeger-Mazer, Eva Brendel and Olivia Rudgard*

The Parasites at Home on the Range

● By Erin Ailworth and Michael Hirtzer

It sounds like something out of a horror film: An infestation of flesh-eating flies lay hundreds of eggs at a time in the open wounds and cavities of any warm-blooded animals that cross their paths, potentially killing their hosts in as little as a week if left untreated. But for seventh-generation Texas rancher Ed Mayfield, battling the invasive parasitic fly, known as the New World screwworm, is his reality.

In the weeks since the burrowing maggots were discovered in two of his cattle, Mayfield and the authorities have been fighting on multiple fronts to contain the parasite, which was declared eradicated in the US in 1966. The US Department of Agriculture temporarily deployed fly-traps more than a foot long on his land, and Texas officials have asked to scour

his trail-camera footage for any evidence of infected wildlife contributing to the spread. Mayfield, meanwhile, is meticulously checking his 200 cattle and more than 2,500 goats for bloody or weeping wounds. “I’m doing herd checks every single day,” he says. “The attention to fine detail is way more ramped up.”

The goal is to stop the fly from proliferating beyond Texas and New Mexico, where infections have been confirmed in dozens of animals, including cattle, sheep, goats and even a dog, since early June. That’s threatening the country’s top beef-producing state, Texas, at a time when the US cattle herd is already at its lowest level in generations.

“The beast is among us somewhere,” says Deb Zoran, director of Texas A&M University’s veterinary emergency team, which has been mobilized to assist the Texas Animal Health Commission. The group has been busy inspecting livestock

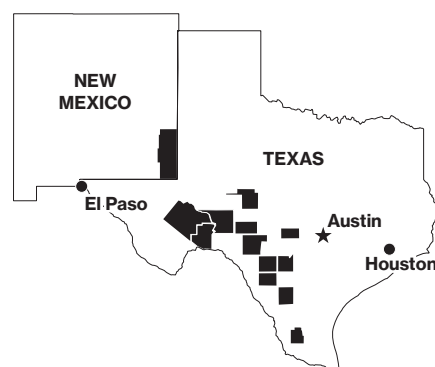
in quarantine zones before any travel to a rodeo, fair or farm sale, collecting larva samples and treating suspected cases. But containment won’t be fast, Zoran warns, “because there’s just so much space down here.”

The infestation couldn’t come at a worse time. Beef prices are at or near record highs, and inflation-wary households can’t stomach much more. And with Texas producing roughly 14% of the country’s beef supply, the ramifications could extend far beyond its borders. At the same time, some Democrats say federal funding and staffing cuts under the Trump administration have reduced the US Department of Agriculture’s ability to effectively respond to the situation, though Agriculture Secretary Brooke Rollins has pushed back against those claims.

It’s still early, but if local and federal authorities can’t control the spread of

Screwworm’s Spread

Counties with reported cases



the fly, its impact could be significant. During a major screwworm outbreak in 1976, the fly infected 1.8 million head of cattle and sheep in Texas, costing producers \$132 million that year, according to a USDA analysis. A similar-size outbreak today, the agency says, could ►



Mayfield secures an infected calf for medical treatment

◀ cost the state's producers \$732 million a year and result in a \$1.8 billion loss for the Texas economy. If the state's estimated 5.6 million white-tailed deer are also infected, the deer-hunting industry, which generates \$9.6 billion in economic output for the state annually, could be affected, according to the Texas Parks & Wildlife Department.

The sheer number of warm-blooded animals in Texas, spread out over vast swaths of unoccupied acreage, is one big challenge to preventing screwworm. The state is home to more than 140 mammal species that could serve as hosts for the fly. Although the US cattle herd is the smallest in 75 years, the population in Texas alone still numbers more than 12 million. A boom in recreational hunting ranches has also created a growing population of exotic game animals that are at risk of infection. "If we follow the animal movement restrictions, we can contain this," says Phillip Kaufman, who heads the entomology department at Texas A&M in College Station. "But it takes everybody, because one bad player can ruin it."

Wendell Epperson, whose family has ranched in the Texas Hill Country since 1879, says he worries it's just a matter of time before screwworm is found on his family's property, a rocky landscape in Edwards County where they still ride horses when working with livestock instead of using modern ATVs. The family is doing what it can to protect its cattle, goats and sheep, plus the Dybowski's sika deer, scimitar-horned oryx and other exotic animal herds it manages as part of a hunting business. Normally the ranch's animals give birth mostly in April or May, but this year the Eppersons are trying to make sure that new lambs, calves and kids are born in January and February, when frigid weather helps kill off screwworms. "We're at the front," Epperson says. "The battle has arrived."

The USDA's main weapon against screwworm hasn't changed since the 1950s, when scientists released lab-sterilized male flies into the wilderness to halt reproduction. Sterile fly dispersals helped push screwworm



Epperson on his family's ranch in Edwards County

out of the US in the '60s and have long kept the pest from reinfiltrating the US. (From 2016 to 2017, a localized outbreak affecting wild deer in the Florida Keys was contained that way. The US maintained its screwworm-free status during this and past infestations because it never reached an endemic level.)

The USDA is pursuing the same technique again, but production of the sterile flies will be slow. In late June, the US and Mexico opened a facility in Metapa, near Mexico's southern border, that's expected to make up to 100 million of the sterile flies every week.

It joins an operating plant in Panama that cultivates about the same number. (An estimated 500 million a week will be required for the job.) Another site,

planned for Texas, won't be operational until at least late 2027.

Until the sterile flies are ready, ranchers and government officials will have to get creative. The USDA has been looking into using thermal imaging drones to identify animals in need of inspection. It's also considering deploying detection dogs to sniff out the larvae, Rollins says. In addition, the US has suspended live-animal crossings over the border with Mexico, where the pest—typically found in parts of Central and South America—reemerged in 2024 and has since steadily moved northward.

There are medical treatments too, but they're not cheap or easy to administer. Epperson estimates it would take three to four weeks to round up and treat all the ranch's livestock with a screwworm preventive that requires frequent dosings. Inspecting and doctoring



A flesh-eating screwworm larva

■ EPPERSON: PHOTOGRAPH BY JORDAN VONDERHAAR FOR BLOOMBERG BUSINESSWEEK. LARVA: SOHATH YUSSEFF-VANEAS/USDA PHOTO/ALAMY

exotic game, meanwhile, often entails the use of a helicopter and involves darting the animals with a prescription drug that can be used only once every 30 days. “I’m still trying to figure out how I am going to do that so that I can keep these animals alive, keep myself and our employees safe, without spending so much money that it’s not worth having them,” Epperson says.

South of Houston in coastal Brazoria County, Babe Scott, a fourth-generation rancher who runs Scott’s Gulf Coast Beef, laments that his father and grandfather are no longer around to tell him how they dealt with the big screwworm outbreaks of the past. He says he’s worried about the fall calving season. Although screwworm hasn’t yet been reported in his area, Scott guesses he’s already spent about \$4,000 stocking up on medication to prepare his ranch, retail store and custom slaughtering operation for the pest’s eventual arrival. “Once they reach our area,” he says, “those drugs are going to be hard to get.” **B** — *With Elizabeth Elkin and Ilena Peng*

AI Spills Its Secrets

● By Maggie Eastland

When Anthropic PBC introduced Fable 5, the latest version of its large language model, in early June, the artificial intelligence pioneer outlined its strategy for undercutting attempts to use its technology to carry out cyberattacks or build biological or chemical weapons. It also raised concerns about an activity known as distillation. While distillation may not mean much to laypeople, it’s generating alarm among US tech companies and policymakers, who see it as a primary tool of China’s efforts in the AI arms race.

In its simplest terms, distillation is the process of asking an AI model lots of questions, logging the queries and responses, then using that data to train a new AI model. This turns out to be a cost-effective way to make models that perform nearly as well as advanced

systems on certain tasks. Academics and smaller developers do it all the time without controversy. Distilling a model to make a direct competitor is something of a gray area, but it isn’t unheard of. Elon Musk has said SpaceX’s xAI division “partly” used distillation on ChatGPT models to train its own AI.

But AI labs say Chinese companies are using distillation in a more threatening manner. These fears date to the 2025 release of R1, a powerful low-cost model from the Chinese startup DeepSeek. In public reports, both OpenAI and Anthropic have accused DeepSeek, MiniMax, Moonshot AI and other Chinese companies of distilling their models in violation of their terms of service. In a letter to federal officials in late June, Anthropic also accused Alibaba Group Holding Ltd. of carrying out the largest distillation campaign yet, referring to the company’s actions as an “industrial-scale” attack.

In Washington tech-policy circles, this flavor of the technique has even been given its own name: “adversarial distillation.” Silicon Valley has told the Trump administration that distillation could become an existential threat, according to people familiar with the situation, who asked not to be named discussing private deliberations. The belief that AI may soon cross a crucial threshold where its ability to improve itself makes it impossible to control has added urgency, according to people in the industry.

The Chinese Embassy in Washington rejected the US labs’ accusations, describing them as a “groundless allegation and deliberate attack on China’s development and progress in the AI industry.”

The US Department of Commerce initially restricted Anthropic from providing access to Fable 5 to foreign nationals, prompting the company to cut off access for everyone. But those controls were lifted without an obvious solution to the distillation question.

Strategies that might weaken the effectiveness of the technique involve trade-offs AI companies may find unpalatable. Even within the AI industry, there’s disagreement about whether distillation is akin to ripping off someone else’s work, and whether leading AI companies are

engineering a national security scare in search of commercial advantage. “My main problem is Anthropic calling this an attack,” says Harold Mansfield, an independent AI consultant. The company, he says, is “using their relationship with the government to try to position themselves as the dominant global player, to try to keep other competitors away.”

This spring, top Trump administration security officials discussed the issue in a private meeting, according to people familiar with the event who asked not to be named discussing a confidential event. In a subsequent memo, Michael Kratsios, director of the Office of Science and Technology Policy, wrote that distillation, “when legitimately used to produce smaller, lighter-weight models from more advanced systems, is a vital part of the ecosystem.” But he added that there is “nothing innovative about systematically extracting and copying the innovations of American industry.”

As a first step, the administration has begun sharing more information with firms to help them root out suspected misuse of their models. A bipartisan group of lawmakers has proposed a bill to encourage the administration to sanction Chinese actors engaging in mass-scale distillation.

OpenAI and Anthropic are also pushing for antitrust exemptions so AI companies can share more distillation threat information with one another, though it’s unclear how such a proposal would fare at a time of significant public skepticism toward the technology.

AI companies face multiple lawsuits regarding how they’ve scraped the internet to train their models, generally without compensation or explicit permission. Copyright holders equate this practice to theft, even as tech firms say the practices are covered under fair-use protections. David Atkinson, a fellow at Georgetown University who researches the intersection of AI and the law, draws a parallel between the practice and the distillation that Silicon Valley now views as such a threat. The industry, he says, is focused on how to “protect AI companies from adversarial access before protecting American content creators and website owners.”

Supporters of open-source AI ►

◀ are also skeptical of attempts by big companies to impose greater restrictions in the name of safety. The primary challenge is not a lack of rules, they say, but the difficulty of enforcement. Commercial AI labs have strong incentives to push new policies that choke off competition, according to supporters of open-source AI, when their existing terms of service should provide them with a sufficient legal framework. “This is just the beginning of this unreasonable and unproductive race,” says Uljan Sharka, chief executive officer of Italian open-source AI company Domyn.

OpenAI, Anthropic and Google have said they noticed abnormal mass-scale data extraction requests on their platforms early this year, which OpenAI and Anthropic have connected to their Chinese competitors. Anthropic concluded that Moonshot AI had created hundreds of fake accounts to collect information about its chatbot, Claude. The company in February cited more than 3.4 million exchanges tied to

“varied account types” that could be traced back to senior Moonshot staff. Google says it has noted an uptick in distillation attacks, calling them a form of intellectual-property theft. Attempts to respond are often frustrated by new workarounds, the companies say. These include tricks like concealing IP addresses and forming networks of intermediaries to maintain access for banned users.

US officials estimate unauthorized distillation costs US AI labs as much as \$6 billion annually in lost income, according to people familiar with the matter, who asked not to be named discussing private matters. In a survey from programming website Stack Overflow in mid-2025, more developers reported using DeepSeek’s top model for development work than using ones from Meta, X, Microsoft or Amazon. Airbnb Inc. has said it uses Chinese open-source models, including Alibaba’s Qwen, which is known to sometimes mistakenly identify itself as “Claude.”

For now, there’s little way to quantify the prevalence of adversarial distillation.

Colin Shea-Blymyer, a research fellow at Georgetown’s Center for Security and Emerging Technology, says it would be wrong to attribute China’s progress in AI to distillation, though he says it’s obviously playing some role and calls for large-scale testing that replicates adversarial distillation campaigns. “We are essentially guessing,” he says, “at the extent of the threat.” **B**

Visiting ‘Temu Land Rover’ Country

● By Jamie Nimmo and Jacob Reid

Land Rovers are as British as the king, crumpets and cricket. The rugged SUV has been a workhorse for the UK’s army since 1948. The royals keep a fleet of “Landys” at their Scotland castle. And in the Cotswolds—the quintessentially English weekend destination about 70 miles west of London—they’re both a status symbol and (occasionally) a necessity to navigate the rough roads that wind through the rolling hills.

So why are those country lanes suddenly teeming with a Chinese imitator called the Jaecoo 7? A bit more than a year after entering the UK market, the import is outselling Land Rover’s comparable Range Rover Evoque on its home turf, earning the nickname “Temu Range Rover,” a nod to the online discounter (which doesn’t sell them...yet). “They really look good,” corporate recruiter Kate Allen says, eyeballing a white Jaecoo at a dealership in Abingdon, a town on the River Thames that serves as the gateway to the Cotswolds. “I looked at the cost,” her husband, Rob, chimes in, “and I love the fact that they’re pretty much fully loaded.”

The gasoline version of the Jaecoo 7 starts around £30,000 (\$40,000), compared with £45,000 for the Range Rover Evoque (Land Rover’s smallest model). It includes premium touches like heated front seats, and there’s a sunroof, a pricey add-on for the Evoque. And it’s got a seven-year warranty, versus three for the English inspiration—helping make





A Jaecoo 7 in the Cotswolds

it the UK's top-selling car in March. "All the other SUVs are far too expensive," says Tom Hammond, a software engineer who's in the showroom checking out Jaecoos. He plans to swap his Audi A4 sedan for a Jaecoo 7 Black Luxury edition, a plug-in hybrid that mimics an upmarket variant of the Range Rover.

There's little mystery as to why the Jaecoo is so similar to the Range Rover: Its manufacturer, Chery Automobile Co., is the China partner of Jaguar Land Rover Automotive, the English brand's parent. Since 2012 their joint venture has churned out burly SUVs at a plant in Changshu. Two years ago, JLR revived a discontinued model called the Freelander as an electric vehicle for China, contributing the name and design while Chery developed the EV guts. JLR declined to comment, but in the past it has said its cars target a different, wealthier audience.

China's carmakers have pushed hard into Europe in recent years, accounting for 10% of the market in May, the first time they've hit that milestone—and far ahead of their share in the US, where they're effectively banned. Some Chinese companies have sought factory space from European rivals, and underutilized plants in the region are eagerly signing up to keep production humming. "Established manufacturers recognize they're going to have to work

with some of the emerging brands, because they're pioneering more efficient ways of manufacturing," says Ben Nelmes, chief executive officer of research group New AutoMotive CIC.

The UK, lacking much of a domestic industry to protect, is particularly attractive, and Chinese brands now hold about one-fifth of Europe's second-largest car market. Autos face no tariffs beyond the standard 10% on all imports, unlike in the European Union, which imposes duties as high as 35% aimed at shielding an industry employing 13.8 million people in the bloc.

Once a global powerhouse with legendary brands like Mini and Jaguar, Britain's auto sector has been in decline for decades, with car output last year slumping to its lowest level since 1956. And what remains has fallen into foreign hands. JLR is now owned by India's Tata Group. Vauxhall is a unit of Stellantis NV, the producer of Jeep and Fiat. BMW AG owns Mini. MG—which made the roadster Queen Elizabeth presented to then-Prince Charles on his 21st birthday—is controlled by China's state-controlled SAIC Motor Corp.

Even the Japanese brands courted by Margaret Thatcher to bolster the industry are struggling. Nissan Motor Co., which in 1986 opened a factory in Sunderland, a down-at-the-heels mining hub in the

north, can't sell all the cars it produces. So the plant is set to start making vehicles for Chery as soon as 2027. It's unclear whether the Jaecoo 7 or 8 (a £45,000 seven-seater introduced this spring) will be part of the deal, but analysts reckon it will.

The demise of the locals has led to an influx of newcomers. There are now 75 car brands sold in the UK, up from 45 in 2019, according to online car marketplace Autotrader Inc. The surge has been driven by 14 Chinese entrants, including Leapmotor (affiliated with Stellantis), BYD (an EV champion once backed by Warren Buffett) and Chery, which sells three brands in the UK.

More are on the way. Smartphone giant Xiaomi Corp., which is moving into auto production with a Porsche Taycan look-alike, plans to enter Britain by 2028. BYD Co. is bringing in a £100,000 EV from its upmarket Denza brand this year, with an ad campaign fronted by former James Bond star Daniel Craig. This autumn, Chery is adding a fourth brand, the budget-oriented Lepas. The growth "shows people are noticing us," says Gary Lan, UK CEO for Jaecoo and sister brand Omoda. "People are increasingly judging cars on what they actually offer, rather than simply how long the badge has been in the market."

The embrace isn't universal: At Daylesford, a posh Cotswolds farmshop, Range Rovers still outnumber Jaecoos. And Thomas Dobie, who runs a website called Cars of Glasgow, deems the Jaecoo "a little bit unsettled" when compared with its British forebear. But Jeremy Clarkson, the petrolhead who masterminded the BBC's hit car show *Top Gear*, wrote in London's *Times* that for buyers seeking safety and reliability at a reasonable price, "the Jaecoo 7 is perfectly fine."

Auto dealers, meanwhile, have quickly warmed to Chinese companies—Jaecoo is sold at more than 120 outlets across the UK, up from zero two years ago—helping boost sales as legacy brands falter. The Abingdon dealership, Hartwell Automotive, pushes the Jaecoo 7 relentlessly on social media, racking up 1.6 million views for one TikTok video promoting the £365 monthly leasing ►

◀ cost. Andrew Wilkinson, a Hartwell salesman for 14 years, says he was put off by the switch from Ford to Jaecoo two years ago, but these days he's got no regrets. "The Jaecoo 7s sell themselves," Wilkinson says. "We can't get enough of them. Everything I've got on-site at the moment is sold." **B** —*With Sasha Draeger-Mazer*

The Mental Health Leave Debate

● By Taylor Nicole Rogers

Kendall McGill needed to take time off work for her mental health. The 32-year-old project manager in Baltimore didn't get along with her direct manager and says she'd recently been assigned the workload of two people. Before every one-on-one meeting with her boss,

McGill sat in front of a window and took deep breaths to calm her anxiety. "I just started to feel dreadful," she says. "I was in therapy already and talking about the issue on and off with my therapist. And I was like, 'I'm not going back to work.'"

So, last spring, McGill took a six-week leave of absence, using a certification from her therapist to qualify for a job-protected sabbatical through the federal Family and Medical Leave Act (FMLA). The time off was unpaid, but short-term disability insurance replaced 70% of her income. She used the time to do "nothing," spending hours sitting on her porch, coloring and playing with her son. "It was the reset that I needed," McGill says, stressing that she took the leave because she was anxious, not because she was lazy. "I feel like my baseline was restored." Her work-related stress at bay, she was able to stay in the role for another year before moving on.

Although employers have long granted extended absences for workers

to pursue treatment for eating disorders, substance abuse and suicidal thoughts, more people are requesting time off these days for depression and anxiety too. About 67% of US employers report an increase in mental-health-related leaves of absence and accommodation requests over the past year, according to a survey released in May by employment law specialists Littler Mendelson PC. This figure rises to 74% for large employers. The number of absences in American workplaces is "skyrocketing" as a result, says Jeff Nowak, an employment attorney at Littler. "Leaves have been consistently elevated coming out of Covid. This is a sustained shift, not a temporary disruption."

For those battling mental health conditions, a leave of absence for as long as 12 weeks through FMLA can be a life-line. Workers say the option to take time off has kept them from burning out, or worse. "I can say that 100% of the people I've seen took leave because they ▶



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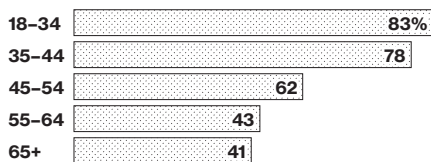
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Great Expectations

Share of employees by age group who say mental health benefits are very or extremely important to their job decisions



◀ really f---ing need it,” says Bibhiam McKinney, a 32-year-old cognitive behavioral therapist in Washington, DC. She’s signed certifications for 6 of her 37 patients to take FMLA and says she’s often the one to suggest it.

Signed into law in 1993, FMLA is intended to help employees balance their work responsibilities with medical needs, such as having a baby or caring for an immediate family member. But companies say the growing trend of workers using it for mental health is prompting a resource strain. At 1 in 6 organizations, the number of workers taking mental health leave jumped 25% or more in the past year, according to a 2026 survey of human resources leaders by Spring Health, which provides mental health benefits for big companies. To get by, companies usually hire temporary replacements or redistribute work. Unlike with expectant parents, workers with mental health conditions don’t often provide their managers with much notice before taking off for weeks or months at a time.

“Individuals are collectively more aware of when they’re struggling, and they need to take that leave,” says corporate wellness consultant Erin Clifford, who’s also the managing director at Chicago personal injury firm Clifford Law Offices PC. Still, “it’s important to recognize that if somebody ends up taking a leave, there’s work that’s not getting done.”

It’s hard to quantify this impact, but a 2022 Gallup Panel report on mental health in the workplace estimates the cost of a missed workday at about \$340 for full-time workers. This adds up to \$47.6 billion annually in lost productivity in the US, Gallup says. “Employees feel

more comfortable coming forward, and that’s a good thing,” Nowak says, “but it can also be crippling for employers.”

One key reason mental health leave is on the rise is that many companies during the pandemic pushed the ideals of wellness and self-care. Firms expanded employee assistance programs that connect staff with counselors and increased their healthcare plans’ coverage to help employees cope with the Covid-19 pandemic. Announcements touting those changes boosted workers’ awareness of the benefits available to them and helped reduce the stigma of using them. The expansion of paid leave, mental health benefits and workplace flexibility during the pandemic labor shortage helped companies retain workers.

Today, though, workplace dynamics have shifted. Many employers are reassessing their expanded policies as demand for workers slows but benefit utilization continues to grow. Companies are running leaner and asking teams to be more productive with fewer people, so any absences become more pronounced. With elevated interest rates, sticky inflation and constant geopolitical uncertainty, employers are starting to rethink some of their more generous offerings.

“One in 3 inbound conversations I’m having right now with our customers is around their leave policies and the challenges they’re having,” says Sean Bell, senior vice president of Spring Health. At a webinar the company hosted for its clients in May, HR leaders asked how they could limit requests for leave. Federal law requires workers only to present a certification from a clinician to file for FMLA, a document some telemedicine services advertise they can provide in less than 24 hours for a fee as low as \$49.

That has some companies worrying that a small number of employees might be abusing the resource. On TikTok, some workers and career coaches tout using a leave of absence as a way to search for a new job. “Take a week to decompress, and then while you’re on that FMLA, you’re going to start applying for jobs like it’s your full-time job,” tech-recruiter-turned-consultant

Madelyn Rovellada says in one video. Such a practice isn’t illegal—workers can use their approved leave however they want—but it means workers requesting legitimate mental health leave are at risk of facing additional judgment.

Experts including Nowak and Bell don’t think using FMLA to hunt for a job is the norm, but workers say there’s still a stigma around taking leave. Two workers who spoke to *Bloomberg Businessweek* but asked not to be named discussing active litigation described being laid off soon after returning from mental health leave, which they see as retribution; both are suing for damages. Federal laws don’t allow workers to be fired for requesting or taking FMLA leave, but they don’t prevent terminations for specific, documented reasons while absent or after returning.

One solution to help stem ballooning leave requests is to ramp up other mental health resources to treat issues before they turn into prolonged leaves. About a third of US employers have expanded their EAPs to include therapy via text and online cognitive behavioral therapy, according to a survey by benefits consultant Mercer. Another third will offer in-person counseling at their worksites by 2027, the survey found.

Talent group Creative Artists Agency has long offered its agents a free virtual counseling program and behavioral therapy benefits to help them deal with the demands of managing stars. Over the past year, staff increasingly began asking for monthslong leaves of absence too. “There are more and more, but I can’t pinpoint exactly why,” says Liz Alvidrez, the California-based agency’s benefits executive; she says the strain of last year’s deadly Los Angeles fires likely contributed.

So the sports and entertainment talent group recently added new benefits including access to meditation app Calm and grief support service Empathy, which provides emotional support, funeral planning and estate settlement services after the loss of a loved one. The new benefits have helped keep the more frequent leaves from disrupting operations, Alvidrez says: “It’s just about options.” **B**

Brazil Wants Your Data Centers

● By Peter Millard

Glimpsed from the highway, half-hidden by fan palms and other vegetation, the symmetrical rows of 18-foot columns evoke the grand edifices of the Roman Empire. Up close, you'll see that this is not some ancient ruin but a rising monument to the geopolitical ambitions of a modern-day superpower: China.

On this remote corner of Brazil's Ceará state, hundreds of workers are building a data center for ByteDance, the creator of TikTok. The facility will be the company's largest data center complex outside China, a project with a total estimated price tag of 200 billion reais (\$38 billion). Construction manager Wellysson Costa can't contain his enthusiasm. "This was all weeds and brush," he says, striding past cranes, cement mixers and square concrete foundation blocks the size of hot tubs.

Costa works for Omnia, a Brazilian company that builds and operates data centers. Last year, it pitched executives at ByteDance on the idea of locating the facility in a free-trade zone in Ceará state to avoid having to pay the steep tariffs Brazil levies on imports of computer gear. The complex will have a computational capacity of 200 megawatts, eventually going up to 1 gigawatt, with the first of 20 data halls to be operational by late 2027.

Brazil is a natural beachhead for Chinese artificial intelligence companies seeking to expand their global footprint and surpass their US peers. It has abundant renewable power, with hydroelectricity, solar and wind accounting for almost 90% of all generation. Brazil is also a hemispheric nerve center for telecommunications, thanks to multiple undersea cables connecting it to North America, Europe and Africa.

The country already hosts more than 100 data centers, according to BloombergNEF, though that's just a fraction of the 1,700 in the US, the world leader. "Brazil has all the attributes to become a data center hub," says Rodrigo

Borges, the Brazil representative of Aurora Energy Research, a UK consulting firm. Aurora projects that Brazil's data center capacity will more than quadruple to over 4GW by the early 2030s.

Other Chinese technology giants are following ByteDance's lead, with Alibaba Group Holding Ltd. planning to rent space in a cluster of data centers scheduled to be built in São Paulo to handle AI workloads, according to people familiar with the project who asked not to be identified discussing plans that haven't been made public yet. Ascenty, a Brazilian company with 40 data centers in operation or under construction across Latin America, is investing \$1.2 billion in the facilities. Alibaba did not respond to requests for comment.

Elea Data Centers and Scala Data Centers, both backed by US investors, are also planning large-scale projects in Brazil and courting Chinese as well as American hyperscalers.

Chinese tech companies, of course, are spending even more back home. Government agencies have drafted a plan to spend 2 trillion yuan (\$295 billion) on a network of interconnected computing hubs across the country.

For Brazilian President Luiz Inácio Lula da Silva, the ByteDance data center is just the latest dividend from his decades-long drive to build closer ties between Brasília and Beijing. China is now the country's largest trading partner, taking almost \$100 billion worth of crude oil, iron ore, sugar, soybeans, beef and other products last year. And Brazil was the top destination for Chinese foreign investment in 2025, according to the American Enterprise Institute, a Washington, DC, think tank.

About two-thirds of Brazil's data gets processed abroad, so building out these computing warehouses has become a strategic priority for Lula's administration. "It's our main national vulnerability: digital sovereignty," says Luis Fernandes, Brazil's deputy minister of science, technology and innovation. (ByteDance's new data center won't ease that dependency, since it will serve users outside the US and Europe, the company says.)

Even with all its advantages and vocal government support, Brazil has missed



ByteDance's data center under construction in Ceará

opportunities with data centers. An incentive program to cut import taxes on servers and other equipment is stalled in congress, while an auction for battery storage needed to back up intermittent wind and solar generation has been delayed until December.

Although Brazil boasts more than 140 million social media users, Alphabet, Meta, Microsoft and other American companies haven't rushed to put up data centers here. One inhibiting factor is the risk of getting caught in the middle of a trade war between the US and Brazil. Last year, President Donald Trump announced a 50% tariff on Brazilian imports in response to the prosecution of his ally, former President Jair Bolsonaro. A US Supreme Court ruling in February knocked out those levies, but the White House has suggested that additional ones may be forthcoming.

"The Chinese will take on certain risks," says Eduardo Menossi, founder of Grupo EBM, a data center engineering



firm based in São Paulo, who used to work exclusively with US businesses but now counts Chinese firms among his clients. “An American is more conservative.”

But Menossi thinks the Iran war—in which data centers in the Middle East operated by Amazon.com Inc. sustained damage from drone strikes—may have burnished Brazil’s attractiveness for US tech giants. After all, the country is far removed from the world’s current conflict zones. “So what’s left as a Plan B for an American company?” he says. “Brazil becomes a strategic region.”

In the US, data centers have driven up utility bills, strained water supplies and become a political minefield ahead of November’s midterms. But in Brazil, there’s been hardly any backlash. About 90% of the country’s international internet traffic flows through 16 cables buried under Praia do Futuro, which translates as Beach of the Future, outside the city of Fortaleza, Ceará’s capital. On a Friday afternoon in May, none of the tourists or

waiters at beachfront bars are aware of the digital superhighway under their flip-flops. That the area is a key communications node becomes more apparent a few blocks back from the beach, where there’s a cluster of early-generation data centers.

This digital infrastructure is the reason Fortaleza has attracted hundreds of startups. Caetano Lima, a senior analyst at Ninna Hub, a tech incubator housed in a modern building downtown, is hoping for access to more advanced data centers. “From the vision of a startup, it’s an excellent opportunity to test software, to test technology,” she says.

Not all communities are excited by the prospect of living close to a data center. When Lula traveled to Ceará last December to announce the ByteDance investment, members of the Anacé tribe shut roads to protest the project. They have picketed sporadically in front of the site since then. For the Anacé, it’s the latest affront in a decades-long history of abuse at the hands of the government

and investors. In the early 1990s, state authorities began relocating families from their ancestral land to clear it for the construction of a deep-water port and an adjoining industrial park. Then in the 2010s, Brazil’s national oil company began planning a giant refinery inside the port’s free-trade zone, which resulted in the displacement of other Anacé families.

The refinery project fell apart, leaving the site available for ByteDance. For many of the Anacé, it’s painful to see a data center go up that will consume as much power as a midsize city, when they suffer regular blackouts on their reservation. “I honestly don’t see anything positive for our community,” says Andrea Coelho, a tribal leader. “I don’t support it.”

Fábio Feijó, the economic development secretary for Ceará, says the ByteDance project is just the start. “When the first data hall is ready, it will bring others,” he says. Feijó says his agency has held talks with about six so-called hyperscalers. “The whole world is watching.” **B**



Ben Van Leeuwen used to drive a Good Humor ice cream truck with his brother during the summers. Now their high-end frozen dessert upstart is going global

Ben Van Leeuwen is behind the counter at one of the 100-plus US ice cream shops bearing his family name, and he's making his case for toppings. The previous night, he doused his own after-dinner treat with hot fudge; today, at the scoop shop in Brooklyn's trendy Williamsburg neighborhood, he's squeezing out decadent Sicilian pistachio cream. As the first customers of the day start ducking in to escape the sweltering East Coast summer, employees are putting out bright blue and orange sprinkles to cheer on the Knicks' championship run. But will anyone even order them? Van Leeuwen says it shocks him that so many customers remain ice cream purists. "I'm surprised—I get toppings on everything," he says. "I want people to get more."

The toppings are no doubt impressive—the company offers a take on Nutella with Piedmont hazelnuts and no palm oil—but for most people, it's the ice cream that draws them in. Van Leeuwen's base formula is a dense, creamy French-style custard of roughly 18% butterfat (far more than the 10% required of ice cream and the 12% in many premium brands), with no added stabilizers or artificial flavors. That recipe has positioned the company well to capitalize on two big consumer trends right now: the so-called clean-label mania sweeping the food industry, plus a willingness to indulge in affordable luxuries. "Dessert, it's a beautiful thing. It's like drinking alcohol, right? It's bad for me, but you do it to be completely present in the moment and feel really good," says Van Leeuwen, the company's 42-year-old chief executive officer.

It's been 18 years since Van Leeuwen, along with his co-founders—Laura O'Neill, whom he married and later divorced, and his brother Pete—began selling their high-butterfat ice cream, originally out of a retrofitted postal truck in Lower Manhattan. Since then, the closely held company has opened stores in 14 states and Washington, DC; expanded its packaged pint business into supermarkets; and, more recently, rolled out a suite of additional products, including popsicles, bite-sized bonbons and, new this year, frozen yogurt, without straying from its whole-ingredients philosophy.

"We've just never liked the taste of, 'here's a vial of clear liquid,' if you want a peach flavor. Why wouldn't you just use peaches?" he says of the company's sourcing mantra as he leaves the Williamsburg location and treks north with the briskness of someone who covers 20,000 to 22,000 steps of New York City sidewalk daily in an effort to balance out his ice cream consumption. A mile later, we arrive at the \$2 million Van Leeuwen store in Greenpoint, Brooklyn, known as the "Flavor Lab," outfitted with a research and development kitchen. The back wall is lined with specialty ingredients awaiting their turn for sampling, including rose cardamom powder, granola butter and fruity Magic Spoon cereal. Employees test a batch of pineapple frozen yogurt.

The decision to get into the business of frozen dessert was inspired by the Van Leeuwen brothers' former summer job driving a Good Humor ice cream truck in Greenwich, Connecticut. They agonized over details of their own truck, purchased for \$2,500 on eBay, then painted a shade of yellow picked from a General Motors paint book. The co-founders struggled to find a food manufacturer willing to make ice cream with just eggs, cream and milk, and no stabilizers. They ultimately found a co-manufacturer in upstate New York, stored their ice cream at a small Häagen-Dazs distributor in the Bronx and drove 80 tubs of the stuff to their yellow truck in Lower Manhattan many times a week at 7 a.m. in Ben's Subaru. "By the end of that summer, we'd absolutely destroyed, in an irreparable way, the suspension on that Subaru," he says.

As the company grew, it added more ice cream trucks, then opened its first storefront in 2010 in Greenpoint. (The founders also tried, then shuttered, various side projects: coffee service from the trucks, an Indonesian restaurant in front of its Greenpoint headquarters, a pastry program. All three co-founders are still involved in the business and partner on all major decisions, the company says.) The ice cream's base formula has not changed significantly, though the founders did have to temper their obsessions over ingredient quality—to a point. For instance, they stopped using exorbitant "chocolate-nerd

chocolate," swapping in premium deZaan chocolate from the Netherlands instead; customers didn't even register the switch. But they still import pricey Sicilian pistachios only harvested every other year.

The ingredients mean the product is costly: A single scoop of pandan yogurt and passion fruit ice cream at the Greenpoint location sets me back \$9.66, including tax. So far, though, customers seem willing to pay up for quality, both in the scoop shops and at the supermarket. Volume sales of superpremium ice cream pints at grocery stores increased 4.1% over the 52 weeks ended June 13, compared with a 4.8% decline for value ice cream, according to NielsenIQ. Van Leeuwen's rapid growth in the freezer aisle has earned it a spot on BNP Paribas SA's list of top 50 "disruptor" food companies, with the bank estimating the brand's 2025 grocery sales alone at \$51 million. (The company declined to give its own estimate or comment on the BNP figure but says it expects 20% revenue growth this year.) Scoop shops still make up more of the company's revenue than its retail products, Van Leeuwen's CEO says, a roughly 60%-to-40% split. And stores that have been retrofitted to sell frozen yogurt are seeing as much as a 50% lift in sales.

Next up: global expansion. The brand announced a franchise partnership in South Korea this year, and Van Leeuwen wants to push into the Persian Gulf states, where he thinks the heat, wealth and low alcohol consumption will tilt toward ice cream sales. He also has eyes on Europe, including Paris, London, Madrid and even cities in Italy, the gelato capital of the universe.

Still, he is adamant the brand is going to stick to its roots—promoting decadence—rather than lean into the high-fiber or high-protein trends remaking other food groups these days. Posters on its scoop shop walls declare "heavy cream is kale for the soul"; its tagline is "a life without anything good is bad." That, to Van Leeuwen, is sacred. "There's so many really healthy foods that are just automatically delicious, like avocados and lentils. When you want that, do that," he says. But please, he maintains, "don't make a really bad version of dessert." **B**

Pandemic Preparedness Is an Investment in Health, Security, and Economic Stability

The world cannot afford another cycle of panic and neglect. Investment today saves lives, protects livelihoods and reduces a reliance on emergency funding tomorrow.

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The ongoing Ebola outbreak, alongside recent outbreaks of mpox, Marburg, and avian influenza, underscores that infectious disease threats are not receding. Just a few years ago, the COVID-19 pandemic claimed millions of lives, erased trillions of dollars in economic output, disrupted supply chains, and pushed vulnerable communities deeper into poverty. Yet now, as governments confront fiscal pressures and competing crises, investments in pandemic preparedness are once again at risk of being treated as optional.

That would be a costly mistake.

Pandemic preparedness is not simply a health issue. It is a security imperative and an economic necessity. In an interconnected world, an outbreak anywhere can quickly become a threat everywhere.

The question is not whether another pandemic will emerge. It is whether we will be prepared when it does.

From a finance perspective, the case for preparedness is straightforward. The costs of prevention and readiness are only a fraction of the economic losses caused by major health crises.

Investments in disease surveillance, early detection, warning systems, laboratories, and a skilled health workforce are not temporary preparedness measures. They are productive assets that protect economies, preserve jobs, strengthen public services, and reduce future fiscal shocks.

From a health perspective, preparedness strengthens the foundations of resilient health systems.

The same surveillance networks, data, innovative digital solutions, laboratories, community health workers, and emergency response capabilities that help detect emerging pathogens also improve countries' ability to address everyday health challenges and expand access to care.

Recognizing this reality, the international community created the Pandemic Fund in 2022 as the only multilateral financing mechanism dedicated exclusively to pandemic prevention, preparedness, and response in low- and middle-income countries.

The Pandemic Fund's mission is simple: help countries build the systems needed to stop outbreaks before they become global crises.

But the Pandemic Fund is about more than financing. Strong partnerships are the foundation of resilient health systems, and by fostering collaboration among governments, multilateral development banks, UN agencies, civil society, philanthropies, and the private sector around country-led priorities, the Fund helps reduce fragmentation and mobilize resources at scale.

A portfolio of
\$11.5 billion
across **128 countries**

\$1.4 billion
in grants helped
unlock more than
\$10 billion
in additional financing

The results demonstrate the power of this approach. In just over three years, the Pandemic Fund has built a portfolio of \$11.5 billion in investments across 128 countries. Through its first three funding rounds, \$1.4 billion in grants helped unlock more than \$10 billion in additional financing, including substantial domestic investment by countries themselves. Every dollar committed is helping build stronger surveillance systems, modernize laboratory networks, train health workers, and strengthen cross-border

cooperation. The Pandemic Fund has recently approved up to \$220.6 million to address the Ebola outbreak in the Democratic Republic of Congo, Uganda and neighboring countries.

These investments matter because pathogens do not respect borders and can threaten global security. Preparedness depends on regional resilience, shared systems, and a One Health approach that recognizes the links among human, animal, and environmental health—a concept that is often neglected despite the fact that most of the outbreaks originate from animals.

The choice before us is clear. We can invest now in preparedness, resilience, and prevention—or pay far more later in lives lost, economies disrupted, and security undermined.

The challenge is sustaining the political will and financing to act before the next crisis arrives. Pandemic preparedness is one of the smartest investments we can make—not only for health, but for global stability, economic resilience, and collective security.

In View



■ PHOTO ILLUSTRATION BY ALEX LISAKOVSKIY FOR BLOOMBERG BUSINESSWEEK

**Maybe the stock market is
the economy now,
Stacey Vanek Smith explains**

JT Belnap has worked as a wealth manager in Idaho for almost 20 years, helping people save and plan for retirement. In June, during a routine follow-up meeting with a client, Belnap asked, “Has anything changed since we met eight days ago?” His client replied: “Well, it looks like I’m a million dollars richer.” The man worked for Micron Technology Inc., a Boise-based company that’s been making computer chips since the 1970s. Thanks to the artificial intelligence boom and the economy’s voracious need for chips, Micron’s stock has surged almost 700% over the past year, turning many of Treasure Valley Financial Planning’s customers into overnight millionaires—on paper at least.

Micron is one of the largest private employers in Idaho, and its staff get discounts on company shares and many have stock options, so the chipmaker’s meteoric rise has been felt all over the state. Belnap has watched it all unfold in real time: “One gentleman came in, and he’s like, ‘I always wanted one of those big, bad trucks that are insanely expensive. Normally, I’d never be willing to spend \$80,000 to \$100,000 on a truck. I always thought that was just silly.’” But thanks to his Micron holdings, the man had hit his retirement savings goal decades before he expected to, so Belnap told him his dream was now well within his means. “He went right down here to the local dealership and bought a truck,” says Belnap, with a laugh. Another newly minted millionaire made a couple of sizable donations to charities and took her granddaughters to Disneyland. “You can just see it ripple through the economy,” he says.

Economists call that ripple the “wealth effect” and posit that it’s been largely responsible for the remarkable resilience the US economy has exhibited in recent years, despite sometimes stiff headwinds. “The wealth effect is the idea that when asset prices rise—whether it’s the value of a person’s home or their stocks—people will feel more comfortable loosening their purse strings,” says Bernard Yaros of Oxford Economics, a consulting and forecasting firm.

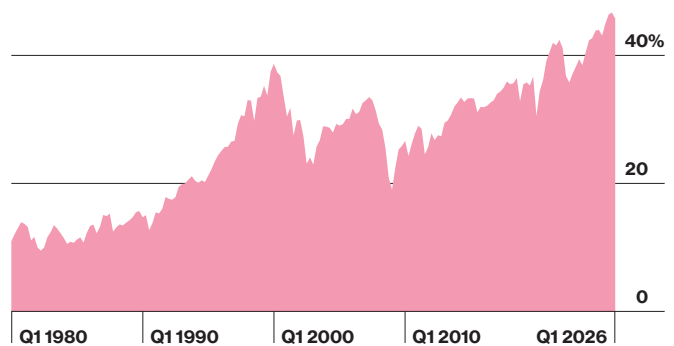
Simply put, when people see their wealth increase on paper, they feel flush. In this case, Yaros says, it’s a lot of people watching their stock portfolios grow and the markets break record after record, largely fueled by the stratospheric rise of a handful of tech companies. “We should probably call it the ‘AI effect,’” he says.

Economists’ rule of thumb is that every dollar increase in a household’s stock portfolio translates into about a 5¢ increase in spending. The market value of the companies in the S&P 500 index has increased by \$14.5 billion since July of last year, which is a lot of nickels. The bulk of that money is socked away in 401(k)s or other types of retirement savings accounts that would be cumbersome or expensive to cash out. Plus, windfalls could vanish overnight if markets turn. But, as Yaros explains, “a lot of this is psychology.”

Oxford Economics found that since the Covid-19 pandemic, the wealth effect has driven about a third of the increase in consumer spending in the US. By the firm’s calculations, the soaring value of US tech stocks in the 12 months ended

Americans Have More of Their Wealth Tied Up in Stocks

Corporate equities as a share of total assets held by US households and nonprofit organizations



Aug. 31, 2025, translated into \$250 billion worth of additional spending by households during the period.

Americans’ propensity to keep shopping—despite tariffs and wars (and the rising prices they’ve brought), high interest rates, and a softening labor market—is a source of strength. (It’s also a source of envy for more sluggish economies like Germany and Japan.) “The stock market gains are a major driver of the surprising momentum we are seeing in economic activity,” says Karen Dynan, a Harvard University economist who’s long tracked the wealth effect. “The other traditional drivers of spending, like real incomes and consumer sentiment, are at fairly unimpressive levels.”

There are a couple of reasons why the wealth effect may be more pronounced now than during previous stock market rallies, says Yaros. First, stock ownership is more widespread than it used to be. About 58% of US adults own stock as of April, according to a Gallup poll, up from 52% a decade ago. Also, equities now make up about 46% of US households’ financial assets, the highest proportion ever recorded in Federal Reserve data.

Demographics also play a role. More and more Americans are at a point in their lives where stock portfolios loom larger. “We’re an aging population,” Yaros says. Older people and retirees are more likely to own stocks and consider the value of their portfolios when they are spending. Boomers have also benefited disproportionately from rising home values—another driver of the wealth effect: Owners’ equity in real estate has surged by almost 83% since the start of the pandemic.

Most of the wealth effect tends to show up in discretionary spending, items such as clothes, concert tickets, electronics or big, bad trucks. In Idaho, the Micron phenomenon has resulted in locals buying up cabins and second homes, boats, and ski passes, while also donating to local colleges and charities, as well as investing in adventures.

Silverhawk Aviation Academy, whose offices aren’t far from Micron’s headquarters, reports a noticeable uptick in people booking private jets and helicopter flights. It recently began offering a “James Bond” date night, where, for \$1,450, couples can feel like secret agents by hopping a helicopter

“One gentleman came in, and he’s like, ‘I always wanted one of those big, bad trucks that are insanely expensive. Normally, I’d never be willing to spend \$80,000 to \$100,000 on a truck’”

flight to a cattle ranch in Sweet, Idaho, for a gourmet steak dinner, including wine, in a luxury barn (a visit to the cigar silo is included). According to Kayla De Ruyter, Silverhawk director of business operations, demand has been strong.

“As economists, we like to say that the stock market is not the economy,” says Yaros. “But it’s also not not the economy.” That second “not” is only getting bigger. As the US population continues to age, a larger share will be made up of retirees, many of whom live off their stock portfolios and retirement funds. That’s likely to make consumer spending more sensitive to the ups and downs of the market long into the future.

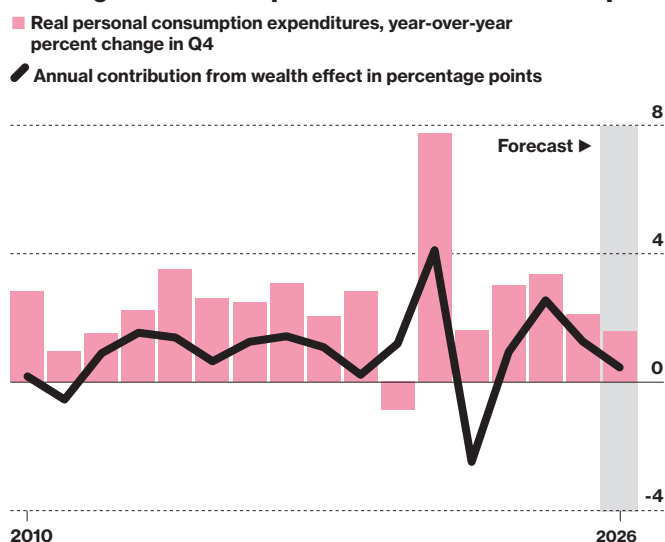
Of course, the wealth effect cuts both ways: If markets go south, what has been a leavening agent could turn into

a drag on the economy. Jamie Rush, the director of global economics at Bloomberg, worked with colleagues to model what might happen if the AI bubble burst and the S&P 500 took a dive of about 20%. (For reference, that’s approximately half the size of the correction in the dot-com crash of the early 2000s.) The upshot: \$1.6 trillion of global gross domestic product would be erased, and the US would be pushed “to the edge of recession.” In an economy where a narrower segment of the population has been driving a bigger share of spending, the effects of a consumer retrenchment would be large. “People are loss-averse,” Rush says. “When they lose money, they feel it harder than when they get a windfall. There’s lots of evidence on that.”

The whole world would feel the impacts of a US market drop of that magnitude, Rush says, given that investors all over have been pouring money into American tech stocks, eager to get a piece of the AI action. Foreigners’ equity holdings now account for 18% of the US market, the highest share ever measured.

Belnap, the financial planner, has already lived through one asset bubble bursting. He started working as a wealth planner in 2009—just as the US housing market was cratering, setting the stage for the global financial crisis. He spent the early years of his career assisting clients who had lost a fortune in paper wealth and had to adjust their lifestyles, purchases and retirement plans to accommodate the new reality. It’s making him savor this moment even more. “Celebrating those wins—whether it’s the truck, the trips, retiring sooner, donations—is awesome,” he says. “It’s fun, it’s refreshing, and you need those highs to fuel you, because you do know there’s gonna be a low at some point, and we’re gonna need to walk that path together. But for now we’re gonna celebrate this one.” **B**

Tracking the Relationship Between Wealth and Consumption



A reluctant Europe girds itself for 'NATO 3.0,'

Wes Kosova says

US allies were bracing for a rough few days when they traveled to this year's North Atlantic Treaty Organization summit in Ankara, Turkey, on July 7 and 8. They were all too aware that Donald Trump was once again mad at them for not paying enough, doing enough—and obeying enough. He was mad at Denmark for denying him Greenland and mad at Italy and Spain for denying him airfields for bombing runs against Iran. “I just want loyalty,” the president complained during a June meeting with Mark Rutte, NATO’s secretary-general.

The unfailingly upbeat Rutte, who has labored to keep the alliance intact by flattery and mollifying the US president, hoped the summit would be a showcase for NATO unity. At a joint appearance in Turkey, he reminded Trump of his big win at last year’s meeting, when most allies succumbed to his demands and pledged to spend 5% of their gross domestic product on defense and security by 2035. (Some European leaders arrived in Ankara sporting “5% Club” pins on their lapels.) Rutte practically pleaded with Trump not to turn the summit into a forum for his grievances. “I would argue that, without you in this chair, this would not have happened,” he said. “Grab the win. It’s there.”

Trump did not grab it. He started tearing into his counterparts from the moment he arrived. He reiterated his

“need” to control Greenland, threatened to cut off all trade with Spain, which hasn’t committed to his spending demands, and insisted allies still weren’t paying enough.

The tense Ankara meetup reinforced a view that’s been hardening for months among America’s NATO partners: Nothing they do will ever be enough to satisfy Trump, and his continued animosity threatens to undermine the credibility of the alliance. “It is pretty clear that this is the worst crisis in the transatlantic alliance since World War II,” says

Ivo Daalder, a former US ambassador to NATO. “Fundamentally, the Europeans have concluded that the United States is no longer a reliable ally.”

The US administration argues a move toward greater European responsibility is a necessary next phase in the defense pact’s evolution, an organizational reboot that Trump officials have dubbed NATO 3.0. In their telling, a US-led NATO 1.0 saw a recovering Europe through the Cold War, and 2.0 held the enemies of the West at bay in the volatile period after the collapse of



PHOTOGRAPH BY CAROLINE HEINECKE FOR BLOOMBERG BUSINESSWEEK

the Soviet Union, the Sept. 11 terrorist attacks and Vladimir Putin's eventual rise to power. Now a stronger, wealthier Europe is ready to take on more of its own conventional defense, with the US playing a supporting part and providing a nuclear deterrent.

NATO leaders have largely come around to the idea that a bigger European role is a positive step. Yet some see version 3.0 not as a vindication of Trump's demands but a confirmation that America's steadfast commitment to the alliance is already a thing of the past, and that they may be required to shoulder not just more of the load but all of it. "Europe would prefer to work with the Americans in a trusted, mutually valued relationship," says Claudia Major, a NATO expert at the German Marshall Fund, a think tank. "So it's not out of choice that they're looking for a Plan B. It's out of necessity."

Despite these misgivings, there's virtually no appetite in Europe for a complete break from the US. Leaders of NATO countries believe a strong America is crucial to the alliance even as Europe assumes more duties. In the best-case scenario, Europeans and Americans would sit together and work out how the US will ramp down its military presence as the continent builds up its own. "The Europeans would love for that to take place in the most constructive, ordered way," Major says. "But they can't exclude the possibility that it might take place in a hostile, chaotic way."

The kind of chaos European leaders fear is already on display. The Trump administration had signaled plans to withdraw US personnel stationed on the continent, but the president's sudden decision in May to remove about 5,000 US troops from Germany caught many NATO allies by surprise. The Pentagon said it was part of a strategic shift toward the Pacific, but the timing of the move made it look more like political payback. The announcement came shortly after German Chancellor Friedrich Merz infuriated Trump by saying the US was being "humiliated" by Iran.

Weeks later, Trump surprised even some Pentagon officials by announcing

5,000 US troops would be deployed to Poland, saying the decision was prompted by last year's election of President Karol Nawrocki, a right-wing populist he'd endorsed. This appeared to reverse earlier plans pausing deployment of about 4,000 troops to the country.

No Trump provocation alarmed European allies more than his suggestion that he'd use military force to seize Greenland if Denmark refused to turn over control of the semiautonomous territory. In the US, the threat was largely dismissed as yet more bluster. But leaders in Europe couldn't afford to underestimate Trump and prepared for the unthinkable: one NATO member attacking another, a move that would rupture the alliance. Danish commanders readied defense plans and increased Denmark's military presence on the island. European officials privately debated at what point their NATO commitments might require them to join a fight against America. Although Trump ultimately said he wouldn't resort to military action, the episode left allies shaken and deeply mistrustful of the US. Those feelings were rekindled at the July summit, when the president once again demanded control of Greenland.

Trump's whims risk weakening NATO right when it needs to project strength against Russian hostility, Major says. That could create a window of vulnerability in the years after the US begins scaling back but before Europe is ready to take the helm. "There's a gap between what the US wants Europe to do to defend itself and what it can do," she says. "If this gap is widening, Russia might be tempted to test it."

In an email, White House spokeswoman Olivia Wales said Trump "remains firm: NATO countries must take greater responsibility for their own defense."

The urgency spurred by Trump's on-again, off-again hostility toward the alliance has led to a proliferation of studies and papers detailing how daunting it will be for a Europe-forward NATO to pick up all or even most of the vast defense capabilities America has long assumed on allies' behalf. Europe's militaries have thousands of planes, ships

and tanks, but they'll need more if the US goes through with its plans to draw down troops and equipment in the coming years. European defensive arsenals, including the all-important US-made Patriot air defense system, have been depleted in part by years of helping supply Ukraine's fight against Russia. Replacement interceptor missiles cost about \$4 million apiece, if they're available at all. The waiting list was up to four years even before the Iran war put more strain on Patriot supplies.

Arming up may not be a Europe-led NATO's biggest challenge. Just as difficult is how to replace the enormous intelligence and surveillance capabilities the US brings to NATO, or the unified command structure when no single dominant nation is sitting at the top.

As European allies ponder these complexities, Daalder suggests they'd be wise to avoid simply trying to re-create the existing US arsenal. With new technologies and inexpensive, easy-to-produce drones transforming conventional warfare in Ukraine and Iran, procurement officers the world over are rethinking the value proposition of advanced fighter jets that cost billions of dollars and hulking warships that make for easy targets. NATO defense plans "are all based on a US Army view of the world," Daalder says. "But what if the US Army view of the world isn't actually the right way to think about defense in Europe?"

Military leaders on the continent are actively debating not only what's the best way to defend Europe but "what's good enough," Daalder says. If militaries can't get their hands on Patriot interceptors or US-made Tomahawk missiles, they could instead choose to buy European-made versions that work almost as well and are cheaper and more plentiful.

In Major's view, the success of any version of a Europe-led NATO will come down to an age-old question: "Will the allies stand together in case of a crisis? And does the enemy believe they will?" Europe "doesn't need to be as good as the US" to create a credible deterrent, she says. It just needs to be strong enough to make Putin think twice. **B**

The Fun Shortage Is Real, and It's Making America Miserable

● By Ben Steverman

Over the course of the past two decades, the US has lost 2,000 golf courses and 7,000 bars and nightclubs, and Americans now own 1.3 million fewer boats. It's prohibitively expensive to open a new summer camp and practically impossible to build a beachfront resort or marina. Venue shortages afflict musicians looking for performance spaces, children looking to play in local sports leagues and adults looking to go out dancing. The best time to book a rental for this summer was last summer, and the best time to book for next summer is...well, it may already be too late.

America appears to be suffering from a fun shortage. For the industries supplying recreational amenities, this deficit is a business opportunity. But for everyone not positioned to profit from the trend, it's a source of stress and frustration that's been building for a while. It also has broad ramifications for the future of the economy, society and politics. With the country having just celebrated its 250th birthday, it's worth pondering whether the pursuit of happiness has become more difficult.

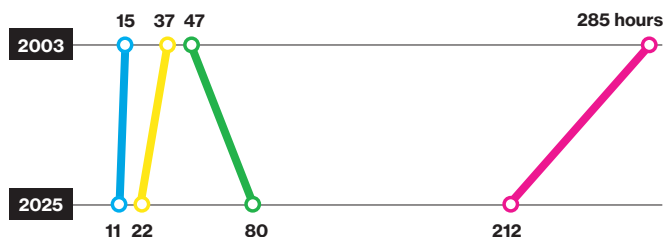
First, a quick definition: Experts on these matters generally agree that the kinds of fun we should be striving for are enjoyable experiences with others. A live show with friends, a vacation with family or even small talk with a stranger can all make us feel more connected and content.

By those measures, it's clear that Americans are having less fun than they used to. Since its 2003 inception, the Bureau of Labor Statistics' American Time Use Survey shows double-digit percentage drops in the hours spent each year on arts and entertainment activities, attending sports or recreational events, and attending or hosting social

Screen Time Rises as In-Person Time Falls

Average hours per year by activity, Americans 15 and older

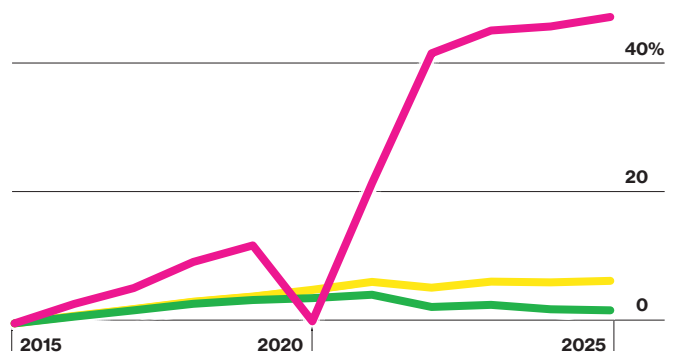
● Socializing and communicating face-to-face
● Computer use for leisure (excluding games)
● Arts and entertainment ● Sporting or recreational events



Number of US Resorts Levels Off While Room Rates Surge

Percent change since 2015

● Average daily rate ● Number of rooms ● Number of resorts



events. In a 2024 US Census Bureau survey, almost 80% of respondents said they saw friends or relatives fewer than three times a week.

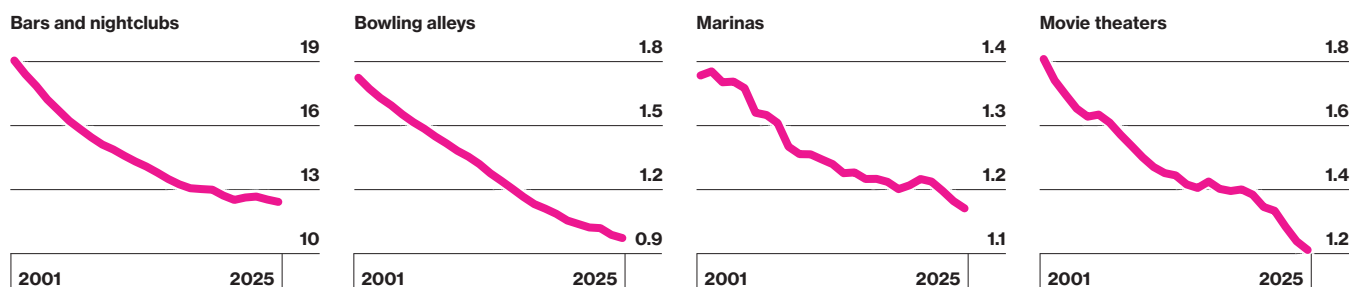
The US, along with Australia, Canada and New Zealand, seems to have grown uniquely unhappy over the past 15 years, according to the annual *World Happiness Report*, which combines data on more than 140 countries. For good reason, we often blame smartphones and social media for making us feel worse. But most of the world uses these digital tools at least as much as Americans do, and the US still came in 23rd on the global happiness ranking in 2026, down from 13th a decade prior. America's happiness decline must have another major cause, says report co-editor and University of British Columbia professor emeritus of economics John Helliwell. He points to the "often forgotten" factor of fun. "It's not just connections" with others, he says. "It's how much you're enjoying the connections."

The good news is Americans seem to be seeking out these kinds of shared experiences. The bad news? It keeps getting harder—and more expensive—to have fun. A combination of factors is delivering a summer of higher prices, fewer options, limited vacancies and longer lines.

As the cost of commutes, housing, utilities and other necessities climbs more quickly than wages, people have little choice but to skimp on leisure. Meanwhile, the prices of some key categories of fun have been rising even faster than inflation.

Fewer Places to Relax and Socialize

US establishments per 100,000 people



The price of a ticket to one of the top 100 concert tours in North America averaged \$134 last year, trade publication *Pollstar* estimates, a 42% increase from 2019. Vacation rentals in coastal destinations jumped 38% over the same period, to \$413 per night, according to data analyst AirDNA LLC.

Fun is also harder to access. The US has lost a fifth of its movie theaters and almost a third of its bowling alleys since 2001, Bureau of Labor Statistics data show. Camp spots for children fill up quickly, and waitlists for country clubs have also doubled in length, according to data firm Club Benchmarking. Golf participation has surged 41% in six years, the National Golf Foundation estimates, but the US has about 2,000 fewer courses than during Tiger Woods' peak playing years two decades ago, the last time the sport was this popular. Parks departments have added thousands of pickleball courts to meet demand, but the new facilities often come at the expense of basketball and tennis, which have also been getting more popular. Park space per person declined in 65 of the 100 largest cities from 2016 to 2023, according to the Trust for Public Land.

Rising inequality is making things worse, as the superwealthy bid up the costs of fun, whether luxury hotels or the best seats at sporting events. A 2011 study showed lower levels of happiness in areas of Switzerland with more Ferraris and Porsches.

The unmet need for fun could represent an opportunity for entrepreneurs who can dream up affordable alternatives. This happened in the early 20th century, when the US boomed with new theaters, dance halls, movie houses, penny arcades and beach resorts built to accommodate the large crowds that had arrived in cities from the countryside and abroad. Instead, businesses today are simply charging more for less. When fun feels scarce, companies find it easier to boost prices while also getting customers to pay extra for premium add-ons such as better seats and shorter lines.

There are some good reasons that entrepreneurs have stopped making more fun, including geographic constraints and the soaring cost of construction. Across the US, developers have largely stopped building luxury beachfront hotels, despite overwhelming demand from affluent travelers. The number of rooms at US resorts rose only 5% in the decade from 2015 to 2025, according to data from CoStar, while their average price jumped 47%.

Nightlife, meanwhile, has been steadily shrinking for decades, with the number of US bars and clubs per capita falling by almost two-thirds since the late 1970s, according to an analysis of Census Bureau tallies. Opening such a venue can tangle you in millions of pages of red tape, much of it stemming from century-old rules designed to discourage the wrong kind of people from having the wrong kind of fun. Especially heavily regulated is dancing: Once a regular activity for Americans of all ages, tearing up the dance floor is now relegated mostly to weddings. Surviving venues are struggling to hang on amid rent hikes and the lingering aftereffects of the pandemic.

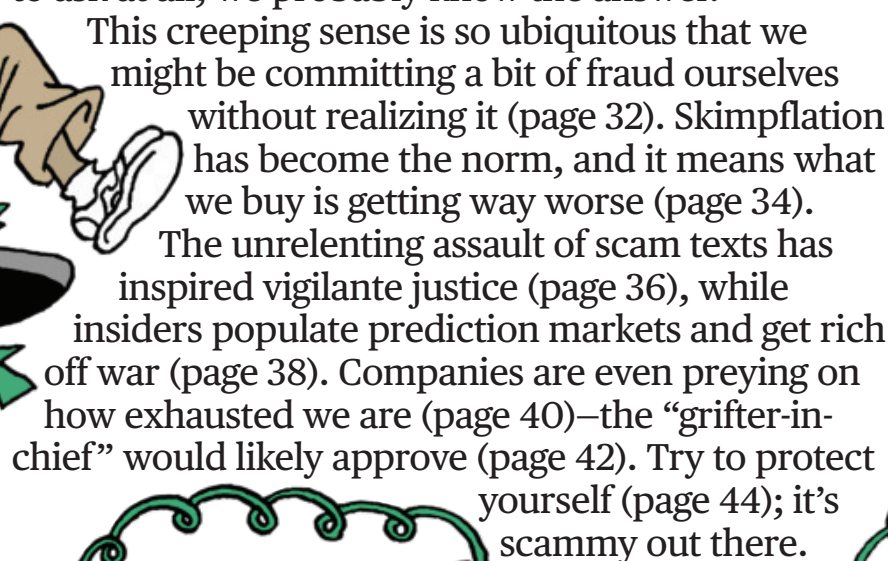
This fun shortage may be shifting American politics in significant ways. Studies in the UK and continental Europe show voters are more likely to vote for right-wing candidates in the years after local social spaces such as pubs shut down. "When the last gathering place in a town goes, people experience it as a sign of being left behind, of a place emptying out," says University of Zurich researcher Hugo Subtil, who authored a new paper showing France's far-right National Rally party has benefited from the closure of thousands of *bars-tabacs*, shops where customers can make a bet, get a coffee or pick up a newspaper.

Replenishing America's inventory of fun won't be easy as digital tools absorb ever more attention and economic resources. It will take creativity and capital to generate real excitement in real spaces where real people interact. Encouragingly, there are signs of a shift: After New York City repealed century-old rules against dancing in bars, New York Governor Kathy Hochul announced a similar statewide policy in May. Massachusetts has loosened rules that capped the number of liquor licenses, which Boston Mayor Michelle Wu argued were starving neighborhoods of local gathering places.

Local governments "really need to think about fun, leisure and entertainment for everyone," including children and seniors, says Jess Reia, a professor of public policy and data science at the University of Virginia. In the meantime, Americans are finding cheaper ways to fill their free time. Participation levels in outdoor activities and team sports keep hitting records. And more people are taking up hobbies such as crafts and birding, Reia says. "People are trying to find the fun where they can." **B** — *Graphics by Mathieu Benhamou*

A stylized illustration with the text "Welcome To Scamworld" in a large, bold, dark blue font. The text is decorated with yellow envelopes, a green vine, and a green robotic hand. A speech bubble with a question mark is also present.

The feeling arises with robocalls and suspicious emails, too-good-to-be-true marketing claims and grotesquely inflated prices: We're being scammed. Everything is a gift, and everyone is a grifter. Even when the latest scheme isn't technically illegal, we're left asking ourselves whether some force is working against us. If we have to ask at all, we probably know the answer.



This creeping sense is so ubiquitous that we might be committing a bit of fraud ourselves without realizing it (page 32). Skimpflation has become the norm, and it means what we buy is getting way worse (page 34). The unrelenting assault of scam texts has inspired vigilante justice (page 36), while insiders populate prediction markets and get rich off war (page 38). Companies are even preying on how exhausted we are (page 40)—the “grifter-in-chief” would likely approve (page 42). Try to protect yourself (page 44); it’s scammy out there.

Skimpflation may just be the biggest consumer grift going—almost no one and nothing is safe. Yet nobody really seems to be winning. Dworsky talks to companies every week that are struggling to navigate inflation, tariffs, rising wages and spiking fuel prices. Americans are paying about 31% more for groceries than they were before the pandemic, according to government data. But a gauge that tracks what companies pay for ingredients has risen nearly 49% over the same period.

This pressure has been showing up on companies' bottom lines: Kraft Heinz Co. cited inflationary pressure as one of the factors behind a more than 4% decline in operating income in the first quarter. Hershey's stock has lost a quarter of its value in the last three years, and, while earnings are up this year, it's selling fewer candy bars, cookies and snacks. Procter & Gamble Co. warned in April that rising oil prices could add \$1 billion to costs in the next fiscal year, potentially forcing the company to raise prices for some of its soaps, detergents and razors. Any increases would be "combined with innovation," said Chief Financial Officer Andre Schulten in an earnings call.

Innovation is in the eye of the beholder, though. One product manager's money-saving hack may feel like sacrilege to a devoted brand loyalist. Reformulating a product is serious business, and companies often hire outside consultants to get it right. Gail Vance Civile, who heads Sensory Spectrum, a product consulting firm in New Jersey, says demand for its services has been booming in recent years thanks to supply chain disruptions caused by Covid-19, climate disruptions and President Donald Trump's tariffs.

Civille is a chemist by training, and at 83 she's been a professional taster for 60 years. She can pick out the woody, green notes in a fresh strawberry and the hints of raisin and Play-Doh (aka heliotropin) in a good vanilla, and she'll wax poetic about the texture of a Snickers bar.

When a company comes to Civille looking to replace an ingredient, she deploys a team of trained tasters to figure out whether the best option is finding another source for that nut, fruit or spice (maybe in a country with a lower tariff)

or developing a combination of flavorings and chemicals that can mimic that taste. New versions of the product are then formulated and tested again and again until the taste, texture and mouthfeel are as close to the original as possible. Done right, Civile says, the process can take as long as a year and cost millions of dollars. But a lot of times companies are under financial pressure and don't want to wait. "I've seen it where executives just say, 'That's good enough. People won't notice.' But, you know, they might."

Some flavors are relatively easy to mimic, while others are tougher, but in Cville's experience there are four so complex that re-creating them is a sensory feat comparable to summiting Everest. Those are: wine, coffee, chocolate and peanuts. Each of Cville's Big Four has jumped in price in recent years, so if companies can find viable substitutes, they stand to save millions. Right now there's a raft of start-ups working on fake chocolate, though Cville doubts a truly convincing dupe can be engineered. "You have to find chemicals that are going to deliver what we call 'chocolate essence,'" she says. "It has a nuttiness and a wininess to it. It's very, very hard to replicate."

Peanuts are also tough to crack. Even if you get the flavor close to right, you also have to nail that unctuous peanut butter texture. Otherwise you'll leave people in a kind of uncanny valley of flavor, where the taste is familiar but something is amiss.

For a company such as Hershey, the process of finding suitable alternatives is especially fraught. For countless Americans a Reese's peanut butter cup is the equivalent of Marcel Proust's madeleine, a treat that instantly transports us back to childhood (Halloween! Birthday goodie bags!). Ioannis Evangelidis, a professor of marketing at Esade Business School in Spain who studies shrinkflation and skimpflation, has found that while cutting down the amount of product might annoy customers, it usually won't stop them from buying something again. Changing the ingredients, however, is a different story. "People react really badly," he says. "It's like the essence of the product has kind of gone. They don't want to buy it again."

That's only if they notice, but with social media, the few instances that catch on can make a lot of noise, Evangelidis says. "Then you have the risk of long-term reputational damage."

Neal Chauhan, 31, runs a social media marketing business in Toronto and, in his spare time, has become something of a consumer-rights crusader. Frustrated at some of the changes he was seeing in his favorite products, he started posting daily videos about his discoveries. Several years in, the videos have been viewed millions of times on TikTok and Instagram, and he's recruited a volunteer network of tipsters who work in grocery stores and drugstores. "I'm continuously surprised at how creative companies can be at hiding this. It's almost impressive," Chauhan says. "I would say this is one of the more nefarious gifts." Still, he says, complaints can amplify quickly, and if the optics get bad enough, "companies have to respond." Like Ventura Foods, which added more water to its popular Smart Balance vegan butter spread in 2022, taking it from 64% vegetable oil to 39%. Customer backlash was fierce, and the company quickly reverted to the original formulation. A couple of years ago, Whole Foods tried to dial back the berries in its Berry Chantilly cake until angry TikTokers called out the supermarket chain.

And just a few weeks after Brad Reese's social media post, Hershey announced it would be going back to the "classic milk and dark chocolate recipes" in all Reese's products, though Chief Executive Officer Kirk Tanner told Bloomberg News it was a long-planned change and not a reaction to public scrutiny: "We're going to make some small investments to really align the portfolio to what the brand stands for." The new-old cups are scheduled to arrive early next year.

Reese is anxiously awaiting them. In the meantime he's been wearing his orange jacket out again with a new kind of pride. "I was at the beach, and this guy comes up to me and goes, 'Are you the grandson of Reese?' I've been reading about you. You're sticking up for the integrity of your family's brand, and I think that's really cool." **B**



a mark themselves.” He’d Googled me to confirm I was who I said I was, but even if I were a me-impostor, he wasn’t planning to give away any information that could put his finances at risk. Still, he didn’t want to give me his number or call mine. It slowly dawned on me I had no definitive proof I was myself that didn’t also require, on his end, a tiny leap of faith.

If you're looking for scams, the possibilities are everywhere, which would be paranoid except there are so many of them. Is *everything* a scam? In the legal sense no, but "scam" is, at the very least, emotionally descriptive. Recently the list of things I've heard described as scams includes dental insurance, TikTok-famous frozen yogurt, broker fees, artificial intelligence, an expensive but repellent brand of makeup, dynamic pricing, gym memberships, payday loans, cold medicine,

college and the Pulitzer Prize. What people mean by this is: I was told this thing would be good, but it's actually bad. I'm paying more, and I'm getting less. I'm trapped in a game I can't win.

But a scam text is clear. It's unequivocally bad, but, unlike with most bad things, you can push back. "In an era of diminished agency," says Richard Kyte, an ethics professor at Viterbo University in Wisconsin, "being able to do anything at all feels empowering." Whether it has any meaningful impact is somewhat beside the point. "I don't see hardcore scientific evidence suggesting that scambaiting really works," says David Maimon, who runs the Evidence-Based Cybersecurity Research Group at Georgia State University. It isn't even clear baiters are wasting anyone's time anymore, with scammers increasingly

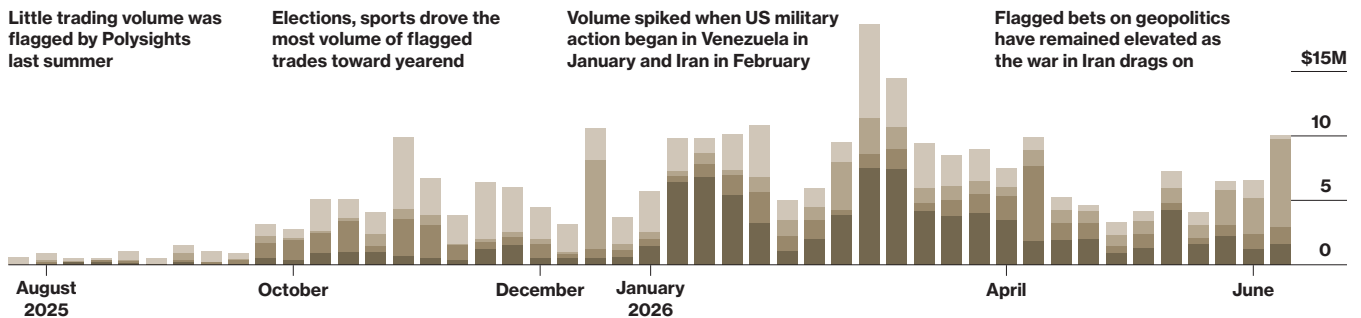
using AI. Whittaker, a noted scambaiting skeptic, posits that “it’s a way for people to entertain themselves, by and large.”

Before we get off the phone, he warns me to “try and keep your soul” while I dig into this underworld. “It’s not a very nice corner of the internet.” Whittaker once saw a forum post that read: “The goal of any scambaiter should be to get the scammer killed.” Certainly there have been baits that crossed into real-world danger. In one especially sinister example, a group persuaded a scammer to travel from Nigeria to the Chad-Darfur border to pick up a nonexistent \$200,000. The “joke” was that Darfur, at the time, was in the middle of a genocide. Most of the baits I’d encountered, though, seemed benignly absurd. “HAHAHAHA,” laughed the commenters. But even then there was an undercurrent of rage. **B**

Surge in Unusual Trades Driven by Bets on Geopolitics, War

Weekly volume of bets on Polymarket flagged by Polysights

■ Geopolitics/war ■ Elections/politics ■ Sports ■ Other



public to flag suspicious trading activity.”

For American regulators, the question of whether trades originate in the US is crucial. It can also be difficult to answer. In Polymarket's case, the cryptocurrency transfers customers use to fund trades and cash out rely on digital wallets whose addresses are visible but aren't attached to a physical location. And while exchanges created and regulated in the US, like Coinbase, are mostly used by traders situated there, foreign users can access them too. (Coinbase says that it takes steps to ensure all activity on its exchange is lawful and that it works routinely with law enforcement.)

What is clear is that a large volume of trading on Polymarket's global platform is going through US-regulated crypto exchanges. Roughly half of all traceable trading volume since January 2021—about \$21 billion—came from wallets funded by such platforms, according to exclusive data from blockchain intelligence firm Dune. For US geopolitical and political markets tied to Iran, the share reached 70%. And flagged trades related to these markets since last July were almost three times more likely to have been funded through US-regulated exchanges than through other sources.

Multiple cases that could implicate national security are now drawing investigations and charges around the world. In one of the most prominent US examples, the Commodity Futures Trading Commission and federal prosecutors brought actions against soldier Gannon Ken Van Dyke, alleging that he'd used highly sensitive information

about a military operation in Venezuela to reap more than \$400,000 in profit on Polymarket. The wallet used for the bets had been flagged and tracked by crypto sleuths for months because of the immaculate timing, near-perfect accuracy and large amounts involved in the wagers. (Van Dyke has pleaded not guilty to charges of trading on classified information.)

Where some apparent insiders made large buys that could be easily spotted, their transactions also often take the form of more and smaller bets using clusters of coordinated wallets. In one example, 38 connected addresses bet with a 98% win rate on President Donald Trump's moves in Iran and Venezuela, turning \$1.6 million in profit and cashing out through the same Coinbase account.

Polymarket has figured prominently in the US investigations even though the terms of service for its global exchange bar customers located there. The site

allows many users to register without an identity check, and traders have spoken publicly about circumventing its location restrictions with virtual private networks. The Polymarket spokesperson noted that the company works to detect unauthorized access by restricted users, among other terms-of-service violations, and added that it had referred nearly 100 wallets to law enforcement.

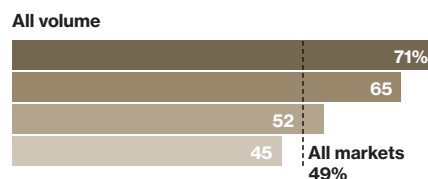
Kalshi, which conducts more thorough identity checks, has suspended and fined congressional candidates for betting on their own races in Minnesota, Texas and Virginia. More recently it referred George Santos, who was expelled from the US House of Representatives in 2023, to regulators for possible insider trading. (Santos wrote on X that the basis for the accusations was “preposterous.”) In a statement to *Businessweek*, a Kalshi spokesperson noted that, because trades on its platform are based on a single question, it could “be simpler to prove insider trading in some of these cases because the material info is narrower and easier to identify.”

In some respects, all of this is prediction markets acting as designed. The economist Robin Hanson, who's regarded as the field's godfather, has long argued for the value of inside information, whether it's about a corporation or something else. "When insiders trade, they will make the company price more accurate, which will then make decisions based on that price more accurate and valuable," Hanson says. Those responsible for safeguarding secrets must simply be mindful that traders have an incentive to find those things out—and act accordingly. **B**

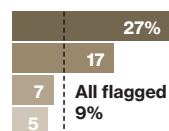
US Exchanges Funded Most Iran Bets

Share of Polymarket volume funded through US-regulated cryptocurrency exchanges, by category

■ Iran war ■ Geopolitics ■ Sports
■ Crypto and others



Volume of flagged trades



Sleep Oil Salesmen

Supplements, body patches, chilled mattress pads and trackers all promise to fulfill our need for more shut-eye ● By Deena Shanker

There are seemingly no limits to what we will do to get a good night's sleep. Buy a pricey Oura Ring or Apple Watch for sleep tracking? Of course. Fill our medicine chests with sleeping pills, potions and gummies? Obviously. An \$89 celeb-approved eyelash-protecting silk sleep mask? Sure. Sound machine? That's plebe stuff. Real sleepmaxxers prefer Soundcore Sleep A20 earbuds, practically a steal at around \$100. Soon you can get your hands on a Kimba, an "AI-powered scent therapy" machine, currently available for preorder at \$299. For big spenders, there's a \$3,000 temperature-regulating, manosphere-endorsed mattress cover. Some couples are willing to go even further, outfitting separate bedrooms.

“There’s more awareness about sleep, which is great, but the pendulum has swung too far,” says Christine Spadola, an associate professor at the University of Texas at Arlington’s School of Social Work who focuses on sleep health.

People want to fall asleep more easily, sleep more hours and have higher-quality slumber. We're increasingly realizing that sleeping well isn't just a nice-to-have; it's a need-to-have, making us less sick and longer-living (not to mention smarter, thinner and, as we all know, better-looking). Social media posts on sleep outnumber those on exercise by 3 to 1 and those on diet by 5 to 1, according to consumer researcher Rila Global Consulting. The wellness industry is notorious for shilling products that cost a lot and produce no benefit. Marketing to the sleep-deprived makes for particularly easy prey.

At the supermarket, sleep support is now a \$300 million business, retail research company Spins says. While nearly all of that is sales of vitamins and supplements, growth is coming from

so-called functional beverages, with popular ingredients like ashwagandha and L-theanine. While some evidence suggests these can help with sleep, efficacy in actual products is usually unproven. Nonetheless, sales have almost quadrupled in the past year. Online, there's the THC-infused Sip Elixirs Dreamberry drink, endorsed by UFC fighter Kyle Daukaus; the More Labs Dream Well guava-flavored shot; and Atlaua's recovery beverage, designed for athletes and also available in a \$99 handcrafted ceramic bottle made for "luxury on-premise hospitality."

Spins breaks out sleep powders intended to be mixed with water into a category separate from beverages—sales of those have increased 54% in the past year. Many of these drinkable sleep aids contain magnesium, a common sleep supplement that has seen such explosive popularity it reached an estimated \$1.9 billion in sales in 2025 in the US alone. Trade publication *Nutrition Business Journal* calls it a “hero ingredient.”

Those ubiquitous trackers have gotten people so fixated on their sleep time, a medical term has been coined for it: orthosomnia. Meghan Swidler, a Los Angeles-based angel investor in consumer health tech companies and a holistic health and detox coach, says she was an early adopter of the Oura Ring—and then, after a couple of years of obsessively scrutinizing all her metrics, became an early proponent of throwing it away. “I started to rely on the wearable to tell me how good I should feel,” she says. “I would wake up in the morning, and I would just immediately open my phone, load Oura and check how well I slept.” On days when she felt good but her Oura numbers looked subpar, she would “feel bad and guilty,” she says. “It became this paranoia.” Eventually, she

just stopped wearing it, and now, she says, she doesn't take any supplements or use any gadgets. This summer, she's living in a camper van in Canada and the US with her boyfriend, turning her phone on airplane mode about an hour before bed, winding down and sleeping eight to nine hours uninterrupted.

Despite all the sleep-promoting pills and technologies out there, 6 out of 10 American adults still don't get the seven to nine hours of sleep the credible science says we need. Maybe we're just not buying enough stuff. Or maybe the stuff is part of the problem. All those sleep drinks may have us waking up to run to the bathroom, and the caffeine in the sleep chocolate bars and cocoa powders is probably perking us up rather than making us drowsy.

The experts I spoke to largely warned against relying on the essentially unregulated supplement market. Even if certain ingredients, like melatonin, have some evidence behind them, they might actually not be present in the elixir you bought, or they may be in too small doses or too big ones.

Even without experiencing results, people with means will buy something that promises a better night's sleep. "When people are desperate, you do desperate things," says branding consultant Fred Hart. This is true even though supplements come with some risk. Long-term use of melatonin, for example, is associated with a higher likelihood of heart failure, the American Heart Association said last year. Prescription options like Ambien will almost certainly knock you out, but some research has found that users miss out on much of the "slow-wave activity" of deep sleep, the part of the night that leaves us waking up feeling refreshed and ready to go.

The experts I interviewed also didn't say we need an Eight Sleep system, the aforementioned \$3,000 mattress cover touted by Andrew Huberman and used by the likes of Mark Zuckerberg, Elon Musk and Halle Berry. (The company also sells a \$1,000 pillow cover and other accessories.) Unlike many of the sleep aids on the market, this one, which constantly changes its own temperature to

adjust to the sleeper's, does have some research behind it, and there are customers who absolutely swear by it.

Studies funded by the company show that people will sleep better with the exorbitantly priced cooling mattress cover (reminder: You still need a mattress to put it on, but luckily the company will sell you one of those too, for around \$2,000), yet Eight Sleep hasn't run any studies comparing its product with the more obvious, inexpensive solutions for lowering your body temperature, like turning up the air conditioning or peeling off some PJs.

At the end of sleep scientist Matthew Walker's 2017 book, *Why We Sleep: Unlocking the Power of Sleep and Dreams*, he lists 12 changes we can make for better sleep. Walker is now a scientific adviser at Eight Sleep. Company co-founder Alexandra Zatarain says that if the book were written today, using the Eight Sleep system would be the 13th. People can choose to do as many as they'd like; few will do all. In other words, sleep-oriented

shoppers can make a choice: Would I rather try changing my exercise schedule or spend thousands of dollars? For many, the latter might be the easier choice, but whether it's the better one is unknown—it hasn't been evaluated. "These things are not exclusive. They don't replace each other," Zatarain tells *Bloomberg Businessweek*. "I say all the time, you don't have to buy our product."

The basic requirements for good sleep are undisputed. During the day, get some sunlight, eat a healthy diet, limit caffeine and alcohol, and engage in at least some physical activity. At night, make sure you have a dark, quiet, cool place for your slumber. Then crank your efforts up a notch. Qanta Ahmed, an attending sleep specialist and associate professor at NYU Langone Long Island School of Medicine, says she often refers patients for “behavioral sleep education,” which advises doing the things many of us already know to do but don’t: engaging in a regular sleep routine, “protecting your

total sleep time” (usually, going to bed earlier) and, of course, eliminating—or at least significantly reducing—screen time in the hours before you call it a night. She notes that trackers can be helpful for some people but warns against any that emit light.

These conditions—dark, quiet, cool—are relatively easy to achieve for many of us, and a range of low-cost ways can get you there if your bedroom isn't naturally suited. Sleep masks, for instance, can cost just a few bucks. Sound machines can block out noise for a lot less money than fancy earbuds. But for those who struggle even after checking these boxes, changing behaviors becomes even more important—if harder to achieve. While it may be easier to order a \$499 “vagus nerve stimulator” or sign up for a \$70-per-month Silent Nights body patch subscription than to put your phone down, try the no-cost options first. If you're still having trouble, consult your doctor, not Amazon. **B**



The White House and the Trump Organization can assert the president complies with conflict-of-interest mandates because the Constitution and post-Watergate ethics-in-government reforms have largely left the presidency untouched by guidelines that constrain other federal officials. Compliance is a breeze when there's little to comply with.

Trump has occupied that vacuum with gusto, monetizing the presidency with an unprecedented, insatiable appetite that would make kleptocrats like the Philippines' Ferdinand Marcos or Zaire's Mobutu Sese Seko proud. Along the way, Trump, who has been nicknamed the grifter-in-chief by some of his critics in the Democratic Party, has gone out of his way to pardon a wide array of fraudsters. The fallout is visible all around us: Epic, light-years-beyond-the-Gilded-Age financial machinations among elites—and broad acceptance of grifting large and small—have become hallmarks of our era.

Trump has assembled quite a ledger for other aspiring wheeler-dealers to emulate. Here's a sample:

● He and his family have made billions in the crypto market by embracing a business the president once derided as a “scam” through a series of opportunistic, sweetheart deals made more profitable by endorsements from Trump’s own government. His crypto haul, on paper at least, is the single biggest short-term financial windfall he’s enjoyed in roughly six decades as a businessman.

● His family business has entered into an array of real estate deals and other investments—particularly in the Middle East—that benefit mightily from his presidency. These overlap with diplomatic missions in the region and threaten to compromise US goals and national security. The most glaring of these was a controversial chip deal arranged with the United Arab Emirates shortly after Trump’s 2024 election victory that coincided with a \$500 million UAE investment in the Trump family’s crypto enterprise.

● Trump has made a cottage industry out of suing his own government for billions of dollars. This involves trying to settle grievances that Department of Justice investigators unfairly targeted

him during his years out of office and that the Internal Revenue Service improperly leaked his tax returns. Trump's DOJ tried settling the IRS case by creating a \$1.8 billion slush fund under the president's control. The proposed settlement came with other benefits for Trump, his business and his two eldest sons: permanent immunity from federal tax audits. The Trumps may have been facing as much as \$100 million in IRS payments associated with an apparently ongoing audit of disputed tax write-offs. The entire settlement remains mired in political wrangling.

● Trump disclosed in May that brokerages managing his securities investments had engaged in more than 3,700 individual trades in the first quarter of 2026 alone—transactions worth between \$212 million and \$695 million. Many of the companies whose shares moved through Trump’s portfolio, such as Dell, Nvidia and Palantir, do business with the government and had received favorable federal policy rulings or praise from Trump after the president’s trades were completed. Pure coincidence or insider trading? It’s your call, because the agency that might probe for signs of malfeasance, the Securities and Exchange Commission, now reports to Trump.

● And don't forget Trump's \$600 million ballroom project and \$1 billion presidential library proposal, both potential conduits for money contributed by interested parties seeking White House access.

● Then, of course, there's the small stuff. Like the no-bid contract for repairing the Lincoln Memorial Reflecting Pool, or the royalty payments for Trump-branded merch, or the various cash-ins off the UFC bout at the White House, or the licensing deals related to products tied to the Trump-branded Palm Beach airport. Flood the zone with little gifts and it can help desensitize the public to the big-ticket stuff.

Trump's supporters have long argued that he's just a good businessman, while others note that politics and graft are inseparable or that Trump-style finagling also plagues Congress, the Supreme Court and past White Houses. Yet nobody has come remotely close to picking pockets on a Trumpian scale. Trump sought the

presidency for two reasons: the spotlight and the money. Policy, process and the needs of average voters bore him. Center stage and gold bars do not.

There was a time in the not-too-distant past when even a tiny subset of Trump's gifts would have been disqualifying for a president or senior leader. Political scandals of the last century, like the oil lease debacle at Teapot Dome during Warren Harding's administration in the 1920s, or Sherman Adams' resignation as Dwight Eisenhower's chief of staff after accepting a fancy coat and rug during the 1950s, are quaint by current standards. Watergate, the mother lode of Nixonian malfeasance, looks less impressive next to the thick catalog of Trump's hustles.

There are obvious ways to go about preventing predations like Trump's, but that will have to wait until he's no longer in a position to block them. Federal ethics laws and guidelines should be tightened and focus specifically on the presidency; newly elected presidents should be required to divest themselves of major financial holdings and to place what they retain in a blind trust managed by a third party; presidents shouldn't be allowed to trade individual securities while in office, or solicit donations for private and public projects; they and their family members shouldn't engage in any overseas commercial and/or financial projects; and so on.

I'd be more hopeful about the future of such reforms if Americans were less quiescent about the president's plundering, even though that's a long-standing malady. "Is Nobody Indignant Any More?" *Time* magazine asked in an article published in 1972 during the Watergate scandal. "It may be that indignation is a cyclical thing, rising and receding as part of the nation's larger psychology," it observed. "But there is a somewhat depressing loss of innocence in failing to expect more from the nation's public officials. Somewhere in all of this huge indifference, the principle of moral leadership may be sinking without a trace."

Trump's response to all that would likely be that moral leadership is for losers. If you share that view, I have a tungsten project in Kazakhstan I'd like you to invest in. **B**

How to Not Get Scammed in The Age of AI

Artificial intelligence is turbocharging the output of online scammers. Can you stay safe? ● By Issie Lapowsky

Defeating internet scams has always required vigilance. The “Nigerian princes” could rake it in when web users didn’t see their perplexing font choices and grammatical errors as dead giveaways. But as the internet matured, so did our collective scam meter, forcing con artists to work harder to trick us.

AI has tilted things back in favor of the scammers and turned the rest of us back into easy marks. Suddenly their fishy giveaways stink a lot less, and the ability to instantly generate slick text, lifelike imagery and passable fake websites means the sheer volume of online deception is growing.

Last year, US consumers lost about \$20.9 billion to online scams, according to the FBI's Internet Crime Complaint Center, or IC3. That's a fivefold increase from 2020. While it's hard to say how much of that was attributable to AI, IC3 received more than 22,000 reports of scams with suspected AI involvement, amounting to \$893 million in losses.

“We are 100% no longer in a ‘trust but verify’ world,” says Nils Mueller, North American director of the Global Anti-Scam Alliance (GASA), whose members are public- and private-sector organizations. “We are in a ‘verify, verify again and then maybe trust’ world.”

It's not that chatbots and deepfakes have reinvented the types of scams out there. They've just made them easier to execute and harder to identify. But there are also some easy ways to build up your defenses.



● Romance

How it works: Romance scams usually involve a fake identity and a story that requires the target to send money. Perhaps an Instagram hottie slid into your DMs, or a handsome stranger texted your number while trying to reach his florist and proved to be surprisingly charming.

With AI, such fake personae are easier to create, and even old-school lines of defense like real-time video chats are gameable. Last year in the US, consumers lost almost \$1 billion to romance scams.

A related type of scam involves sextortion, in which a scammer dupes a person into sending explicit images, then threatens to distribute them unless the victim pays up.

Protect yourself: Dating apps already offer some defenses. Hinge and Tinder have verified-selfie features that ask users to submit a live video to prove their image is unaltered and matches their photos. Look for verification where it exists. These platforms also use automated tools to scan messages for suspicious behavior. If you haven't met the person yet, sticking to the app to exchange messages can be the safest bet.

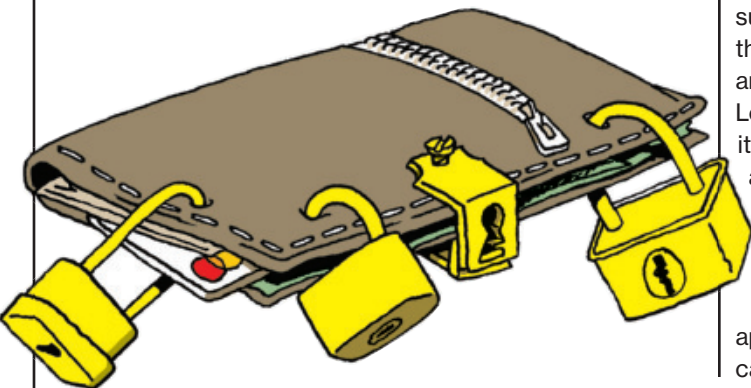
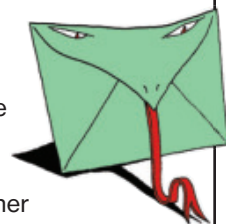
Beyond these technological guardrails, watch out for anyone who asks for money before you've actually met. And talk to your kids about sextortion; last year it was IC3's top complaint among people age 17 and younger, with the potential for tragic consequences.

● Invitations

How it works: Did your best friend's husband send you an Evite asking you to attend a "fabulous event"? Did you receive a Paperless Post invitation to a "special night" from a parent at your kid's school? Think twice.

Fake online invites are a growing frontier for phishing. These scams work in one of two ways: Some may come from hacked email accounts that tap into a person's contacts; others come from spoofed accounts that look like they're from friends or family. Either way, these phony invites land in your inbox looking indistinguishable from real ones—albeit often with scant detail about whom or what you're supposed to be celebrating.

In some cases, when recipients open the invite, they're prompted to enter their email address and password, and the phishing expedition is complete. In others, just clicking the link may be enough to install malware that gives scammers access to sensitive information.



Protect yourself: Check the sender's email address. Most real invites come from the e-invite company's domain (say, paperlesspost.com), not from a personal address. Another tip Evite offers, though it works for other sites too: Before you click, hover over the invite to view the link it directs to in the bottom left of your screen. If it leads somewhere other than the e-invite platform, there's your answer.

● Employment

How it works: Have you received a text from a “Monster.com recruiter” offering you a remote work opportunity that pays \$200 per hour and requires only a few hours a day? Chances are, such a “job” will cost you. Employment scams led to \$363 million in losses last year, according to IC3; AI-related job scams are a small but growing share.

Scammers may ask their victims to complete real work, such as writing online reviews, before requiring them to pay with their own money to unlock supposed “earnings.” In other cases, they may send payment in the form of a check and ask the target to wire a portion of that money to someone else. The wire clears, the fake check bounces, and the victim loses both their money and their supposed source of future income.

Not all
employment
scams are
financially



motivated. North Korean IT workers have recently infiltrated top US companies, securing rank-and-file jobs to gather intelligence, in some cases ensnaring American citizens through deceptive job listings to help with the scheme.

Protect yourself: It's always a red flag when a potential employer asks you to pay them. The Federal Trade Commission also recommends doing a simple search for the name of the company and the words “scam,” “review” or “complaint.”

To avoid hiring a scammer, in-person interviews, of course, are best. When that's impossible, the FBI recommends asking candidates on video calls to point their camera out the window and describe what's happening outside, a way to catch applicants with fake backdrops. To combat "laptop farming," where a US-based middleman operates computers on behalf of international scammers, the FBI recommends shipping work material only to the address on an employee's ID, unless they can provide additional verification.

● Investments

How it works: You see the post from a user on X offering to help people get rich from crypto. You take the bait and meet an investment club full of people who've purportedly made their money this way. So you decide to deposit

some cryptocurrency into an investment app, where you watch your profit grow—that is, until you try to withdraw it and find nothing there.

Investment scams are as old as finance itself. The difference now is that AI is making every part of the process—from the initial outreach to the phony app—look and feel a bit more legit. It's little surprise that investment scams were the most lucrative last year.

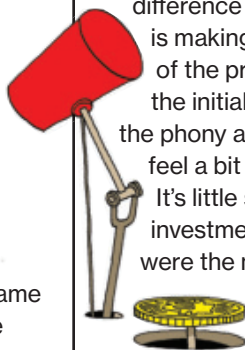
According to IC3, they contributed to about \$8.6 billion in losses; crypto scams accounted for \$7.2 billion of that.

Protect yourself: Plenty of organizations track common suspicious profiles. AARP runs a helpline for people to report or ask about fishy offers or communications. Mueller's organization, GASA, has built a ChatGPT-enabled tool at scam.org where anyone can check whether they're dealing with a well-known con.

● Impersonation

How it works: Thanks to caller ID spoofing and AI voice and video cloning technology, it's getting harder to tell who's really on the other end of the line. Government impersonation scams alone cost US consumers almost \$800 million last year, according to IC3, nearly double 2024's losses.

Maybe the phone rings,
and your son says he's in
a terrible bind and needs



you to send him money fast. Maybe it's your chief financial officer, asking you in a video call to transfer funds. Maybe it's the IRS, telling you that you owe back taxes.

While the storylines scammers deploy may vary, they almost always create a sense of urgency or emergency to override a victim's instincts.

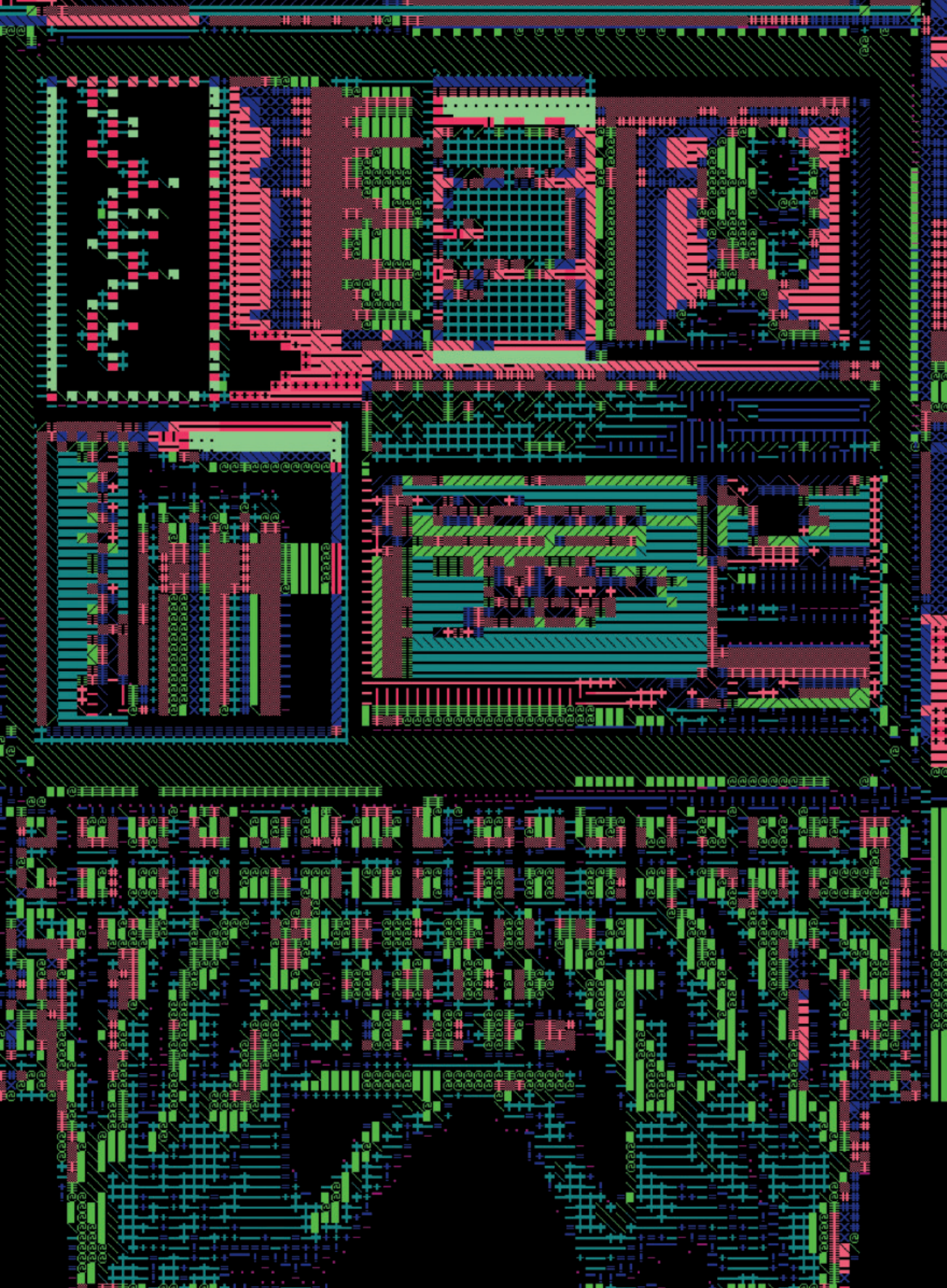
Protect yourself: Google recently released an anti-impersonation tool for Android users. When you receive a call from what appears to be a known contact—say, Mom—it automatically sends a signal to your mother's actual phone (if she's an Android user) to ensure she's really making a call. If there's no signal, Google warns the user that the caller may be a fraud.

Sometimes, though, the best defense against a high-tech problem is a low-tech solution.



Andrew Yoon of CivAI, a nonprofit focused on educating the public on AI's capabilities, encourages people to simply hang up and call the person back to make sure it's really them. It's easier to spoof an incoming call than to intercept an outgoing one.

Another analog tip: Create a safe word or phrase with your family. It's not just a smart way to verify the distressed caller is really your kid; it's also, Yoon says, a useful way to "open a conversation in general about scams." **B**



Claude's Coders {

AI has changed
computer programming
more than it has any
other profession, and
software engineers
are transforming right
along with it

}

By :: Mark Milian

Illustrations by :: John Provencher

//Boris Cherny is at the office on a Wednesday afternoon in San Francisco tapping away at his laptop. He's working but isn't quite sure what to call the work he's doing. Six months ago he would have called it coding.

This, however, is something different entirely. Instead of writing in any of the coding languages he's spent a lifetime practicing, Cherny is typing into a text box in plain English to a bunch of Claudes. He tells one of these artificial intelligence assistants to edit some code it wrote earlier, then switches to a second tab to instruct another Claude to translate a different set of code from one programming language to another, then switches to yet another tab to instruct another Claude to fix a problem the humans on his team are encountering with the system they use to share and test code.

Cherny is using Claude Code, the software he created and runs at Anthropic PBC. In the year since he started the project, his entire profession has changed. The solitary ritual of entering a mental flow state and writing code for hours is being replaced by a sort of simulated partnership with an army of chatbots. Whereas programmers once romanticized their craft as akin to chiseling a sculpture or writing a sonnet, AI coders say theirs is like playing *StarCraft*. Today's most advanced models from Anthropic and OpenAI produce high-quality code, and as much as half of all programming is now computer-generated. Four out of five engineers at Amazon Web Services use AI. Google says AI writes three-quarters of its code. Spotify Technology SA has said its top software engineers haven't handwritten code since December. They use Claude Code too.

Not every profession will undergo the same transformation in quite the same way, but if you want an idea of how AI might affect your work someday, you should understand what it's doing to the discipline of the people who created it. Compared with the old way, this method of working can be immensely productive. A certain type of engineer—one with a broad understanding of how software is constructed, a hyperactive mind and maybe some slightly manic tendencies—is thriving.

AI coding has reinvigorated the startup scene; given rise to phenomena such as OpenClaw, a startlingly popular piece of software for deploying AI agents; and revived enthusiasm for hackathons, where programmers go to test ideas, pick up new techniques or lock eyes with a potential business partner. It's also been a gutting experience for thousands of engineers, many of whom have recently lost their jobs after following the conventional path for what was supposed to be a stable, well-paying career. A current of anxiety is coursing through software engineers everywhere. Recognizing the job is changing and watching mass layoffs hollow out their industry, they're trying to figure out how to become what tech bosses and venture capitalists refer to as 10X engineers—and not end up as Uber drivers.

Claire Le Goues, a computer science professor at Carnegie Mellon University, says she frequently finds herself having to reassure nervous students that there's still work out there for them. "That anxiety is legitimate," she says. "It is not as easy to get a job as it once was." To help students navigate this new reality, she's assisting in an overhaul of the school's ►

◀ curriculum, which will emphasize the fundamentals of how software systems fit together, rather than specific coding languages, and include a new class on the use of AI coding agents. “I’ve not participated in this dramatic of a course redesign, ever,” Le Goues says.

In part because practically every engineer is now using Claude Code or one of its analogues, Cherny seems to be popping up in every coder’s X or podcast feed. People try to parse his musings for clues about what capabilities might be coming to Claude or tips on how to be a better AI coder. It’s hard to keep up. Cherny’s team is presently engaged in an arms race with its counterpart at OpenAI, which is constantly improving its rival software, Codex. He says he hasn’t written a single line of code since November and sees this as just another step in the evolution of software development, not a rupture with the past. “Programming has just always changed,” he says, his laptop cracked open slightly on the table, like a clamshell guarding a pearl, so his Claudes can continue working during the interview. “Now I feel like I have a jet pack. I can just build anything.”

Nobody really knows where things are going. When Cherny first put out Claude Code, in February 2025, it couldn’t be trusted to do programming on its own and went largely unnoticed. Discouraged, Cherny left that summer for a job at Cursor LLC, which makes a more conventional code editor. He lasted two weeks. Back at Anthropic, Cherny watched as each new model achieved remarkably greater competence and autonomy. He’d routinely challenge Claude on a programming technique, only to be convinced—in ego-shattering fashion—that Claude’s way was best. “I’ve stopped pointing stuff out,” he says. “I’ve found more and more that my opinions are wrong.”

//For the first 150 years or so, programming was done mainly by punching holes into paper. The first punch cards were used in looms to tell them what patterns to make. A punched hole instructed the machine to weave the needle through a set of threads here; an unpunched spot meant don’t. Anything with a computer chip today—a laptop, phone, Kindle, ATM, electric toothbrush—works essentially the same way as those looms. Their transistors respond to an invisible code of ones and zeros, punch or no punch.

Because nobody wanted to spend all day tapping out “01100001” to make the letter “a,” the mathematician Grace Hopper in 1952 created one of the first software compilers. Called A-0, it could take math equations typed by a person and turn them into code the computer could understand. Hopper then went to work on another compiler that would let people write commands in English, and the software would do the work of translating the words into the machine’s language. (Before this, compiling was an aspect of people’s jobs.) Over the coming decades, thousands of programming languages emerged, each one designed to eliminate common annoyances, automate repetitive chores and make coders’ lives a little easier.

Cherny moved with his family to the US in 1995 from the former Soviet Union, where his grandfather once programmed punch cards for mainframes. He spent most of his adult life as

a software engineer learning one programming language after another: Python, JavaScript, TypeScript, Rust, Swift. In 2017 he joined Meta Platforms Inc., where he rose to become lead of code quality and did a stint in Japan as tech lead for server architecture and infrastructure at Instagram, writing code to keep the app online while his colleagues in Silicon Valley were asleep.

Anthropic, which was founded in 2021 by a group of disaffected former OpenAI employees, identified a business opportunity in coding fairly early. The company trained its AI models on real-world databases of tangled code, with all their human imperfections, and worked with startups including Cursor to get them into the hands of programmers.

Cat Wu, head of product for Claude Code, had joined Cherny on the move to Cursor last year and shared the same sudden change of heart. At age 31, Wu has experienced a full tech career arc in the span of a decade: an internship at Google, software engineering jobs at a pair of startups, a partnership



▲ What coding looked like in the 1960s

■ ARCHIVAL PHOTOS: GETTY IMAGES (2) ■ DATA: STANFORD DIGITAL ECONOMY LAB ANALYSIS OF ADP RESEARCH DATA; FIGURES USE A FIVE-YEAR BALANCED SAMPLE OF FIRMS USING ADP PAYROLL SERVICES AND INCLUDE ALL WORKERS MATCHED TO THE BUREAU OF LABOR STATISTICS OCCUPATION CODE FOR SOFTWARE DEVELOPERS

at a venture capital firm, an urge to get back into the game at Anthropic. What made her give up the comfort of venture capital to return to making software was that she could now do it without having to code herself. “I think I was an OK engineer, but I still remember just spending so much time debugging things,” she says. “I don’t miss it.”

As a partner at Index Ventures, Wu used Claude to scrape social media sites, analyzing posts for indications that promising talent might be leaving their jobs to start companies, or to determine which apps were gaining traction. She also had Claude compile dossiers on entrepreneurs in advance of meetings and keep logs of their communications—all very important but very mundane tasks. “There’s still so much toil in people’s day to day,” she says.

While Wu says Anthropic is focused on using Claude Code to help programmers become 10X engineers, part of the excitement around the product is how it empowers people who know nothing about coding to create software. If you subject yourself to reading far enough into your LinkedIn feed or get stuck talking to a bored dad at a barbecue, you may hear all about the apps they’ve vibe coded.

Some of the most Claude-pilled people in the Valley occupy the corner office. The heads of Meta, Shopify and Y Combinator are gushing about their hobby projects or contributing code directly to their companies’ apps. To ensure all personnel sufficiently match the boss’s exuberance, some teams set up leaderboards ranking employees by their AI usage. The people who do the budgets are less enthusiastic, however. Uber Technologies Inc. recently instituted a per-employee cap on AI spending after burning through the entire year’s budget by springtime. It’s been widely observed that leaderboards encourage employees to waste company resources with unnecessary AI use, and companies including Amazon.com Inc. and Meta have shut theirs down.

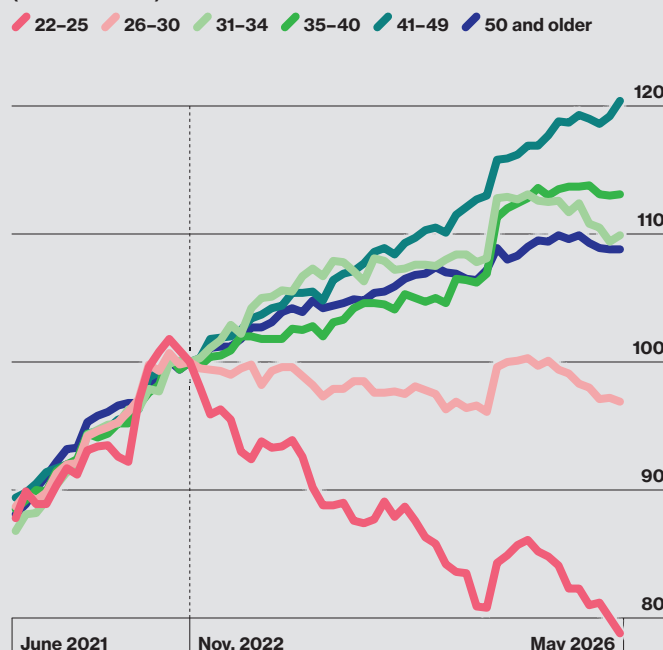
For the most part, though, chief executive officers are egging on their staff to embrace AI. It seems like every CEO with a technology department feels compelled to have an AI strategy, and that strategy often includes layoffs or hiring freezes. Annual employment growth for coders was 4.8% prior to the introduction of modern consumer AI tools; it’s essentially flatlined over the past few years, according to a Federal Reserve Board report in March.

While some companies appear to be correcting for the overhiring of the Covid 19 era and using AI as the fall guy, there are plenty of examples of corporate structures changing to accommodate new ways of working. This tends to involve flatter organizations with fewer managers, smaller teams of developers assigned to each part of a product, faster prototyping of ideas and a blending of job functions.

At Anthropic the expectation that everybody is at least a little bit of a coder has become endemic, and that mindset is beginning to infect much of the tech industry. “Everyone on the team codes,” Cherny says. “There’s no engineer that only does engineering. Everyone does engineering and design, or engineering and product.”

A Tough Job Market for Young Coders

Index of US software developer employment headcount, by age group (Nov. 2022 = 100)



//The AWS Builder Loft on San Francisco’s Market Street is a big cafeteria with faux-wood-topped tables and pastel-colored plastic chairs. On the afternoon of the OpenClaw Hack Day in late March, most seats are occupied by young people wearing T-shirts or hoodies in front of laptops, engaging with their AI companions. The room is weirdly quiet. Every so often someone rises to try to coax water out of a frustratingly complex dispenser. The machine requires you to wave your hand to select still, sparkling, hot or “ambient,” then hold your palm steady in front of another sensor to make it pour. Some people figure this out; others leave in defeat. No one seems quite sure what ambient means in the context of water.

OpenClaw, an AI assistant that can be installed on a computer, takes direction through text messages from your phone. It’s the fastest-growing open-source software of all time, and Nvidia Corp. CEO Jensen Huang has called it “the most important software release probably ever.” Over the next six hours, humans and chatbots brainstorm ideas for their Claws. The 50 projects span the gamut. Several attempt to address the security risks of giving an AI unfettered access to your personal computer. Others will read a user’s calendar and help prep them for meetings. One app called Where-is-my-kid promises to tell you where your kid is, by monitoring the camera on their laptop. A notable number of projects are designed to help engineers find jobs.

Eight finalists are selected to present to the room. “How many of you have a chief of staff?” Marvin Kaunda asks in a thick Belgian accent at the beginning of his demo. No one raises a hand. “There you go. That’s exactly why I built an AI chief of staff.” He describes how the bot can help someone ►

◀ prepare for a job interview and research the hiring manager. “Actually, I’m looking for a job, so I’m using him for that.” He is awarded first place and a pair of Apple AirPods. “What!” he shouts in disbelief, then approaches the emcee. “Can I give you a hug?”

The next day, Kaunda arrives late for an interview with *Bloomberg Businessweek* at Dolores Park Cafe, in the Mission neighborhood. He was fired two weeks earlier from his job as the sole software engineer at a startup incubator. As a result, he’s losing his work visa and will be forced to move back to Europe if he can’t find another job soon. He’s late because he was arranging for a friend to store his Apple monitor for him until he can find a way back to San Francisco. “I made my peace with it,” Kaunda says.

The 29-year-old recalls learning Python at university in Brussels and feeling no particular love for coding. “The two things that I find quite beautiful about life are creating and learning,” he says. “I found my medium to have those two things together. But maybe it could’ve been music.” After school he started a company in Brussels and a second one in Paris, by which point he was increasingly relying on AI. Using an early version of Cursor in 2023, he’d start writing a line of code, and the app would guess where he was going and fill in the rest. Sometimes he’d also ask ChatGPT for help and then paste the output into his code editor.

Last year, Kaunda applied for a job at ODF, the incubator in San Francisco. The firm was looking for someone to develop a chat app similar to Slack where the group’s entrepreneurs could collaborate and network. It was Kaunda’s ticket to Silicon Valley, and he built the whole thing in just a few months with Claude Code. ODF rolled it out across the firm, only to have it break on the first day. “Immediately I lost their trust,” he says. He spent the next week fixing the bugs.

The shifting ground under the feet of software engineers over the past few years has been a particular challenge for those early in their careers. The number of jobs for software developers in their 20s peaked in 2022, the same year ChatGPT was released, according to a study of US payroll data by researchers at Stanford University. As of last year the number of entry-level coding jobs is down almost 20% from late 2022.

A few days after our interview, Kaunda posted a video on X about his situation, saying he had the “heart to build” and offering to meet with anyone who might have a job for him. It helped him land 30 interviews that he packed into the remaining time on his visa. He ended up doing “work trials” at two startups, where he spent a day or two at their offices, but neither offered him a position. Most employers still want to see engineers hand-code during the hiring process, and Kaunda’s skills were rusty. “Being slow is a bad signal,” he says. On May 11, crestfallen, he moved back in with his mom in Brussels.

//Before creating OpenClaw, Peter Steinberger was more or less retired. He grew up in Vöcklabruck, Austria, and spent the first few years of his career bouncing around coding jobs in Vienna, before creating a project called PSPDFKit in 2011.



▲ Wu



▲ Cherny

■ WU, CHERNY, KATIE LOVECRAFT FOR BLOOMBERG BUSINESSWEEK; STEINBERGER, CANCE CLIFFORD FOR BLOOMBERG BUSINESSWEEK

“You just go into this deep flow state where you forget time and space and everything, and you just think with the code. I get the very same feeling now with agents”



▲ Steinberger

The idea was to make PDF files more capable and reliable—the kind of boring but technically ambitious endeavor programmers hold in high esteem. “I actually wrote software by hand like a caveman,” he says. Steinberger eventually assembled a team of almost 70 and took on the role of CEO before cashing out a decade later.

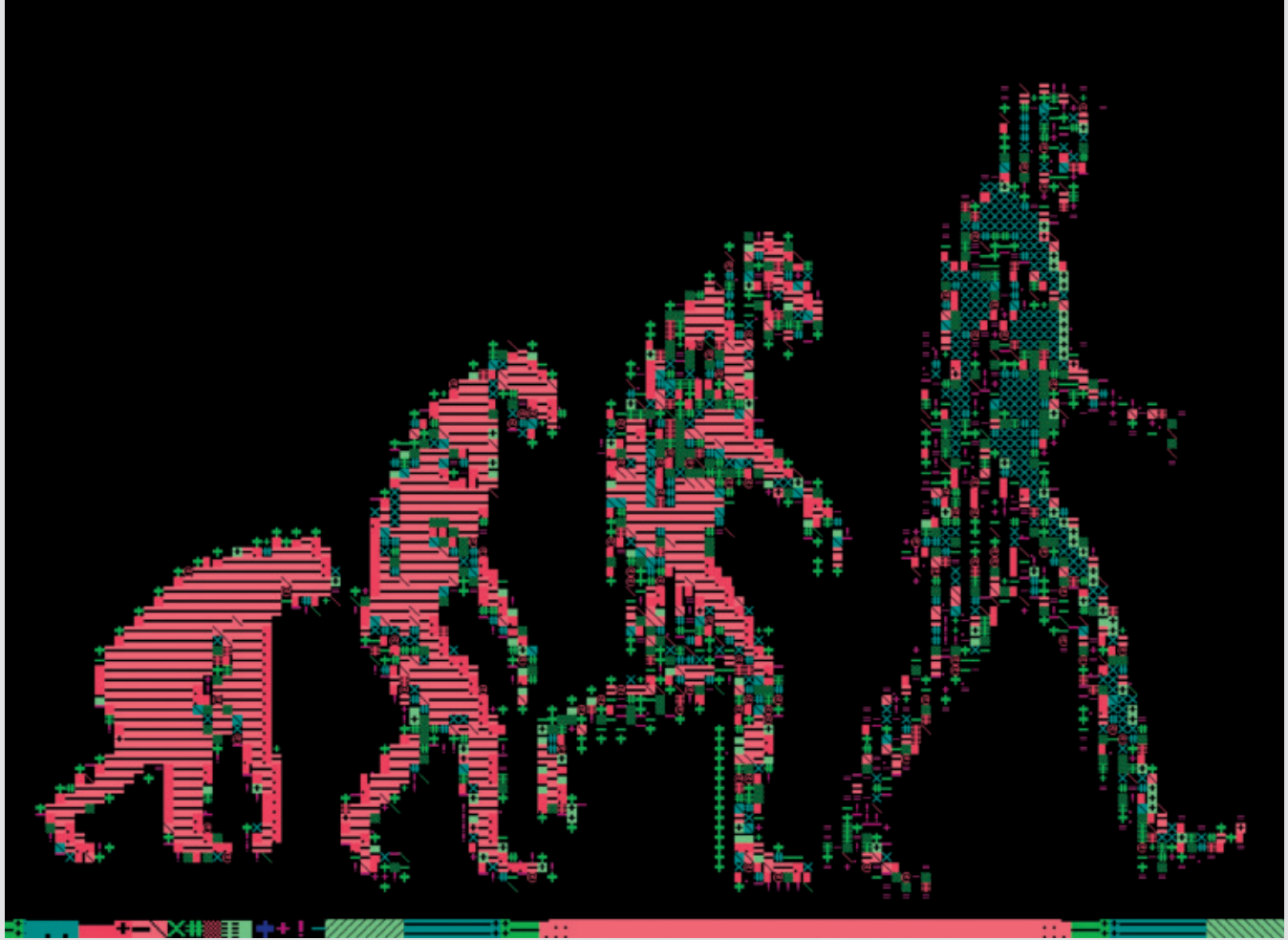
During the next few years, he lived the life you’d expect of a moneyed thirtysomething retiree, traveling and partying. He sat down at a computer again in April 2025, seduced by Claude. “I got a dopamine hit every time it worked,” he says. The result was OpenClaw, which was such a success that it contributed to a shortage of Mac minis and is driving a cottage industry of Claw installers who operate booths on the streets of China. Mark Zuckerberg and OpenAI’s Sam Altman both courted Steinberger, who eventually chose OpenAI. He’s now living part time in Vienna and London while hopping around the globe to speak at conferences and going back and forth to see his Codex teammates in San Francisco, where he’s in the process of moving. Steinberger is wearing a T-shirt, nerdy glasses and an earring in one ear when we meet at the cafe inside the OpenAI lobby. He grabs his backpack, and a wad of crumpled \$20s falls from the front pocket. He says he struggles to keep track of which currency he needs on any given day.

Steinberger’s Codex techniques are widely admired online. He’s been known to use three monitors with 10 to 15 windows containing different AI agents working on different projects. He’s likened it to playing the computer game *Factorio*, where the player constructs a rocket factory on an alien planet and must tinker with and supervise myriad assembly lines. “You just go into this deep flow state where you forget time and space and everything, and you just think with the code,” he says. “I get the very same feeling now with agents.”

A big part of why Steinberger left his company in Vienna was that he’d grown tired of management. But he sees some parallels between his old job and modern software development. “When you work with a coding agent, it’s kind of like managing a team of very spiky individuals,” he says. Reflecting on his time as a CEO, Steinberger says it took him a while to learn to let employees accomplish a task in their own way, rather than trying to force his methods on them. “I can breathe down his neck and make him do it my way, but it’s going to be painful for me and for that person, and they will eventually quit,” he says. “Codex will not quit, but it will be similarly painful.”

OpenAI’s first real experiments in autonomous coding were in 2021, the same year Anthropic was founded. The company worked with Microsoft Corp., its main backer, to incorporate the technology into GitHub Copilot, which would plug into a code editor and autocomplete lines of code as you wrote. It very quickly became an essential tool for programmers. But while Anthropic made code a core focus from the beginning, OpenAI was building image and video generation systems, a scientific research platform, a web browser, consumer electronics, a short-lived social network. When Claude Code arrived, OpenAI was caught flat-footed.

Over the past year, OpenAI shuttered projects, ►



◀ restructured management teams and established Codex as one of its two main priorities, says Greg Brockman, the company's president and co-founder. (The other is "building your personal assistant," he says. ChatGPT is in that bucket.) "Where we're headed is almost everyone becoming a manager of agents," Brockman says.

OpenAI's focus on coding has intensified the competition with Anthropic. But the reality is that many coders use both companies' tools. Some prefer sketching out how to tackle a project with Claude and then feeding that plan to Codex to build. Others will do all the initial coding in Claude, design in Google's Gemini and have Codex repair the inevitable flaws.

New advancements in AI systems are showing up every week, enabling humans to be even further removed from the line-by-line process. Cherny and Steinberger have recently shifted their default approach when they sit down at a keyboard to what's known as writing loops. Instead of prompting an agent to build a feature or fix a specific problem and then supervising each step of the work, they hand the AI an ambitious goal—build this, test it, fix the bugs, optimize the code, document what you built, keep testing until there are no apparent bugs—and let a team of agents work for hours without interruption. In the background, AI is prompting other AI agents, over and over, to get the job done.

There are risks to taking their hands off the wheel for too long. As code bases grow in size and complexity, the agents can start to lose the plot. Humans who haven't been paying attention to how the software was built can find it

difficult to diagnose and resolve problems. Plus, a developer's programming muscles can atrophy without regular exercise, which can be a problem if they ever need to write code the old-fashioned way again.

For now there's a strong perception that AI is making developers more productive. The optimist's view is that it will lead to an explosion of software that solves any little inconvenience people encounter in their daily digital life. This could require more developers than ever. Another possibility is that, even as we use more software, we end up needing drastically fewer software specialists. Many CEOs have already come to this conclusion. Jack Dorsey cut 4,000 jobs from his company Block Inc., Salesforce's Marc Benioff cut about 4,000 too, and Zuckerberg dismissed 8,000—each of them citing AI as a major factor.

Measuring the productivity impact of this new way of working with any precision is tricky, though. In early 2025, before AI coding agents were widely in use, the research organization METR asked engineers to guess how productive they'd be with AI, then spend several hours coding manually or with agents. Researchers observing their output found that the developers overestimated their productivity and were in fact slower on average than peers who were still coding the old way. Just because something felt more efficient didn't mean it actually was. Later that year the researchers observed what appeared to be substantial productivity gains coming from the latest AI models. But when they attempted to run the experiment again, they couldn't find enough people to participate. Most were unwilling to code by hand.

//Pavel Rodionov arrives at the Palace Hotel in San Francisco after a day of work at Amazon, where he's a software development engineer. He's in his early thirties, has a wisp of brown hair pushed to the side of his face and faint blemishes on his cheek. He's wearing a light gray sweatshirt and occasionally pokes his hands into his belly as if to hide them in a sweatshirt pocket, even though his hoodie doesn't have pockets. At the hotel bar he orders a virgin mojito, and he's carded. Rodionov chuckles, his cheeks red, and presents his driver's license.

Rodionov grew up in Nizhny Novgorod, a city of about 1.2 million people on the Volga River east of Moscow. He has a conspicuous Russian accent, but his English is nearly impeccable. He apologizes for it anyway. Rodionov started coding when he was 15 and built Android apps as an undergrad to make some spending money. He did outsourcing work as he was earning a master's degree in computer science, then did a stint at Intel Corp. before joining Amazon.

Rodionov doesn't write code from scratch anymore, but he still reads almost everything his AI agents produce and sometimes manually fixes their errors. The output from an agent is only as good as the instructions that go into it, so complex projects require a human mind with a deep understanding of the software's foundation and a general idea of where cracks might be forming. Even still, Rodionov finds it hard to believe how much of his work can be outsourced to AI. As just about everyone in the industry agrees, this shift happened in November with the release of a vastly more capable coding model called Claude Opus 4.5. "It feels like it was ages ago," he says. "Some people say it's tough to live in the history books."

For many programmers who are out of work, it's like Detroit in the 1960s, just before automation wiped out hundreds of thousands of factory jobs. For Rodionov, Silicon Valley is Florence during the Renaissance. There's a mysticism, he says, to living alongside his coding heroes. "I don't believe it's going to cut all the jobs," he says. "We have a lot of opportunity to do bigger and better stuff." He remains gainfully employed but attends hackathons to stay close to the action and practice his pitching.

The night before, Rodionov had participated in an event called Claude for Technical Founders. It was hosted in Palo Alto at a venture capital firm's office, a space with gray-and-yellow carpet and bright fluorescent lighting that looks like a car insurance agency from the '90s. Rodionov's project was called Outpace.ai, a sort of dashboard showing the location of tech jobs. After he'd recruited a team, their first step was to run the idea by Claude. The chatbot helped them validate that the concept was viable, select the most efficient coding languages to use, figure out the right datasets to pull from the US Bureau of Labor Statistics, sort out the software's architecture, plan each phase of its development, design how the heat map should look and set criteria for success. ("A non-technical person watching the demo says 'that's cool' within 30 seconds," Claude said.)

With the blueprint in hand, Rodionov opened a new Claude Code window, pointed it to the document and asked it to get to

work. When he was the one writing the code, he'd sometimes forget a bracket or a quotation mark, which would break the whole program; then he'd have to go hunting for the missing symbol. Now that's Claude's problem. The original name of Rodionov's app was Job Market Shift Map. His collaborator, Khoa Le, came up with Outpace.ai. In the demo, Le referred to it as a "career copilot for the AI transition." They didn't win.

The next day, sitting outside a Blue Bottle Coffee shop in Oakland, Le recounts the somewhat unusual circumstances that brought him to the hackathon. He isn't a coder. He studied economics and communication at the University of California at Davis and went into a career in data analytics, first at Morgan Stanley and then a succession of tech startups. Le currently works in the analytics department at a startup that makes software for real estate agents. He spends a lot of time in Excel.

Le, who's 36, has long harbored ambitions of starting his own company. He saw an opening a couple of years ago while helping organize his daughter's first birthday party. His wife, a corporate event planner, asked him to rent a backdrop for photographs. She walked him through the way she finds vendors by searching hashtags on Instagram, exchanging contracts over Google Docs and paying through Zelle. Le thought he could streamline the whole process by building an online marketplace.

He had no idea how to do that, so he spent what little time he had between work and family obligations taking a free online coding course. "It was like an eight-hour-long YouTube video," he says. "It took me a whole month just to complete it." For the next year he tried different coding platforms for beginners, and he pasted lots of code snippets that he found on the internet or generated with ChatGPT to glue together a functional prototype.

Last year a friend introduced Le to Claude Code. "I tested it, and I was like, 'Holy shit.'" He bought the \$100-a-month plan and can now deliver a feature that used to take weeks or months in a few hours. Claude is his software engineering team, his executive assistant and his board of directors. "Literally, I created a chat where I said, 'Hey, you guys are my board. Imagine this is a legit company,'" he says. Now he takes orders from Claudes pretending to be Altman, Zuckerberg, Elon Musk and other tech luminaries.

Le hasn't achieved his dream of creating a billion-dollar software business, but his website, Backdrop, has signed up more than two dozen caterers, videographers and other vendors in the Bay Area and grossed \$7,000. "Modest numbers," he acknowledges, "but it seems like there's potential."

While he still doesn't consider himself a coder, he's convinced that the year he spent learning the fundamentals was essential to his ability to use Claude Code effectively. "I went down the hard path of 'let me learn how to code,'" he says. "In hindsight it was so beneficial. Now I can look at things and read the code and understand what's happening.

"And if I don't, I can just ask Claude, 'What is this thing doing?'" **B**



A FRIENDSHIP SHATTE

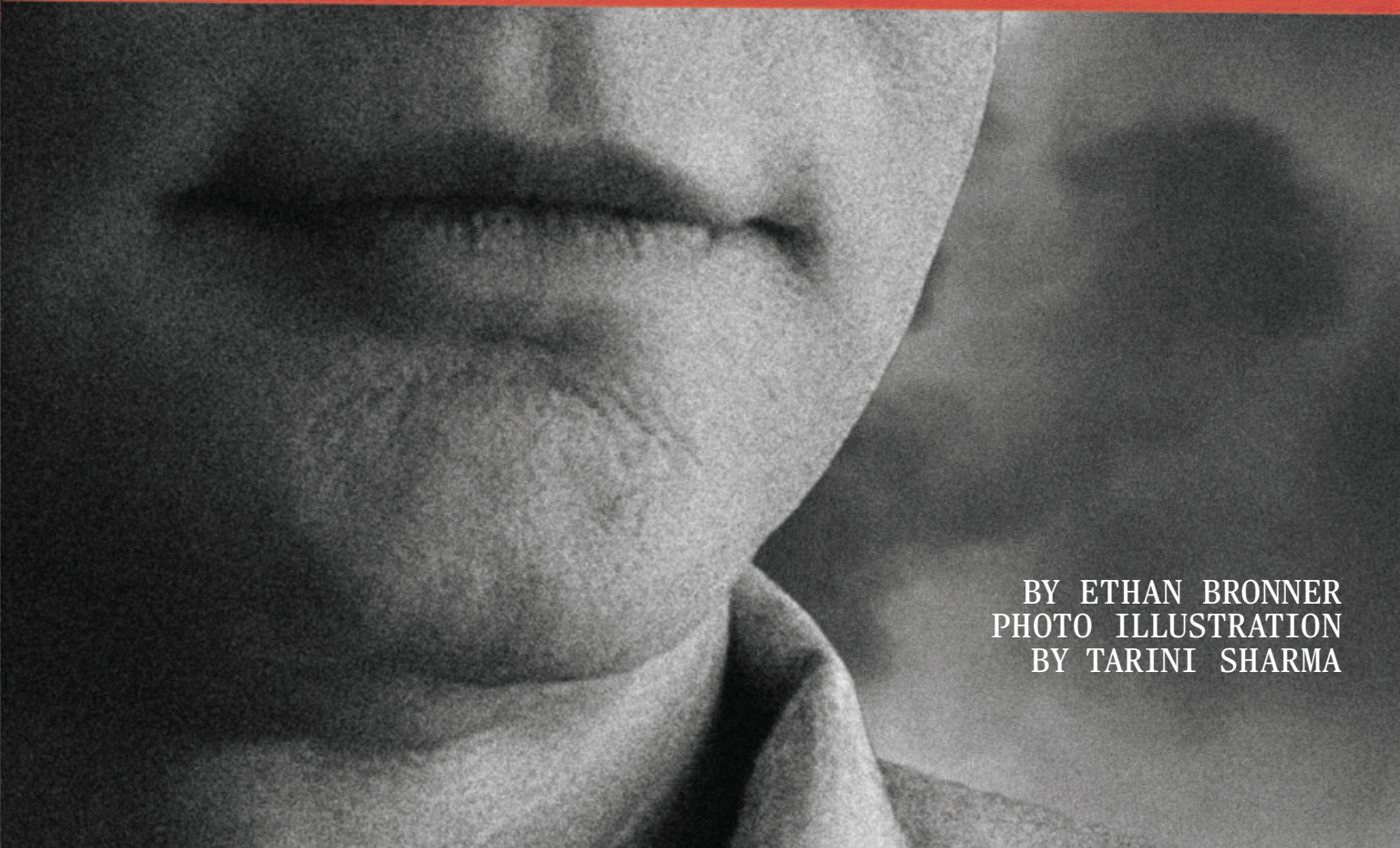




ISRAELI TECH PIONEER
EYAL WALDMAN AND
PALESTINIAN TYCOON
BASHAR MASRI WERE
BEST PALS. THE HAMAS
ATTACK AND ISRAEL'S
RESPONSE MADE THEM
BITTER ENEMIES



RED BY THE GAZA WAR



BY ETHAN BRONNER
PHOTO ILLUSTRATION
BY TARINI SHARMA

Eyal Waldman had spent the morning watching spotted dolphins off Moyo Island east of Bali, where he and a half-dozen friends were midway through a weeklong getaway. In the afternoon the Israeli tech luminary had planned a jungle hike to the Mata Jitu waterfall, which locals remember for Princess Diana's visit three decades ago. As the group started out, one of his companions got word of trouble back home—rockets coming into southern Israel from Gaza. Waldman was sure it was no big deal. Missiles from Gaza were pretty common.

But on the way back, everyone's phones began to light up with deeply alarming messages. The day was Oct. 7, 2023, and soon Waldman was scrolling through countless images of terror, tragedy and trauma. Hamas was firing missiles and rockets, and thousands of militants were shooting their way through border communities and military bases, killing and abducting hundreds.

For Waldman, then 63, the news would soon turn personal—and devastating. His 24-year-old daughter, Danielle, had gone to the Nova Music Festival, an all-night rave in the desert about 3 miles from the heavily fortified border with Gaza. As news of the attack spread, Waldman's son, Guy, had texted the family WhatsApp group chat asking if everyone was safe. Danielle, an interior design student who was due to leave for Venice, Italy, the next day on a trip she'd won for excelling at school, said not to worry. She and her boyfriend, Noam, were fine. Hours later, Guy fired off another note saying Danielle wasn't answering messages.

Waldman, who has a fortune in the hundreds of millions of dollars after selling his chipmaking company to Nvidia Corp. in 2020, chartered a helicopter to Bali at dawn the next day—the earliest he could get. From there he and his friends hired a jet to take them to Cyprus, where an Israeli friend was waiting with his plane. On Sunday evening, 36 hours after the attack began, they landed at an almost empty Ben Gurion Airport, which had been closed to most commercial traffic.

As news of the music festival massacre spread, friends sent Waldman notes of concern about Danielle. One was

an unusual confidant, Bashar Masri, a Palestinian American tycoon with whom Waldman had formed a rare partnership in the West Bank and Gaza. The two had long nurtured a cross-cultural bromance, and in 2019 they appeared together on *60 Minutes*, where they laid out a vision of peace through prosperity, punctuating the notion with an on-camera embrace.

A Muslim from one of the most prominent Palestinian families and with wealth roughly equivalent to his friend's, Masri knew all three of Waldman's kids and felt especially close to Danielle. He had texted Waldman, "How can I help?" and offered his plane. Waldman said he was on his way but added, "I hope they haven't been taken to Gaza. Can you check?" Masri replied that with Israeli fighter jets bombing the coastal enclave of 2 million, "I can't reach anyone."

Early Monday, Waldman grabbed his handgun and drove 90 minutes south from his home in Tel Aviv in search of Danielle. The former elite infantryman joined up with a friend, retired General Israel Ziv, who was being hailed in the news media as a hero for plunging into battle, at age 66, armed at first with only a 9mm pistol. Making their way through what was still a war zone, with invaders' bodies lying at the roadside, they followed Danielle's phone-tracker coordinates. Eventually, they found the car where she and Noam had last been seen. "It was upside down, blood and bullets everywhere," Ziv says. "You could see on Eyal's face that his world was destroyed."

Waldman and Ziv spent the next two days scouring the valleys and hills around the abandoned car, hoping the young couple might be hiding, perhaps wounded. Masri kept sending Waldman notes: "We pray for their safety." "Our heart is with you." On Oct. 11, four days after the attacks began, army officers arrived at the home of Waldman's ex-wife, Ella, Danielle's mother, with the devastating news that the young couple had been found at a military camp where victims' bodies were being brought for identification. When word reached Masri, he texted his friend: "May God give you strength."

Over the next couple of days, the correspondence continued, but the tone

shifted. Masri, while writing to Waldman with deep sympathy, had made public statements that could be seen as at odds with those messages. As Waldman was desperately searching for Danielle, Masri had taken to his Facebook page not to condemn Hamas but to assail Israel's counterattack: "Where are those who sing of humanity? What we are witnessing in Gaza," he wrote, "is a criminal act."

Waldman's notes to Masri became aggressive. He complained that despite their public pledges of cooperation, neither Masri nor any other Palestinian had agreed to work closely with him to build a binational political movement, as he'd been advocating. That failure, he said, allowed radicals to impose their agenda. Danielle was dead because of the cowardice of Palestinian leaders.

Masri grew defensive. Publicly joining hands with an Israeli in a political movement and speaking out against the Palestinian Authority or Hamas was a huge risk for a Palestinian living in Gaza or the West Bank. "Now that you have witnessed Hamas's brutality, you understand why I am always calculating," one of his WhatsApp notes read. "There are extreme groups among us. You are lucky to live in a democracy. We don't. I will continue to struggle in my own peaceful way."

Waldman found this frustrating and craven. He had helped organize demonstrations against Prime Minister Benjamin Netanyahu and his far-right religious ministers and policies. The government had promoted populist laws weakening the authority of the courts, increasing executive power and dismissing Palestinian statehood—and Waldman had stood up to challenge them.

Masri says he feared arrest by the Palestinian Authority of President Mahmoud Abbas, who'd been entrenched in the West Bank for almost two decades while Hamas took over Gaza in 2007 after a brief civil war. Masri disliked both groups and strongly favored creating jobs and prosperity to produce a new political leadership class. He invested in Gaza—a pair of luxury hotels and an industrial park—and he hired computer programmers in the enclave for Waldman's company. But while he had great affection for

his friend, he had long viewed Waldman as tin-eared to Palestinian sensibilities. The gap between their styles reflects a rift that plagues the two groups' interactions: Israelis often display a bluntness that Arabs, with their embrace of hierarchy and ceremony, find unsettling.

Waldman replied by forwarding gruesome photos and videos of dead Israelis and the shattered car where Danielle and Noam had been murdered. He wrote that Palestinians would learn that Israelis are better at killing than they are and that they would do so in Gaza as long as necessary to win this war. He told mutual friends to inform Masri that he wouldn't be welcome at Danielle's funeral. And Waldman began to focus on Masri's activities in Gaza, finding what he considered evidence of far too much comfort in dealing with the group that had just killed his daughter.

Over months of reporting, both men shared text messages and other communications between themselves and others. They spoke openly, and neither has challenged the basic outlines of this story. They do, though, view the situation from vastly different standpoints and disagree on some details and many motivations.

Apart from a chance encounter in Qatar in 2025, Waldman and Masri, who'd spent a decade as master-of-the-universe buddies—skiing, yachting, dining, sharing intimate concerns over their love lives, business and politics—haven't communicated since mid-October 2023. More than that, Waldman helped organize a US lawsuit against Masri by families of victims of the Oct. 7 attacks, accusing him of having “knowingly and deliberately integrated into Hamas's terrorist infrastructure.” Masri denies he ever cooperated with any Hamas militants and insists he couldn't possibly have known anything was afoot. If he had, he would have done everything in his power to stop it. His attorneys have filed a motion to dismiss the lawsuit, arguing that it equates doing any kind of business in Gaza with terrorism.

The Hamas attack effectively reset the historical clock so that in Israel today, all political and security discussions start on Oct. 7. This shift is reflected in the relationship between Waldman and Masri, whose friendship—like so many



MASRI AND WALDMAN ON 60 MINUTES IN 2019

others across the two societies—was torn asunder by that reset.

Just days before Oct. 7, such a split seemed unimaginable. The two were guests at a lavish wedding set among the orange and grapefruit orchards south of Tel Aviv—the social event of the year, joining the son of public relations titan Rani Rahav with the daughter of French-Israeli media and telecommunications billionaire Patrick Drahi. Some 100 private planes landed in Israel for the nuptials. Among the 1,200 guests were the country's president and first lady, the ambassador of Bahrain, the billionaire cruise-ship heiress Shari Arison and Israeli high-tech pioneers like Check Point Software Technologies Ltd. founder Gil Shwed. Israel's former chief rabbi, Yisrael Meir Lau, performed the ceremony.

At Israeli weddings the dress code rarely extends beyond a clean T-shirt and trousers, even shorts, especially in the warm months. But at this one, suits were specified for gentlemen, evening dresses for the ladies. The bride wore a gown by Israeli designer Lihi Hod and changed into a second one for the dancing, which lasted until dawn.

The father of the groom offered a warm toast to people he felt most honored to welcome. Among them were Masri and his wife, Reem—a couple he'd met through their mutual friend Waldman. “I wish there were more Bashar Masris across the Middle East,” Rahav said, “so peace

could spread.” Today, Rahav mourns the break between his friends. “I cry because they both believed that true peace could be made between the Palestinian people and the State of Israel,” he says.

After lingering over snacks in the reception area, Masri and Reem entered the ceremony a touch late. The lights had been turned down, and the couple hesitated, searching for their seats as the crowd prepared for the vows. Waldman's daughter sensed Masri's hesitation and rose to help. “Danielle came out of the crowd with her beautiful eyes wide open and gave me a big hug,” Masri recalls. “That's how I remember her. Nine days later she was killed.”

When Hamas launched what it called Operation al-Aqsa Flood on Oct. 7, the group's leaders said the Holy Land would never be the same. The era of cooperation between Israel and the Palestinian Authority, they declared, was over. In its place they were sparking a revolution to establish a purely Palestinian entity “through blood and martyrdom.” Their instructions to Palestinians in Israel: “Kill, burn, destroy.” The time had come “for all Arab and Islamic forces to join together to clear out this occupation from our sacred sites and from our land.”

The Hamas leaders, later killed by Israel, did change history, though perhaps not in the way they'd envisioned. Conventional wisdom had long held that most Israelis and Palestinians ►

◀ favored compromise—but radicals on both sides had hijacked the relationship through violence, illegal settlement and toxic exclusionist rhetoric. Today those seeking compromise are the minority.

To prevent another border breach, the Israeli military has altered its doctrine. While it had long sought to gauge an enemy's intent to attack Israel and prepare accordingly, now it simply seeks to eliminate any potential adversary's ability to mount an assault. It has stationed troops deep in Gaza, Lebanon, Syria and the West Bank. The Knesset—Israel's parliament—has passed two resolutions rejecting a Palestinian state, something it had never done before. Very few in Israel today are willing to countenance any political entity in their neighborhood that could include hostile and unstable elements. Eventually, they say, a Hamas-like movement will take control and try another Oct. 7.

For years, most in Israel drew a distinction between Hamas—Islamist, Iran-backed, with a founding doctrine calling for the obliteration of the Jewish state—and the Palestine Liberation Organization (PLO), which three decades ago recognized “the right of the State of Israel to exist in peace and security.” Now a majority of Israelis view the groups as two sides of the same coin.



CONCERTGOERS' CARS AFTER THE ATTACKS AT THE NOVA MUSIC FESTIVAL



DAMAGE FROM AN ISRAELI AIRSTRIKE IN GAZA

Campaigning for elections that must take place by autumn, Netanyahu insists he has done more than any other leader to prevent the establishment of a sovereign Palestine—this from a man who once advocated the idea. Israel “will be generous on the size of the Palestinian state,” he told a joint session of the US Congress in 2011, and it “must be big enough to be viable, independent and prosperous.”

Israel's brutal response to Oct. 7 similarly hardened Palestinian political culture. Within hours, jets began bombarding suspected Hamas sites across Gaza, and for the next two years, the assault was virtually relentless, leaving the majority of Gazans living in tents and triggering mass hunger. In the end most of Gaza was reduced to rubble, and at least 70,000 of its 2 million-plus residents had been killed. Where a majority once backed coexistence and two states, polls show that most now endorse the Hamas attack and refuse to acknowledge that atrocities were committed against civilians, even though attackers recorded and shared their gleeful violence on social media.

Before Oct. 7, 200,000 Palestinians, including 20,000 from Gaza, worked daily in Israel, bringing much needed income and maintaining some basic sense of shared space and fate. Their work visas have been almost entirely revoked, and what were already limited interactions between the two peoples have become virtually nonexistent other than Israeli soldiers herding Palestinians at checkpoints or settlers facing off with Arab residents of the West Bank.

Realists have long argued that neither side is going anywhere and the two societies can and must learn to live together. Central to that approach were business figures, with their belief in prosperity over ideology. Despite the almost infinite hurdles, a West Bank management caste willing to work with Israel must be “the backbone of any future Palestinian state,” says Bernard Avishai, a visiting professor of Middle East studies at Dartmouth College who's written extensively about the role of entrepreneurs in the conflict. He cites Waldman and Masri as key to nurturing such a group and praises their efforts to plant the seeds of cooperation

and coexistence. “That's why the break between them is so tragic,” Avishai says. “It's about a much larger fracture between the two sides.”

It's Passover week in Israel. The sun is shining, kids are out of school, parks and cafes are humming with the lunch crowd. Masri, who has a special pass allowing him to enter Israel (the vast majority of Palestinians have been barred since October 2023), is in the Tel Aviv suburb of Petah Tikva for an afternoon appointment with his physician.

Sitting at an outdoor cafe across from Beilinson Hospital, Masri recounts the arc of his life from anti-Israel teen activist in the 1970s to entrepreneur and coexistence advocate. The third of five children, Masri was born to wealth in the city of Nablus in 1961, when the West Bank was under Jordanian control. The family owned a flour mill and vegetable oil and soap factories, and his maternal grandfather was the speaker of the Jordanian Parliament. His father studied medicine at the University of Virginia and worked at a hospital in New York. After Israel conquered the West Bank in the Six-Day War of 1967, young Bashar fumed with anger at the troops patrolling his hometown. “I was in the 10th grade when I first saw the inside of an Israeli prison,” Masri says, looking out at conservatively dressed religious families enjoying the day off, strollers parked near a jungle gym that's getting a lot of use.

In 1976 he and a girl named Lena Nabulsi organized a demonstration against the occupation. “Lena was killed that day by Israeli troops,” he recalls. He was briefly jailed and released that evening, but he says he was less lucky on the half-dozen other occasions he was imprisoned over the following years, typically spending a few weeks behind bars. “The poorer kids threw rocks, and I wanted to earn their approval,” he says, recalling one arrest for pelting Israeli soldiers with stones. “In prison it won me extra sugar and apples from the guys. But they also told me to stop, that I was a leader and a poor aim. They were afraid I'd hit them by accident.”

In 1978, Masri missed his high school graduation exams because he was in

jail—40 days, including a spell in solitary confinement. At 18, with no English, he headed to Virginia, where his father was working. He attended community college while moonlighting as a guard at a mental institution, then transferred to study engineering at Virginia Tech. He married an American and started a family—two daughters—and got a job at a Washington, DC, consulting firm, where he eventually rose to vice president. In the 1980s, Masri became a US citizen but kept his Jordanian passport. “I knew I was going to return eventually,” he says before crossing the street to the hospital for his appointment.

He picks up the narrative the next day in the West Bank town of Rawabi. Among Masri’s various initiatives—he’s chairman or founder of several investment and construction companies—Rawabi is what really sets him apart. Two decades ago, after Hamas ejected the Palestinian Authority from Gaza and Israeli settlements were spreading across the West Bank in defiance of United Nations resolutions, he spotted an opportunity to counter both movements while creating thousands of jobs for his people: new towns, for Palestinians, built by Palestinians.

Rawabi, 25 miles north of Jerusalem (and half that distance from the de facto Palestinian capital of Ramallah), was to be the first, and so far it’s the only one. Faced with fierce resistance by neighboring settlers and bureaucratic obstacles over electricity, water and access, Masri’s dream project took more than a decade and \$1.4 billion to complete. The place is strikingly modern, with parks and playgrounds, a car-free central plaza filled with high-end shops, a 15,000-seat amphitheater, a medical clinic and offices for tech companies employing hundreds of Palestinians. Today it has housing for 40,000 residents in dozens of stone-clad apartment buildings, four to nine stories high, that spill down the hillside, though only about 10,000 people live there.

Masri’s eighth-floor office, with sliding glass doors leading to an expansive patio, looks out on both Rawabi and the Tel Aviv skyline 40 miles away. The view—with the arid West Bank in the foreground and, just beyond, the lush coastal plain where

“DANIELLE CAME OUT OF THE CROWD WITH HER BEAUTIFUL EYES WIDE OPEN AND GAVE ME A BIG HUG. THAT’S HOW I REMEMBER HER. NINE DAYS LATER SHE WAS KILLED”

two-thirds of Israelis live—offers a vivid illustration of why creating two states is either vital or impossible.

Over the years thousands of Israelis and foreigners—particularly Americans—who embrace the notion of Palestinian statehood have visited Masri’s office, with its enormous polished aluminum desk and soft leather couches. To all comers, Masri spoke of peace, of a shared future, even of the need for Palestinians to learn from Israel. He made no secret of consulting with Canadian Israeli architect Moshe Safdie when he planned Rawabi. Tall, slim and partial to well-fitting European suits, coolly rattling off facts, figures and context on myriad topics, Masri seemed the ideal of a Westernized Palestinian who’d given up on any fantasy of eliminating the Jewish state.

His home is a multistory apartment that’s a seven-minute walk from his office, with gleaming white marble floors, minimalist furniture and walls displaying Palestinian art, notably lachrymose works by the Gazan painter Abdel Raouf al-Ajouri. But there’s a lithograph of a walled city by the very Jewish Marc Chagall, a gift from an Israeli friend.

Masri’s touch is ubiquitous in Rawabi: The layout follows a design he developed himself; to get there, you drive up Bashar Masri Road; When he strolls through town, everyone—street cleaners, shop clerks, office workers—offers a respectful salutation. The Iran war is still on, and during two outings that afternoon, alarms force a detour into parking garages for shelter from missiles and shrapnel.

In the late 1980s, the first Palestinian uprising, or intifada, broke out in Israel, spurring Masri to reengage in politics—but this time he threw no stones. With the Oslo peace process in motion and secret talks taking place in Washington, Masri

lent his office there as a venue that would be under the radar. When Yasser Arafat, chairman of the PLO, landed at Andrews Air Force Base in September 1993 to sign the first Oslo accord, Masri greeted him as he popped open the door of his plane. Today, Masri owns that same aircraft—a gesture of Palestinian patriotism, he says.

In 1994, Masri returned to the West Bank and opened Massar International, which has assets in technology and finance and builds housing across the Middle East. He and his family moved into one of Ramallah’s biggest homes, with a covered swimming pool and lush gardens, where Waldman was a frequent guest. But after the second intifada erupted in 2000, Masri’s wife and daughters returned to Washington while he mostly stayed behind. The marriage unraveled.

In 1995, Masri and a top Arafat aide founded a newspaper called *al-Ayyam*. When Hamas blew up Israeli buses the next year, the paper assailed that violence. In the late ’90s, Masri joined with Israeli investors to form a venture capital initiative called the Peace Technology Fund. A decade or so later, Waldman entered Masri’s world.

Waldman’s upbringing was far more humble. When he was 3, his father walked out and started another family, leaving young Eyal to be raised by his single mother. Years later, on visiting days during his military service, Waldman volunteered for guard duty rather than face the disappointment of a no-show dad. But he inherited math and science skills from his mother, a distinguished agricultural researcher at Hebrew University. He earned bachelor’s and master’s degrees in engineering from Israel’s elite Technion Institute, then joined Intel Corp. A few years later he quit to co-found Galileo ►

◀ Technology, a startup that made semiconductors for routers and printers.

The company went public in 1997, planting the seeds of Waldman's fortune. He moved to Silicon Valley the following year, and for two decades he divided his time between Israel and the US, where Danielle was born and had citizenship. In 1999 he founded Mellanox Technologies to make chips that sped up communication between servers and storage in data centers. In 2020, Nvidia bought the company for \$7 billion, and the technology has been central to its soaring success.

"At one time, wealth came from property, then energy, now it's data," Waldman says, sitting at the industrial-size kitchen island of his three-year-old mansion in north Tel Aviv, sun streaming through the floor-to-ceiling windows, dark, provocative paintings by Israeli artists adorning the walls. Outside is a vast patio that transforms into a pool at the turn of a key, with the hydraulic floor dropping and water pouring in, filling in minutes. There's a movie-screen-size TV on the wall above so no one has to leave the pool to watch a ballgame. Divorced, Waldman lives there with his twenty-something girlfriend, Maya.

For years, Waldman has advocated an economically robust Palestinian state, saying Israel can't rule over millions of Palestinians. In the early 2000s, he hired West Bank programmers for Mellanox, both because he could pay them less than Israelis and because it would bolster Palestinian society. A few years later, he began running into Masri ever more frequently. One early encounter: a 2013 dinner with then-Secretary of State John Kerry in Washington.

Waldman hired programmers in the West Bank despite opposition from Mellanox board members, who worried about the risk. Masri urged Waldman to move the operations from Ramallah to Rawabi, and the company soon had 100 employees in that office. "I trusted him," Waldman says. Masri recalls those years with warmth—countless vacations, ski holidays at Waldman's chalet in the French Alps, sailing on the Israeli's yacht with no other guests aboard. "We were best friends," Masri says.



MOURNING DANIELLE AND NOAM

Waldman today says his views on coexistence haven't changed. He continues to meet with the Palestinian leadership and advocate for two states. But he dismisses the notion that Masri might ever again be a partner. Convinced that Masri helped Hamas build the infrastructure that was set loose to such devastating effect, Waldman is doing everything he can to bring down his old friend through the US lawsuit.

He didn't come up with the idea of seeking justice in court. That was the work of numerous attorneys both in the US and Israel who know that American antiterrorism legislation offers families of victims broad options to seek justice—and compensation. When those lawyers came to Waldman for help and guidance, he urged them to do a deep dive into Masri and his businesses in Gaza.

That led to *Shalom v. Masri*, which is being heard in federal court in Florida (the home of the lead plaintiff, Tom Shalom, whose brother was murdered at the music festival). The lawsuit brings together more than 200 American citizens or people related to Americans killed or abducted by Hamas in October 2023.

The allegations, if proved, will strengthen the view in Israel that there

are no Palestinian moderates. Since Oct. 7, that assertion has been bolstered by soldiers who say they found tunnels and arsenals in a shockingly large number of Gaza homes, schools, hospitals and mosques. When 251 hostages were held there, Israel offered multimillion-dollar rewards to any Palestinians who might help locate them. The offers went unclaimed. Hostages who made it home are often asked if they found any mercy among their captors, even from children living in apartments where they were held. The answer has been a pretty consistent no. It took almost two years for anyone in the Palestinian leadership to condemn the Hamas attack. Waldman says none of the 30 programmers he'd hired in Gaza reached out to him after Danielle was killed.

Palestinians, in turn, express shock at how few Israelis question the level of force used in Gaza. They note the vengeful fury of Israel's leaders, and not only from the radical fringes. "There will be no electricity, no food, no fuel," then-Defense Minister Yoav Gallant said two days after the Hamas assault. "We are fighting animals, and we are acting accordingly."

Masri says if he had condemned Oct. 7 in real time, "it would have been political suicide." Settlements had been growing

for years, with Israeli soldiers and settlers treating Palestinians with disdain and violence. “The Palestinian-Israeli struggle didn’t start on October 7,” he says with exasperation. “If you expect the occupied to condemn what others under occupation are doing against it, forget it.”

Today, Masri muses about a future in which Israelis acknowledge they overreacted to the Hamas attack. “Was Oct. 7 horrible?” he asks. “I can’t describe how horrible it was. But does it deserve that we dehumanize an entire population and kill Palestinians? No.”

Whatever his views, Masri is facing serious charges in the US. The lawsuit says numerous tunnel entrances were at his Gaza properties. Solar panels his company installed—with World Bank subsidies—lit and electrified those passageways. An elite Hamas naval unit had a training center reached by a tunnel complex from one of Masri’s hotels, where Hamas leaders held events, both public and private. Masri, the lawsuit alleges, was a terrorist in a suit who spent years buffing his image as a Westernized businessman seeking coexistence. The tunnels, which required extensive excavation, couldn’t have been built without his knowledge, court papers say.

When the lawsuit was filed, Masri was asked to step down from the Harvard Kennedy School Dean’s Council, where he’d served since 2014. He had been frequently mentioned as part of a technocratic group that might take control of Gaza in the next phase. The litigation made that impossible.

Masri says he’s flabbergasted and pained by the allegations and by the active participation of his erstwhile friend. “I can’t tell you how infuriating it is,” he says. He insists he didn’t build the hotels but bought them later, and he says he’d sought a meeting with the plaintiffs to explain that but was told that might be considered intimidation and cause for a second lawsuit. “I’ve spent a total of six nights in Gaza over the years,” he says. “If I’d known about the tunnels, I’d have personally gone there and shut them down.”

The lawsuit is being led by one of the most distinguished antiterrorism lawyers

in the US, Lee Wolosky. He served on the National Security Council in the White House under Presidents Bill Clinton and George W. Bush, worked on issues surrounding the prison camp at Guantanamo for Barack Obama, and has litigated cases involving Islamic State and the Colombian guerrilla group FARC. “The legal standard in this case is whether Masri knowingly provided substantial assistance to Hamas in their building of terror infrastructure,” Wolosky says. “Given the scope of these tunnels and solar panels, he had to know.”

Mark Ziering, a dual US-Israeli citizen whose son Aryeh was killed on Oct. 7, says he signed onto the case without knowing much about Masri. “Hamas is a terrorist organization,” he says, and it’s simply wrong to do business with them. “If you know that some of what you’re doing supports their terror infrastructure, you should be held responsible.”

Masri’s defenders say that, like the Israeli government under Netanyahu, he accepted that Hamas oversaw Gaza and that the way to counter the Islamists was increased employment and opportunity. Hundreds of millions of dollars flowed into Gaza on Netanyahu’s watch. The entire security establishment believed that peace could be bought and that Hamas wouldn’t dare risk attacking Israel. Why should Masri have known more than Israel’s intelligence pros?

“This has the feeling of a dark tragedy,” says Dennis Ross, a veteran US diplomat who spent four decades working toward peace in the region. Ross recounts a 2022 meeting with Israel’s Southern Command, whose leaders advocated work permits in Israel for residents of the enclave. “They had a deep belief that they were building moderation in Gaza, notwithstanding Hamas control,” he says. “These people shouldn’t be suing Masri. They should be suing Southern Command.”

Waldman and several other plaintiffs are bringing their complaints against Masri from the US back to Israel, starting a campaign to convince the government that Masri is a public danger. How is it, they ask, that he’s permitted to cross the border at will, visit hospitals and restaurants, and land his private plane at Ben Gurion Airport? If, as the lawsuit

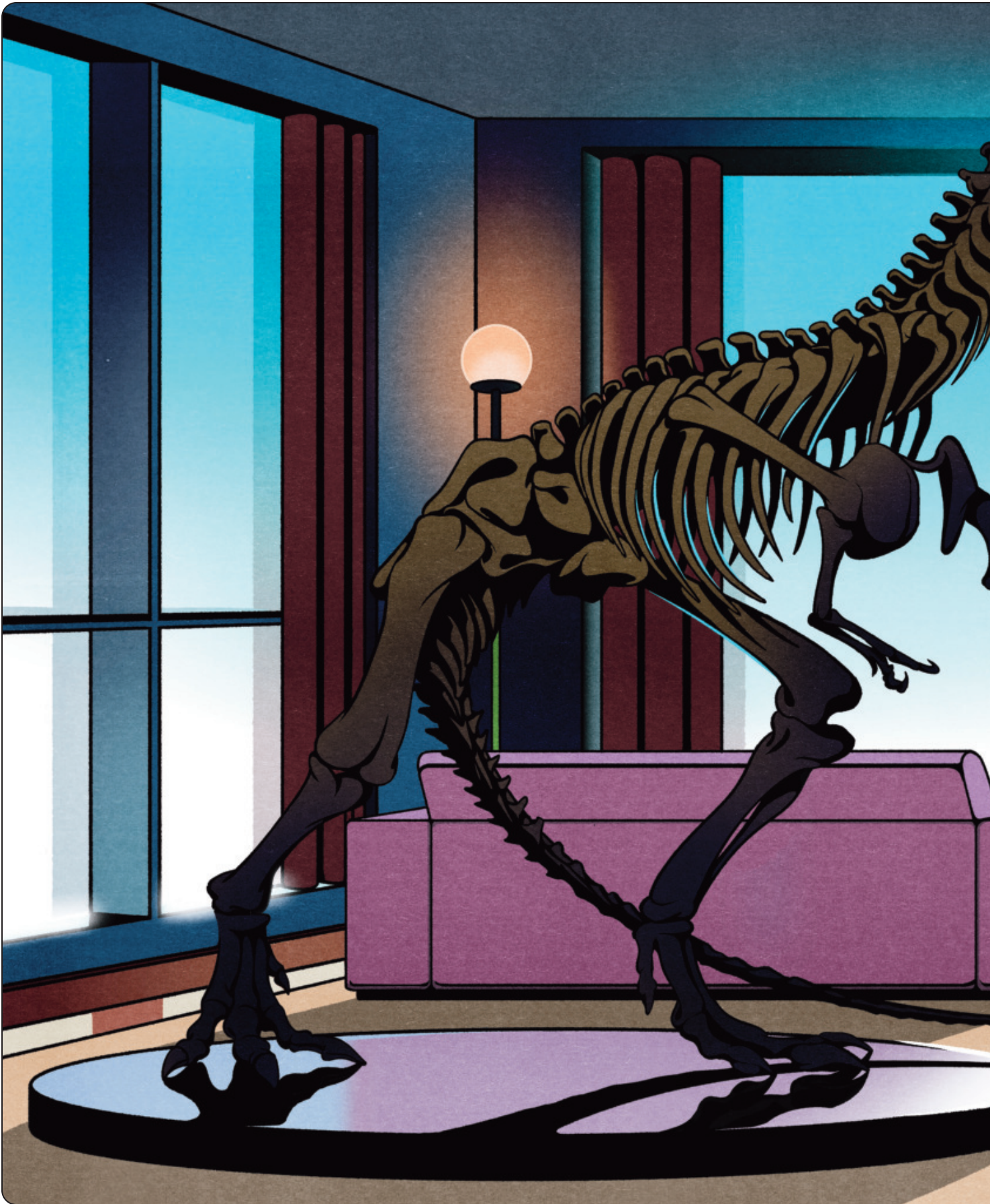
asserts, Masri helped Hamas build the infrastructure to murder 1,200 Israelis, shouldn’t he face the same treatment as Palestinians and their sympathizers who struggle to enter Israel after simply writing an opinion piece or joining a demonstration?

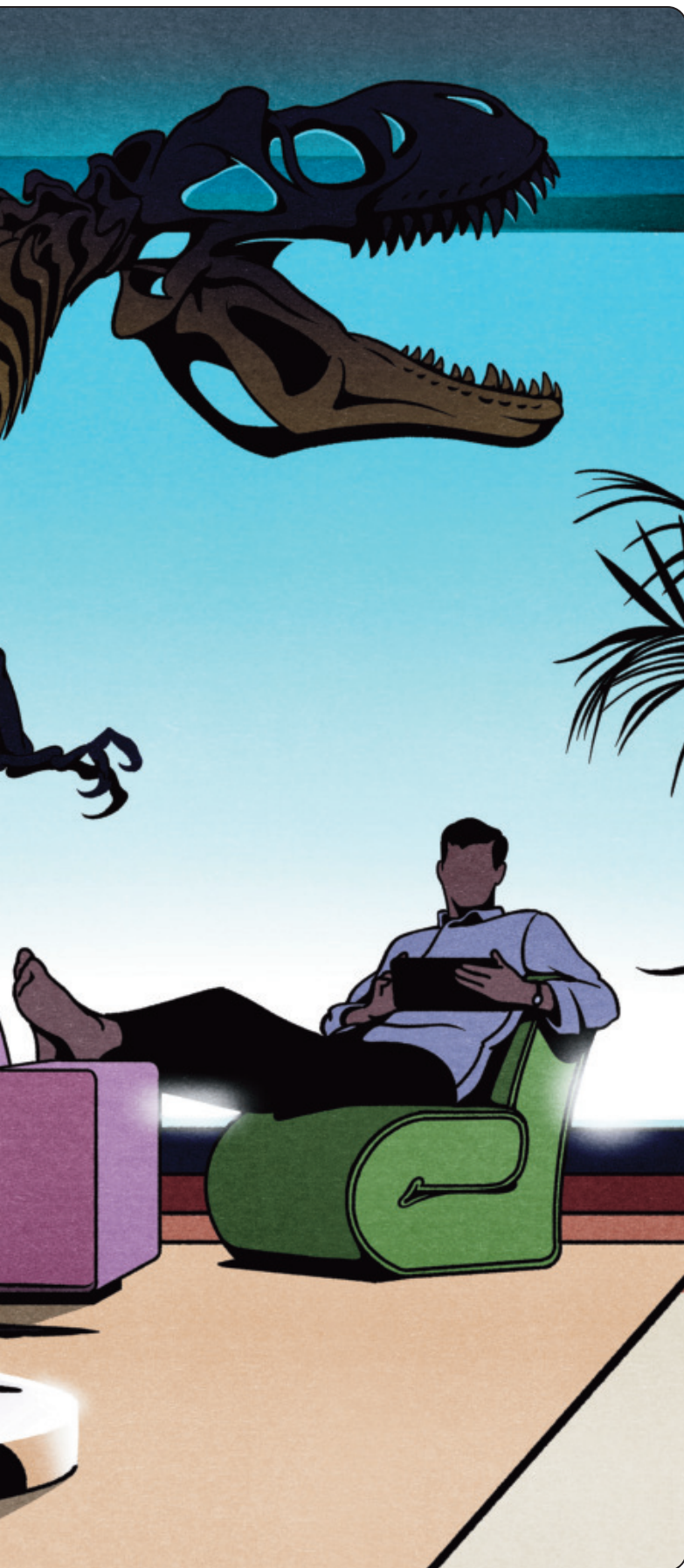
Military intelligence and the Shin Bet national security service declined to answer any questions about Masri. But 10 people—well-connected Israelis and current and former US officials—say they’ve been told Masri isn’t a Hamas asset and poses no danger to the state.

Masri notes that the 600 Palestinians working in Rawabi for companies in Israel must sometimes visit their headquarters, and that it falls to him to obtain permits from Shin Bet for those visits. In the past two years, he says, he’s detected no change in the agency’s attitude toward him. Ditto his meetings in Tel Aviv with an Israeli builder that’s working on one of his projects in the West Bank city of Jericho. No one gets in his way as he enters Israel from the West Bank, though he keeps a lower profile than in the past, concerned that his presence—on the street, in cafes or perhaps sheltering in a bunker during an Iranian missile attack—would leave him vulnerable to the increasing hostility Israelis now show toward any Palestinian.

Some who are suing him offer a dark interpretation of his ability to move freely: The security services messed up so badly that they’re unwilling to admit it, so they let Masri come and go, keeping a close eye on him. Others suggest he’s some kind of Israeli agent. Masri calls this absurd.

Whatever happens to Masri, Waldman says he feels partly responsible for Danielle’s death—if he’d been home in Tel Aviv rather than gallivanting around Indonesia, things would have turned out differently. “She lived for five hours after being shot,” he says. “If I’d been here, I could have saved her. I didn’t protect her.” But that doesn’t affect his certainty about Masri’s clandestine support for Hamas, about the validity—the righteousness—of the lawsuit and about his former friend’s complicity in the tragedy of Oct. 7. “I felt betrayed,” Waldman says. “Bashar helped kill Danielle. I’m going to ruin him.” **B**





BROKEN BONES

DINOSAURS HAVE BECOME AN ASSET CLASS FOR BILLIONAIRES. AND THE MARKET IS ABOUT AS ORDERLY AND GENTEEL AS A STARVING T. REX

► By Devon Pendleton
► Illustrations by Maxime Mouysset

It was supposed to be an unprecedented sale for the world's wealthiest collectors. Shen, a Tyrannosaurus rex, was set to be the first of its kind ever sold at auction in Asia. The reconstructed creature, whose name means "godlike" in Chinese, was tens of millions of years old and longer than a city bus, frozen midstep with its massive skull cocked, jaws agape, as if ready to snatch up an onlooker. Christie's was auctioning off Shen in November 2022, alongside works by Picasso, and it was expected to sell for \$15 million to \$25 million.

Dinosaur skeletons had recently become a hot new asset class, coveted by the ultrarich, not unlike sports franchises or Fabergé eggs. They offered a mix of glamour and primal appeal to a certain type of high-net-worth buyer—someone who might find the conventional art market fussy or convoluted but couldn't deny the allure of a T. rex. "It could gobble you up in one bite. It's just an amazing creature," says billionaire Dan O'Dowd, who bought his T. rex, Samson, for a bargain \$600,000 in 2009. "It's the best trophy kind of thing you could own."

Two years before the Shen auction, Christie's had sold a T. rex named Stan, said to be one of the most complete and best-preserved specimens ever found, for \$31.8 million, trouncing the top-end presale estimate of \$8 million. And two years after the Shen auction, financier Ken Griffin spent \$44.6 million on a stegosaurus ("a vegetarian," O'Dowd notes). Leonardo DiCaprio, Nicolas Cage and other celebrities have gotten in on the dino game too.

A dinosaur's value, like a painting's or sculpture's, derives from a protean mix of provenance, desire and authenticity—the last one hard to define, let alone prove, and in the case of an auction, up to the buyer to verify. Christie's marketing blitz for Shen included the claim that it was one of the most "scientifically studied T. rex skeletons to come to auction," featuring it in a short promotional video in which the camera cinematically races in for tight shots of its menacing talons and gaping jaw as eerie electronic music pulses in the background. Christie's made clear that the winning bidder would also get renaming rights, a tradition in which T. rexes in circulation are often given human names.

A month before Shen was supposed to arrive at Christie's in Hong Kong, it was put on display at Singapore's Victoria Theatre and Victoria Concert Hall, a stately neoclassical building with a grand clock tower. Families, tourists and prospective buyers in chauffeured Bentleys came to see the T. rex in the flesh, so to speak. But Shen never made it to the auction block.

The buzz for the sale had reached a scattered group of dinosaur enthusiasts around the world, and they'd been poring over the T. rex's promotional photos online. Fewer than 30 T. rexes that are more than 30% intact have ever been identified, and people who track them get to know their skeletal features intimately. They're able to recognize characteristics such as bumps on a fossil's skull or the scars on their limbs. When five of these fossil connoisseurs—two paleontologists, two brokers and a collector, each in different countries—saw Shen, each felt a jolt of recognition. They were certain they'd seen elements of this T. rex before. It wasn't exceptional. Most

"IT COULD GOBBLE YOU UP IN ONE BITE. IT'S JUST AN AMAZING CREATURE. IT'S THE BEST TROPHY KIND OF THING YOU COULD OWN"

of it looked to them to be copies of that other T. rex, Stan. And whatever this assembled specimen was, they were certain of one thing: It wasn't worth \$15 million.

About four years earlier, around 2018, a commercial fossil broker was introduced to Martin Jenkins, a Brit living in Montecito, California. Jenkins, who was an adviser to extremely rich people about succession, legacy and other intangibles that complicate their life, had been turned on to dinosaurs a few years earlier. While living in London, he hosted an annual private dinner for a dozen or so billionaires that always centered on two questions: What do you know that no one else knows? What's cheap right now?

Dinosaurs, a billionaire dinner guest told him one year, were cheap. Jenkins was intrigued: He'd spent years seeing up close how the wealthy, with access to the very best investment advice and opportunities, structured deals. He was familiar with mature, professionalized niches of the market, and selling dinosaurs, with no regulatory oversight and no professional standards, was anything but. Here was a market in dire need of some order with a beguiling asset at its core.

Jenkins asked the fossil broker to help him buy a T. rex and assemble it. A commercial fossil broker operates somewhere between science and enterprise. Selling fossils doesn't require a doctorate in paleontology, but the best brokers have years of experience handling specimens and keep meticulous records, enough so that they're trusted by some of the experts who do have a doctorate in paleontology. In recent decades the line between academia and commerce has started to blur, as interest from wealthy investors has transformed the fossil market into something of a Wild West: fossil hunters, excavators and auction houses all scrambling to make money off this largely unregulated market, with traditional buyers such as universities and museums often left behind. Passionate hobbyists mix with pedigreed paleontologists, philanthropic-minded investors, commercial brokers and questionable actors at almost every level of the dinosaur supply chain.

This broker was also a preparator, a technician trained to extract fossils from rock and prepare them for study or

display. Cobbling together a full dinosaur skeleton almost always requires some amount of synthetic material. After some 66 million years of exposure, full T. rex skeletons are never found intact. It's even rare on a dig site to discover more than a third of the fossilized bones of any one creature. Sculpted replicas or cast copies of existing bones fill in the rest.

As dinosaurs have morphed from objects of pure science to coveted collectibles, the market has arrived at various ways of ascribing value. There's rarity, for one. Herbivores, for example, drastically outnumbered meat eaters, so their remains are more commonly discovered. The quality of the fossilized bone is also a factor. Well-preserved ones can show minute anatomical detail such as tooth wear or ligament points, whereas some are battered and pockmarked.

A critical part of a T. rex's value comes down to its completeness, often expressed as the percentage of number of bones found, but even that's not straightforward. A chunk of a rib, for instance, is considered a partial element and may not count toward a skeleton's completeness, depending on how much is there. Bones that can't be identified by type don't count, and neither do bone fragments unless you can piece together several from the same creature to reconstruct the original. This is especially tricky with T. rexes, whose hollow bones and violent lifestyles often resulted in bashed-up remains. Further complicating the calculus is that no one knows for sure how many bones T. rexes even had; paleontologists peg it between 300 and 400. As an alternative to bone count, completeness can also be assessed by volume, which looks at how much of a skeleton's mass is accounted for. So a femur, say, would carry more weight in the calculation than a metacarpal. To fetch a price at the highest end, having all or most of the skull, the T. rex's signature element, is essential, brokers say.

Also essential: transparency. When preparators are puzzling together skeletons, they're expected to keep a detailed inventory of each bone and must clearly note which bones and fragments are real and which ones had to be created. Artificial bone has to be crafted using epoxy, fiberglass or other materials to look authentic, but what's real versus what's not must be documented and made clear to potential buyers. Once everything has been grafted together, it can be difficult to spot the fabricated parts without an expert's physical examination. Sometimes it even requires a CT scan.

The broker found a T. rex for Jenkins that had been discovered in northeast Montana, according to a friend of the broker's who was familiar with the interactions and requested anonymity for fear of lawsuits. When it arrived at the broker's workshop, it didn't yet look anything like a dinosaur. There were thousands of fossils of varying shapes and sizes, including tiny chips and fragments

in plastic bins. The broker tried to document every one of the thousands of bone pieces in Jenkins' new specimen. He estimated that, at most, the collection represented about 20% of the original skeleton by bone count, if each piece were to count as a complete bone. As the broker dug into the work, he told his friend that Jenkins had begun to say things that struck him as outlandish. He kept mentioning that they were out to make the most complete T. rex ever, and wouldn't that be an accomplishment? The broker had constructed T. rexes before, and to him this project didn't have the mark of greatness.

The broker finished mounting the T. rex and shipped it to Jenkins, itself a tactical-grade logistics maneuver often involving disassembly and climate-controlled 18-wheelers or special airfreight. The specimen arrived in California, but rather than receiving it, Jenkins turned around and shipped it straight to Germany, to the workshop of another preparator he'd found for review and remounting. Jenkins named the T. rex Barbara.

About a year later, in late 2020, Jenkins approached Pascal Godefroit, a Belgian paleontologist, with an offer. Godefroit, a scientist with a mop of gray hair and a habit of propping his glasses above his eyebrows, signed Jenkins' nondisclosure agreement and logged on to a videoconference. Jenkins, over a PowerPoint presentation, explained that he oversaw the world's largest collection of T. rex skeletons, each of which leading academics had studied.

An expert on feathered dinosaurs, Godefroit had spent his 30-plus-year career at the Royal Belgian Institute of Natural Sciences, a museum where he led the Earth and life sciences department at the time and had contributed to hundreds of scientific papers. Jenkins told him a T. rex could attract 500,000 visitors to RBINS, as the institute is known, and generate €7.5 million (\$8.5 million) per year. This was something, Jenkins explained, that another one of his specimens would soon be doing at a British natural history museum, in Nottingham. Jenkins could ►



A cast of Stan at the Smithsonian National Museum of Natural History in 2014

◀ loan RBINS one of his other *T. rex*s (Barbara, for example) and they could split the admission fees, also sharing revenue from merchandise, sponsorships and events, according to the PowerPoint presentation, which *Bloomberg Businessweek* has seen. RBINS would just need to build the display and woo museumgoers.

Godefroit found the pitch unpersuasive. “This guy obviously didn’t know anything about dinosaurs,” he says. Jenkins, he says, seemed unaware that RBINS already had one of the world’s most remarkable dinosaur collections, with the Bernissart Iguanodons, a group of 30 relatively intact skeletons discovered in a Belgian coal mine in 1878—the first complete dinosaurs ever found. (In response to that criticism, a lawyer for Jenkins says Jenkins defers “entirely to the professional opinion of academic experts with regard to all aspects of his fossil collection.”) Plus, Brussels was far from a top European tourist destination, and not even a *T. rex* would generate the kind of foot traffic Jenkins had in mind. Nor could RBINS, as a government institution, freely raise ticket prices to bring in that amount of revenue. As Jenkins clicked through his slides, something else struck Godefroit: He recognized the *T. rex* in the photos. It was Tristan Otto, which was on loan to the Museum für Naturkunde Berlin, and Godefroit happened to know its owner. He wondered why Jenkins would use a photo of a different *T. rex* when he had his own.

A few days after the presentation, Godefroit emailed Jenkins with some detailed questions about the proposal and also shared his misgivings. Jenkins’ reply was polite but firm. He suggested Godefroit emphasize to the government how much money it stood to make if it raised entrance fees. “As you know, with Stan selling for \$32 million, the price of *T. rex*s has increased tremendously, and I am having Christie’s and Sotheby’s making crazy offers for my specimen,” he wrote in the email seen by *Businessweek*. “My commitment is to ensuring the paleontological science is preserved and to putting my specimens on public display, but I also do need to recoup at least a small portion of my investment.”

To address Godefroit’s questions about the proposed *T. rex*’s technical specs, Jenkins referred him to his preparator in Germany and assured the paleontologist the specimen would be ready for display in less than 10 months. Before signing off, Jenkins warned him that he was in discussions with other major museums but that he was still willing to consider RBINS. Godefroit let the discussion drop.

He took notice that summer, though, when the Nottingham exhibit Jenkins had mentioned opened in Wollaton Hall, a grand Elizabethan mansion with a museum tucked inside. The museum heralded the arrival of the dinosaur, Titus, as the first time in more than a century that a real *T. rex* had gone



Godefroit at the Royal Belgian Institute of Natural Sciences in 2022

on display in England. A “preliminary” scientific report posted on the museum’s website described the obsidian-black-colored dinosaur as “the 16th most complete of all *Tyrannosaurus Rex* specimens granted museum accession numbers.”

Most studies on unique specimens run in scientific journals and are accordingly dry and technical. This one, though it was authored by two paleontologists—a retired preparator from the University of Kansas, David Burnham, and a former lecturer at England’s University of Manchester, John Nudds—struck Godefroit as more like a high-end brochure, with lavish photos and grandiose descriptions, an impression shared by a half-dozen brokers and paleontologists who’ve seen them. The report’s front page appeared to be styled after a *National Geographic* cover, with its distinctive yellow border. (A lawyer for Jenkins says the scientific report by Burnham and Nudds was intended as an educational resource—as opposed to academic literature—and was “academically authored, empirically substantiated and technically precise.”)

Although the report said Titus’ fossils included “parts of the skull,” Godefroit says he recognized the spacing of the teeth and the holes in the lower jaw, evidence of healed wounds: The entire skull appeared to be a cast of the head of Stan, the *T. rex* that had sold for millions at Christie’s nine months earlier. Four other fossil experts who requested anonymity also observed those similarities. These Stan castings were such a popular choice for filling out incomplete *T. rex*s that even amateur enthusiasts on fossil forums and blogs recognized Titus’ Stan-like head, with one blogger noting it seemed odd that Stan wasn’t mentioned in the museum’s signage. (In a letter to *Businessweek*, German preparator Rolf Kriegerbarthold stated that Titus and other dinosaurs he’d mounted for Jenkins didn’t use casts of Stan’s skull and were mounted with casts designed, made and engineered at his lab.)

In December 2021, Jenkins contacted Godefroit again, with a new offer. Would RBINS be interested in a short-term exhibit

■ GODEFROIT: ALAMY; LARSON: JEFF VESPA/GETTY IMAGES

of Barbara? Jenkins said its bone count had been confirmed by a top paleontologist, Phil Currie, clocking in at 177, a number that was likely to rise to 185. That would make it “one of the most complete and significant *T. rex* ever discovered,” Jenkins told Godefroit in an email seen by *Businessweek*. He also sent Godefroit a study he’d commissioned for Barbara, which similarly named Burnham and Nudds as authors and had the same *National Geographic* look and linguistic flair as the one for Titus. Barbara’s skull wasn’t pictured. (Someone close to Jenkins who asked not be identified discussing private matters said Jenkins has no record of some of his emails with Godefroit on his computer servers and believes they may be forged; RBINS didn’t respond to a request for comment on Jenkins’ allegation.)

Godefroit knew Currie, a renowned figure who’d been cited by Michael Crichton as an inspiration for *Jurassic Park*. When Godefroit emailed to ask him about Jenkins, Currie responded in an email that *Businessweek* has viewed, confirming that he’d seen Barbara and that her 177 bones were to some degree intact. (Burnham and Nudds told *Businessweek* they are the only scientists to have studied Jenkins’ specimens in their entirety.) But Currie estimated that less than a quarter of those bones were more than 25% intact, meaning they’d have to be filled out with fiberglass or resin during mounting. He wrote, “You should be suspicious.”

As 2022 wore on, Godefroit and others in the fossil market and museum community began to notice more *National Geographic*-style reports cropping up. Some were posted online, and some seemed to him that they were being distributed as a kind of spec sheet. They’d been sent to individuals, including fossil brokers, and museums—mainly relatively small or regional institutions, such as the one in Nottingham.

Each report presented as a scientific analysis of a newly discovered *T. rex* specimen. The named authors, Burnham and Nudds, were prominently displayed at the bottom, like the billing of stars on a movie poster. Some of the reports described the skeletons as among the “most complete” ever discovered, with some fossils in pristine condition. They were full of detail about bone pathologies and *T. rex* behavior. But they lacked certain elements that experienced fossil collectors look for when acquiring specimens, according to three fossil dealers and a collector—namely a complete list of the fossilized bones discovered, photos of them in their raw state, a map of the dig site showing which elements were found where and a diagram showing where the recovered bones belonged on the dinosaur’s frame. The reports also didn’t mention what, or whether, casts were used.

Then, later that year, Godefroit learned of what was to be the highest-profile sale of a *T. rex* in years, the auction of Shen in Hong Kong. It wasn’t just Christie’s lavish promotion of the auction that caught Godefroit’s attention. He also recognized those same experts named in its scientific report, Burnham and Nudds. And then there was the specimen itself. As he browsed the images on Christie’s website, it occurred to him that Shen, like Titus, looked a lot like Stan.

Godefroit wasn’t the only one drawing that conclusion. About 5,000 miles away, in a lab deep in the Black Hills of South Dakota, Peter Larson, a well-known fossil hunter and dealer, had gotten word of the Shen auction. Larson is one of the more famous, if polarizing, figures in commercial paleontology. His Black Hills Institute of Geological Research Inc. excavated both Sue—the largest and most complete *T. rex* ever found, at 90% genuine by mass—and Stan, among countless other specimens sold to the Smithsonian Institution and other museums. In the 1990s he served 18 months in federal prison for felony customs violations for failing to pay money related to fossil sales, a high-profile stint that cemented his folk-hero status among certain factions of dinosaur nerds and angered many others, who saw him as a pugnacious and rule-flouting pioneer of the commercial space. “I do everything in my power to stay within the law,” he says.

Looking at Shen’s photos online, Larson was shocked, he says, then furious. He knew that skull intimately. He had, in effect, created it. How it had made its way to Hong Kong was a mystery. “I was pissed off. All our people put in all this work,” he says. “We spent millions of dollars doing this.”

Larson’s company owned the intellectual-property rights to Stan, and his lab had reconstructed Stan’s skeleton, made a cast replica of every one of its bones and copyrighted them. Stan’s parts were critical to Larson’s business, and he vigorously, some say ruthlessly, defended his IP. About a decade earlier he’d had a bitter split with his brother and business partner, leaving Larson with Stan’s IP, while his brother got Stan itself, a settlement that turned out to be considerably lopsided. Stan later sold for tens of millions at auction; Larson charges collectors and museums \$14,000 for a cast of Stan’s skull and \$150,000 for the full skeleton.

Larson was certain Shen’s skull was one of his casts. He was also sure that whoever had bought it didn’t have the right to be selling it at auction, because licensing a cast of Stan allowed someone to display it somewhere, but commercializing it was more complicated. Other things seemed off to him too. The Shen press release claimed the specimen was 54% complete by bone density, or bulk. But with so few semi- to almost-complete *T. rex*es in the world, the sudden appearance of one so impressively complete ►



Fossil hunter and dealer Larson at the 2014 Sundance Film Festival

◀ struck him and five other fossil brokers and paleontologists who spoke to *Businessweek* as fishy.

Word was spreading fast among the global T. rex intelligentsia about Shen's peculiarities. One person, who asked not to be named for fear of legal retaliation, says they'd seen this T. rex when it was just a pile of fossilized bones and fragments. The bone count was low, and what bones remained had crackly surfaces and were clearly weak. This person reckons the bones of the now 16-foot skeleton could fit in one, maybe two, cardboard boxes.

Godefroit, Larson and others approached Christie's with their concerns, sending photos of the Shen specimen in its preassembled state and asking for more details and documentation. Godefroit emailed Nudds, the paleontologist named on the report, asking to see Shen's bone map and asked Christie's for the T. rex's condition report. He says he received neither.

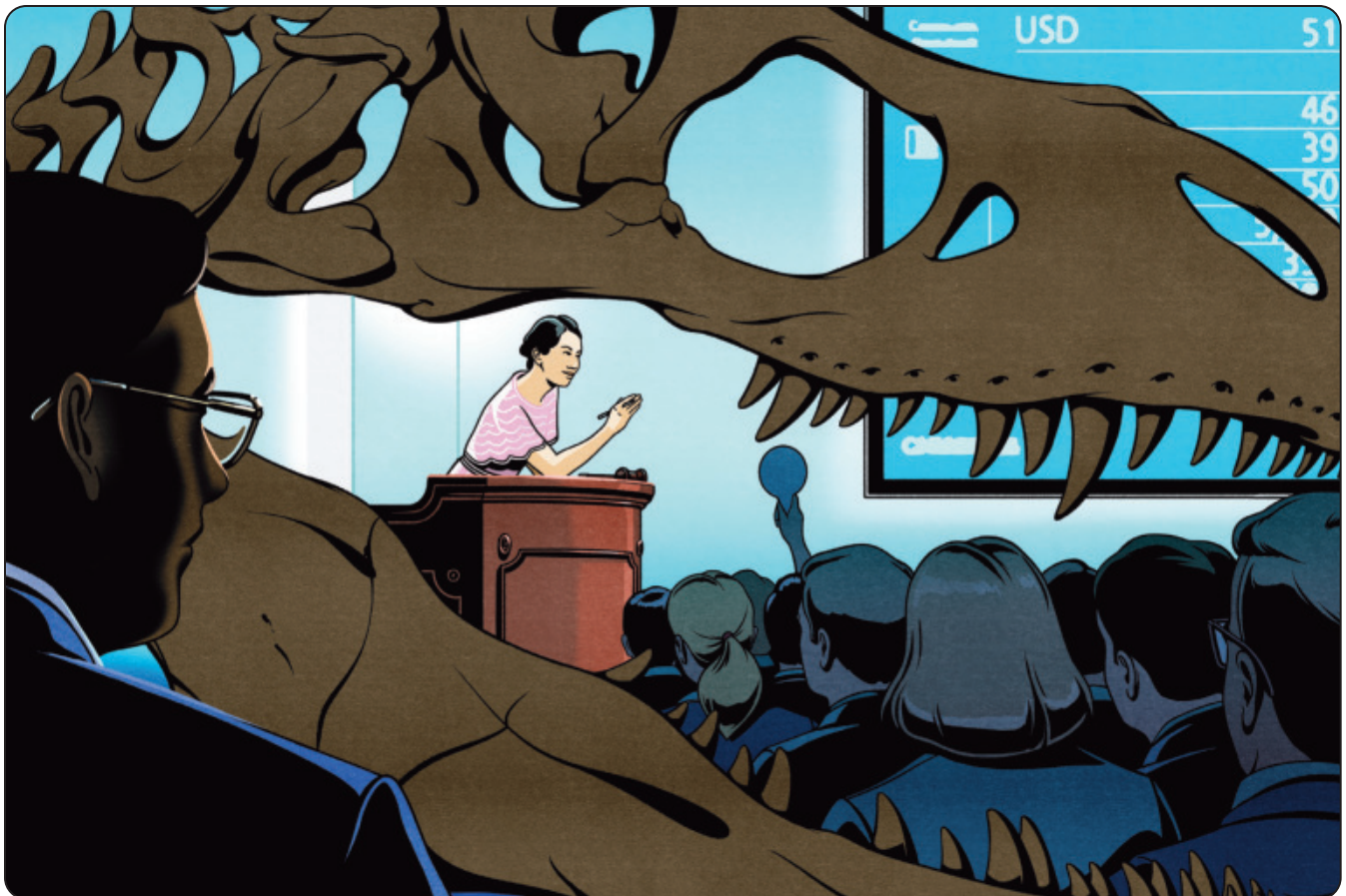
Larson still had the IP card to play. If that was Stan's head on Shen's body, it created a copyright issue; the T. rex was being sold with full rights, which was in violation of Larson's licensing agreement. He got his lawyer involved and went to the press. "They're using Stan to sell a dinosaur that's not Stan," he told the *New York Times*. "It's very misleading."

After days of back-and-forth, Christie's canceled the auction. (A spokesperson for Christie's says in an emailed statement that "in the small number of instances when we receive questions about a lot that we cannot answer in a timely fashion,"

it's withdrawn "for further research".) A Christie's spokesman told the *Times* after the cancellation that Shen's anonymous consignor had decided to loan the T. rex to a museum instead.

From a medieval city in the southern Netherlands, Donna Yates was watching the Shen-Christie's spectacle with intense interest. An American archaeologist and a professor of criminology at Maastricht University, Yates was an expert in art crime and the commodification of ancient artifacts, and she had a particular fascination with T. rexes. There was something about them, she'd noticed, that seemed to inspire obsession and conflict, a phenomenon that had become a subject of her research. Since the 1990s more than a half-dozen different specimens had prompted numerous lawsuits and divided families. T. rexes "are so gosh darned charismatic and they make people do very weird things," she wrote in a November 2022 post on her blog, Anonymous Swiss Collector. "As sort of giant suns or black holes that suck people in and destroy them. Everything seems to go wrong with a T. rex in the picture."

Yates had been tracking auction houses' mounting enthusiasm for fossil sales and the zeal for all things T. rex. As she'd browsed the images of Shen online, she'd taken note of Christie's choice to slot it among contemporary paintings in its catalog, signaling that it considered Shen to be on par with an artistic masterpiece. She was stunned when the auction was canceled. Her blog post about it was titled, simply, "WHOA!"



Yates was also tracking a show on the other side of the world. The Auckland War Memorial Museum was touting a groundbreaking exhibit featuring a male and female T. rex, side by side. The male, Peter, had been on display there since April 2022 and was described as 47% complete by bone density. Barbara, described by the museum as pregnant, joined Peter in the display in early December and clocked in at a respectable 44.7% complete, based on the same measure. (Paleontologists say it's impossible to tell with certainty a T. rex's sex.)

The Auckland Museum's focus is New Zealand heritage and history—a rich and varied topic, though not one that ever involved T. rexes. This exhibit seemed incongruous to Yates, but commercially it made sense. Of the roughly 5 million people who visit the American Museum of Natural History in New York annually, many are there for the dinosaurs.

Coincidentally, Yates had a long-planned trip to New Zealand a few weeks after the canceled Shen auction. She decided to see the Auckland exhibit for herself. When she visited, on a sunny afternoon a few days before Christmas, she observed hordes of museumgoers ogling the pair of T. rexes in a soaring atrium. The museum had published scientific reports on Barbara and Peter on its website, also styled like *National Geographic* covers, with Burnham and Nudds identified as the authors. Burnham described Barbara as among the “top ten best T. rex ever discovered”; Peter, according to a museum placard, was “one of the most complete.”

Yates returned to the Netherlands and began drafting a blog post about the unusual exhibit. But when she went to the museum's website in mid-February 2023 to share the reports with other academics, she was surprised to see they'd been altered, she says. The *National Geographic* styling was gone. A rendering of Peter's skeleton showing how many of the specimen's bones were real versus fake had been taken out, and certain images—a close-up of Peter's skull, for example—were also missing.

Yates typed up her observations of the exhibit and the revised reports in a new blog post and appealed for the dinosaur's owners to share their side of the story. A few days later, a hobbyist digger from the southeastern US reached out. He was the original discoverer of the fossil fragments that made up Peter or, more accurately, some of Peter. He'd documented the excavation process and photographs of his finds on his personal website. The haul, which he'd sold to a fossil broker, included some notable bones, including a femur and a tibia. He told Yates he'd been flummoxed to see news of Peter's exhibit and the specimen's scientific report—complete with descriptions of the dig lifted from his website—describing it as a significantly complete dinosaur. He also shared his concerns with two paleontologists who asked not to be named discussing private conversations. Meanwhile, prompted by the questions Yates raised in her post, a reporter at the *New Zealand Herald* also began writing an article about the Auckland T. rexes.

About a week after her post went live, Yates received a cease and desist letter from an attorney in New York representing Barbara and Peter's owners, who—unbeknownst to her—were entities tied to Jenkins. Her blog post, the letter

said, was “malicious” and defamatory and appeared to be intended to diminish Barbara and Peter's “value and marketability.” The attorney's clients were prepared to sue for \$90 million in damages.

Yates says she was stricken, that she'd never been legally targeted this way before. “I'm an academic,” she says.

The dinosaurs' owners were intent on blocking the *Herald* article as well and demanded through lawyers that the newspaper kill it. The editors refused, so the limited liability companies that owned and managed the dinosaurs filed for an injunction seeking to prevent the article from running. While the case wended its way through the courts, the article was held. Yates deleted her blog post, and the newspaper story never ran.

(The *New Zealand Herald*'s parent company didn't respond to requests for comment. Through his lawyer, Jenkins says, “The scientifically accurate composition of Barbara, Peter, and Titus is 44.7%, 47%, and 20%, respectively. These figures are settled empirical facts, established through extensive bone identification in university paleontology laboratories, additional quarrying of original dig sites, and technical analysis of fossil elements. This work yielded further skeletal material.” The museums that exhibited his specimens, he says, “upheld rigorous institutional curatorial protocols including the independent empirical validation of each specimen's scientific authenticity.” The paleontologist Nudds confirmed he'd authored reports along with Burnham on Titus, Peter and Barbara, and said in a statement that he and Burnham had “invested thousands of hours in the meticulous scientific analysis of these specimens,” and that it was “unwarranted and intellectually dishonest” for commercial brokers or agents who had never studied the full specimens to refute the empirical data on them. Burnham says any T. rex reports bearing his name that weren't published by museums are fabricated, and their existence “is extremely concerning to me from both a scientific and ethical perspective.”)

Meanwhile, Shen had set off a different T. rex saga in France. In the weeks leading to the ill-fated auction, a relatively new science and anthropology museum in Lyon, called the Musée des Confluences, had been prepping an exhibit featuring a T. rex named Ryker, described as the fourth-most-complete T. rex ever, at 73%. But the French museum's directors began noticing certain similarities between Ryker and Shen. Burnham and Nudds, the paleontologists listed on Ryker's scientific report, were also named by Christie's as experts who'd studied Shen. Shortly after Christie's canceled the Shen auction, the museum directors, who declined to comment on the matter, reached out to the person who offered them Ryker: Martin Jenkins—according to emails seen by *Businessweek*.

“Martin, we are very concerned about the progress of Ryker's presentation to the public,” they wrote in one of the emails. Along with the T. rex's possible link to Shen, they wrote, Ryker's report was almost identical to one they'd obtained for a specimen named Barbara. The only difference between the two reports, they wrote, was the name of the specimen and its completeness: Barbara was noted to be 62% complete; Ryker, 73.5%. The museum's insurance company had also refused ►

◀ to insure the transport of Ryker from Germany to France, according to the email, in part because of its lofty \$60 million appraised value. The museum directors said they'd reviewed the appraisal document and noticed the \$60 million wasn't based on an independent scientific opinion.

In an email seen by *Businessweek*, Jenkins responded apologetically. Ryker used to be named Barbara, after his mother, the email said, but for a variety of reasons he'd decided to use the name Barbara for a different one of his T. rexes, so this specimen had needed a new moniker. The email further explained that the report was a preliminary version; that Jenkins would send them a final, fact-checked version soon; and that he would personally insure the T. rex's transportation and said the assertion by Larson—a convicted felon, he noted—that Shen was mostly Stan was untrue. In any case, the email said, “this hasn't affected any of my dinosaurs which, as you know, are on display in museums on three continents and are not associated to Shen.” (Through his lawyer, Jenkins says he doesn't own, and has never owned, Ryker, and that the emails between him and the museum directors are “crude forensic forgeries.”)

That evening the museum announced it was putting the Ryker exhibit on hold “as a precaution, pending further research.” The exhibit never opened.

In early 2023, three months after the Ryker incident, Jenkins met with *Businessweek* over Zoom. He was charming, with a boyish demeanor and cheeks that reddened slightly when he said it was one of his first interviews with a journalist and he was “mildly terrified.” There was little about him online, but he was astute about the complex inner workings of ultrarich families and spoke with a candor that was highly unusual in an industry where discretion and obeisance are paramount. He even name-dropped some clients, including San Francisco's Sobrato family and several others who were dismayed, when contacted by *Businessweek*, to hear they'd been mentioned to a journalist.

Jenkins' specialty was counseling them on the soft processes that often bedevil dynasties, such as grooming heirs and forming family boards, and frequently end in disaster. “I had this whole sort of IP that I created that identified these land mines that affected nearly every single family,” he said. Jenkins had stepped away from his advising business five years prior, he said, and turned his focus to dinosaurs. He said his collecting hobby was philanthropic, he wanted to educate children, and he gave money to undergraduate paleontology programs. His favorite species, naturally, was T. rex. “I mean, it's the greatest apex predator to walk the Earth,” he said.

Jenkins said his dinosaurs were all in museums. He wasn't in it for profit. It was a passion, and he wanted to “set a great example for private dinosaur collectors,” who in his view were going about it in a naive and haphazard way. He explained that he wanted to create a benchmark for the wily, unregulated industry and had developed a checklist of standards for determining the scientific and legal provenance of dinosaur fossils. “Having rigorous, professional standards is incredibly important,” he said. Then he laid out his criteria,

“AS SORT OF GIANT SUNS OR BLACK HOLES THAT SUCK PEOPLE IN AND DESTROY THEM,” YATES WROTE. “EVERYTHING SEEMS TO GO WRONG WITH A T. REX IN THE PICTURE”

which included accurate bone count, authoritative academic corroboration and museums verifying the scientific analysis. “By getting qualified academic paleontologists to answer these questions, I have the most in-depth and detailed scientific provenance on the authenticity of each dinosaur specimen,” Jenkins wrote in an email following the Zoom meeting.

A few days after a follow-up Zoom call in the fall of 2023, Jenkins' lawyer sent a letter: Anything Jenkins shared during the initial Zoom call, several months earlier, was “subject to changed circumstances,” it read. Linking him to any dinosaur specimen or ownership would be inaccurate and would “cause far-reaching financial and reputational damage.”

Perhaps Jenkins had simply gotten in over his head while trying to create order and erect guardrails in an opaque market rife with profiteers and slippery characters. He described himself as a philanthropist and benefactor in paleontology, yet he had a pattern of leveraging NDAs and threatening legal letters to silence anyone from so much as mentioning him in connection to a T. rex. His T. rexes would all go to charity, he said, yet impugning them would cause as much as \$100 million in damages, according to letters his attorneys have sent to journalists, academics and researchers. Some of the more experienced collectors now refer to Jenkins as Voldemort. More than a dozen people who've worked with him either declined to speak with *Businessweek*, citing confidentiality agreements, or didn't respond to calls and emails. An additional 23 agreed only to speak anonymously for fear of retribution.

To Godefroit back in Brussels, Jenkins' actions embodied a kind of systemic rot that was permeating the fossil market. Everyone, whether diggers, dealers or professed experts, seemed to be trying to manipulate one another at every level. “In all cases the big losers are the end customers and science,” he says. In late 2023, Godefroit attended a conference called “FAKE, False and Real in Museums, Culture and Society” at the grand Beaux Arts-style Royal Museum of the Armed Forces and Military History in Brussels. Panel topics included forgery in stained glass and forensics for paintings. Godefroit was there to talk dinosaurs.

In a presentation to academics, conservators and curators, he laid out the results of almost three years of research, including eight different reports for multiple T. rex specimens, all with the same styling, and all of which he connected to Jenkins: Peter, Shen, Titus, Titan, Ryker, Torvik and the two Barbaras. At least two appeared to be the same dinosaur; a few appeared to have Stan's head. He traced Jenkins' initial outreach and profit-sharing proposal, the *National Geographic*-inspired reports and the series of recent T. rex sales or displays that had gone sideways. His presentation included an admiring profile of Jenkins from his local paper. Godefroit's takeaway for curators and rich collectors: Run away from unknown people proposing exceptional fossils, don't trust the auction house experts, and never sign NDAs. (Jenkins' lawyer asked RBINS to make Godefroit retract his statements to the media, a request RBINS declined to do, according to a person familiar with that exchange who's not authorized to speak publicly. Outside of his 2023 presentation, Godefroit says his statements reflect his personal views and weren't made on behalf of RBINS or Belgium.)

Jenkins, through his attorney, says he only ever owned three T. rexes. He says that the ones he does own—Titus, Barbara and Peter—"are all preserved, conserved and mounted according to the highest academic and curatorial museum standards," that their bones have been identified and scanned for current and future study, and that cast material is used, "as in the case in every museum-exhibited dinosaur in the world." Jenkins provided *Businessweek* with letters from his personal

accountant and his family's trust and estates attorney, on the condition they not be named, noting that his three T. rex specimens were held by charitable trusts that intend to donate the specimens to major institutions. The trusts prohibit sales for commercial gain, Jenkins says through his attorney, noting that sales could be made only to people who planned to gift the specimen to a museum or public institution, with the proceeds going to charity. One of his T. rexes is being donated to the Steinhardt Museum of Natural History in Tel Aviv, and Jenkins says he's in the process of donating some of his other dinosaurs. The president of the Society of Vertebrate Paleontology, Stuart Sumida, provided a statement to *Businessweek*, calling Jenkins "the new gold standard for private collectors."

As for Shen, Jenkins says he's never owned or had any connection to it, even though at the time of the 2022 auction he was described as having a "managerial role in the company that owns Shen," according to a letter from his then-lawyer, seen by *Businessweek*. Jenkins has also never sold a dinosaur, according to the letter from his personal accountant and "is not and has never been involved in the commercial dinosaur trade," according to his lawyer.

Yet in recent months he's tried to sell T. rexes through intermediaries to wealthy individuals for about \$35 million each, according to four people with direct knowledge of the offers who asked not to be identified discussing private transactions. Five others say Jenkins approached them in the past few years offering dinosaur specimens for sale; none of those conversations appear to have progressed enough to include any stipulations about charitable donations. As recently as June, a well-known billionaire collector was approached by someone representing Jenkins with an opportunity to buy a couple of T. rex specimens, including Barbara, "one of only three known female" T. rexes, which had been exhibited at New Zealand's Auckland Museum, according to a marketing document seen by *Businessweek* and whose authenticity was confirmed by three people with direct knowledge of the sales effort. The pitch includes ideas for how a new owner could further monetize their collectible. "The exploitable IP narrative and brand from these specimens is almost limitless," the document states.

In recent years the dinosaur market has gotten only more exuberant. Last year at Sotheby's a juvenile *Ceratosaurus*—smaller than a T. rex, but just as carnivorous—sold for \$30.5 million, five times its high estimate. Some collectors, including Abu Dhabi's new natural history museum and German biotech investor Christian Angermayer, are funding teams of bone hunters to scour the fossil-rich western US. Todd Graves, the billionaire behind Raising Cane's Chicken Fingers, emerged as a collector when he lent his triceratops skull to the Louisiana Art & Science Museum.

And on July 14 in New York, Sotheby's held what was hyped to be the hottest T. rex auction yet. Gus, as the creature is named, was described as 61% complete by bone count and 75% to 80% by bone mass with "an exceptionally preserved skull." As the bids climbed, the auctioneer tempted potential buyers. "Try a bigger bite," she said. "It's a T. rex after all." Gus sold for \$50.1 million, the highest ever paid for a dinosaur at auction. **B**



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9/11
**MEMORIAL
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25 YEARS LATER

PURSUIITS

At the Boca Raton
luxury resort
in South Florida

Water Parks Are A Luxury Now

By Nikki Ekstein
Photograph by Ysa Perez

T

he first time all four members of my family got a sunburn on the same day, we were on vacation at Cap Cana, a luxury resort enclave in the Dominican Republic. It was June 2025, and my 2-year-old son had been giddy over a series of toddler-friendly waterslides; my 6-year-old, newly confident in her swimming, had discovered the thrill of flume rides.

We took breaks in a kid-size lazy river or under the jellyfishlike raffia chandeliers of the main restaurant—one of four at El Dorado Park, an aquatic complex just a golf cart ride away from our villa at Relais & Châteaux's Eden Roc Cap Cana. It recalled my most treasured childhood memories in Orlando, souped up in five-star \$900-a-night style.

I told everyone that the sunburns signaled how much fun we'd all had, even if I regretted the redness. Back home, I started plotting our next spring break trip around one question: Could it have a luxe water park?

That's much easier to find than it used to be. In the past five years, there's been a rapid proliferation of these wet play spaces in opulent settings, shifting water parks from loud, Disney-adjacent experiences to rarefied amenities in sought-after places. As consumers catch on, travel agents say, they only want more.

Touring the sprawling Aurora Anguilla Resort & Golf Club in 2021, I raised my eyebrows when the general manager teased plans for a 600,000-gallon facility with a toddler-friendly splash pad, a lagoon-style pool and three towering thrill rides. But months later, Baha Mar, in Nassau, cut the ribbon on its

Baha Bay water park, complete with a "dueling riptide" water coaster and a free-fall plunge ride pulled out of my adrenaline-loving teenage dreams.

By 2022, South Florida's Boca Raton resort had unveiled its Harborside Pool Club as the capstone on a \$200 million renovation, featuring a lazy river complex with a pair of five-story slides and themed family cabanas. These spaces quickly went from seeming incongruous with beach bliss to feeling like a sophisticated-enough shortcut to the thing everyone seems to want now: fuss-free fun.

"Something is happening right now where people are draining away some of the snobbery from high-end travel," says Henley Vazquez, co-founder of Fora Travel Inc., a luxury travel agency in New York City. "Some of my clients, who are spending a ton of money on each trip, will not go to a place if there's not a waterslide. This is just the way that it is now."

In the years since the Boca Raton resort installed its water park, demand for stays there has grown. Fora data show bookings there increased by 140% in the past two years, "far surpassing" that for local competition. Clients also booked longer trips, tripling their overall number of nights at the resort.

Developer WhiteWater West has noticed similar patterns. Onno Meeter, president of the company's water parks division, has helped design and install such features in high-end resorts including the JW Marriott Miami Turnberry;

"Something is happening right now where people are draining away some of the snobbery from high-end travel"

Limassol, a Luxury Collection property in Cyprus; and the Waldorf Astoria Ras Al Khaimah in Dubai. He says the number of projects at luxury hotels has taken off since the Covid-19 pandemic, when people started looking for outdoor experiences suitable for podlike, multigenerational groups.

Kids may love running wild in a traditional water park, but it's often the opposite of relaxing for parents. Burning your feet on hot stairs, losing your family in a crowd, succumbing to long waits for bad fried food—and that's before you start to wonder what might be lurking in the water.

The smaller-scale facilities at high-end hotels correct for almost all of this. They add features that are safe for even the youngest kids and simple design tweaks that elevate the entire experience—think ample and easy-to-find bathrooms (with plush changing rooms and no lines). They're also often kept separate from adults-only pools to preserve the peace for those who'd rather not be surrounded by gaggles of children.

American resorts with water parks filled about 5% more of their rooms throughout the year compared with those without, according to WhiteWater West's most recent analysis of 2022-2023 data from real estate analytics firm STR. This was true even when those resorts charged \$50 to \$100 per night more for an otherwise comparable stay.

Some resorts, such as the Four Seasons in Orlando or Sea Island in Georgia, keep the water parks fully exclusive for overnight guests to create a more private proposition. Others, like JW Marriott Turnberry and Baha Mar, open limited access to outsiders during quieter periods.

For publicist Abbie Marshall in New York, it's the water park that's kept her family going back to Aurora Anguilla in the Caribbean, where rooms cost \$950 a night. "Our kids talked about the water park nonstop," she says. Marshall adds that picking a resort with similar features is what "makes the trip feel like a vacation for everyone and helps create the kind of core memories you hope for."

The demand for outdoor thrills and nostalgic fun has helped consumers

overcome other concerns that have long dogged water parks. Still, when I poll my social media following on their feelings about water parks, the sense of stigma is clear: Several write back calling them “chaotic,” “germy,” “loathsome”—even “nightmare fuel.”

Studies from the US Centers for Disease Control and Prevention have shown that more than half of public pools test positive for *E. coli* bacteria, so it’s not just water parks that deserve scrutiny. But where hotels can go one further is by generously staffing to ensure facilities are consistently clear of dirty towels and trash, as I found on our next family trip at Nekajui Peninsula Papagayo, a Ritz-Carlton Reserve in Costa Rica.

“A lot of what goes into the cleanliness [of our water park spaces] is really behind the scenes,” says Francesca Poddie, co-chief operating officer of the broader Peninsula Papagayo resort, where an aquatic complex opened in December. “Guests may not think about water turnover, filtration capacity, pump performance, chemical balance, drainage, antislip surfaces, shaded waiting areas or how easy it is for staff to maintain clear sight lines,” she says. “But those technical details are what make the experience feel effortless for everyone who visits us there.”

“The key is to work safety, hygiene and luxury in tandem to avoid tension,” says Daniel Hostettler, president and chief executive officer of the Boca Raton. At the Harborside Pool Club, he says, guests are always shown to the free sunscreen stations, and the operations team adjusts chemical water treatment protocols and staff hours accordingly to account for extra residue in the water.

That kind of thinking applies to safety too. In 2024 the US Consumer Product Safety Commission published data showing that about 28,000 people had suffered injuries at water parks over the previous five years, ranging from scrapes to concussions or even broken bones. Because the worst might happen, Peninsula Papagayo and other resorts maintain on-site paramedics, in-house medical clinics and custom-designed insurance policies to minimize physical and financial risk.

Design also helps. In toddler splash zones, water can be just a few inches deep throughout, and pools can introduce zero-entry features, which slope as gently as the shoreline of a beach. Drowning, the leading cause of unintentional injury death in toddlers according to the CDC, is much harder when the water is super shallow.

Some travelers’ doubts about these attractions likely stem from their origins

as something far more mass-market, says Nick Neuman, the CEO of Water Technology Inc., which develops these types of destinations all around the world.

Neuman says that these “are very much viewed as children-oriented attractions,” given that’s how they started. But water amenities became fair game for adults in the early aughts, when resorts began adding thermal pools and waterfall features to spas. By the 2010s, hotels were moving toward less kitschy aesthetics for water components. Consider the twisty slides coming off the duplex overwater bungalows at Soneva Jani in the Maldives; they deposit swimmers right into the ocean.

Of course, not everyone wants a water park at their five-star resort. “I don’t see it as very luxury,” says Tamara Lohan, global brand leader of Hyatt’s luxury division, when I mention that one of the hotels in her portfolio—the Andaz Peninsula Papagayo—shares access to the same water park as Nekajui. She prefers offering families destination-centric programming such as releasing baby sea turtles or going on safari-like adventures.

“It’s a delicate dance to find these features and still be able to genuinely relax as an adult,” says Gabrielle Blitz Rosen, a social media entrepreneur in Westchester, New York, who has two grade-school-age kids. She and her family have loved the Boca Raton’s Harborside Pool Club, but she’s not a full-blown water park convert. “When they feel more like a theme park than an amenity, it crosses into overstimulation.”

Luxury resorts suggest a happy medium. Rather than leaving kids and adults to scroll on their phones in parallel, these small, refined play zones foster shared moments of connection, a north star in today’s parenting culture. And rather than reinforcing pressure on parents to create educational itineraries, they validate the urge to see vacations as something simpler: time to share our more-relaxed selves with our children.

In Costa Rica we find the best of all worlds. My family spends two full days splashing at Park Papagayo and another two studying dry forest ecosystems and tracking troops of howler monkeys. We enjoy it all. **B**



■ RITZ-CARLTON RESERVE

Keeping Up With The Lines

Fancy a viral snack or a seat in a popular restaurant? Join the queue

By Matthew Kronsberg

Early on the first summerlike evening of the year, New York's Greenwich Village was abuzz. Restaurant patios were packed, with waiters shuttling bottles of crisp white wine to diners. On University Place, the queue for frozen yogurt at Mimi's stretched half a block, bending around the corner. I considered joining it. A New York University student told me the line quadruples after 7 p.m. His friend chimed in to call it "the hottest club in New York."

Whether it's an hourlong wait for a shawarma at TikTok favorite Miya Miya in Los Angeles or a two-hour queue for pastries from the Cedric Grolet Opéra pastry shop in Paris, long lines for viral foods and popular restaurants have become a feature of urban landscapes. And summer is peak season for them.

"These long lines circulate via social media," says Emily Contois, an associate professor of media studies at the University of Tulsa. Posts of queues "create and re-create a representation of popularity and virality," not just for

locals, but for anyone online. A recently published study of tourists waiting in food lines in Amsterdam found that 84% of them had seen videos of those lines on TikTok and 54% on Instagram. Lines have become tourist attractions and social experiences in their own right.

Over the past year, I've lined up for coffee in Shanghai, for croissants in Edinburgh and for bagels, pizza, cinnamon buns and, most recently, frozen yogurt at home in New York—all with hordes of others joined in the belief that good things come to those who wait.

A recent survey of more than 3,000 US consumers found that 60% of Gen Z respondents reported waiting in line for more than 30 minutes for a specific food. Among all the age groups, 74% of those said the wait was worth it. Experience enough of these lines, and you'll see they're more than a byproduct of imbalanced supply and demand. They're places where complex social, psychological and economic theories play out, one slow-moving step at a time.

In the queue for Mimi's, I passed the time people-watching, scrolling on my phone and chatting with line mates. Among them was Athena Yan, from Shenzhen, who's studying for her master's in urban planning at NYU. She told me she'd been drawn to Mimi's by its online cachet, but now she appraised the queue through an urban planner's lens. Lines like this, she said, offer a social benefit: They "make the street look more energetic, more alive." Her interest wasn't strictly academic. After conquering the line and procuring her yogurt, she said, "I'm going to post it to my Stories."

After about 25 minutes, I made it to the door, where the store's manager waved people through in small groups to keep them from blocking the sidewalk. Inside, Beyoncé boomed over the sound system. (Sometimes a DJ is stationed next to the cash register. Hottest club, indeed.)

A serpentine banquette lined one wall; along the other I counted 30 people in front of me waiting to get to the bank of self-serve dispensers in the back. By the



time I made it there, I'd been queuing for almost 40 minutes. An attendant was dispensing samples: Would I like to try the cinnamon maple? The alphonso mango? I tried the coffee, then took a cup and filled it with a combination of chocolate, vanilla and Mimi's Signature Tart flavor. The queue moved along a bar with cut fruit toppings, sweets like mochi and colorful balls of flavored boba, followed by a selection of sauces. As a reward for all my waiting, I loaded up. At the register, my cup weighed in at 15.8 ounces, which, with tax and tip, came to \$22.09.

This kind of experience is enough of a thing that *Saturday Night Live* parodied it in 2025. In a music video segment called "Big Dumb Line," Bowen Yang intones, "We could ride a bike, have a fling or do our absolute favorite thing, which is just to... wait in a big dumb line."

"There's actually a really big community of people who actively and consistently seek out these queued experiences," says Kaitlyn Zou, who started whatisthislinefor.nyc in September as a community-sourced tracker of New York's newest and most notable lines. Since she began, Zou has tracked more than 800. "People are not there to just buy a matcha, or buy a cinnamon roll or a sandwich that's trending. They're buying the ability to say that they are part of the moment. You want to be like the first to experience it while it's so hot."

The quest to amass social capital through strategic snacking may be a distinctly 21st century phenomenon, but joining a big dumb line for a newly popular treat is anything but new. In 1976 the *New York Times* reported on the

first froyo boom, noting, "It was standing room only at Everything Yogurt, a little store set in the shadows of Wall Street's skyscrapers." Some 1,500 patrons jostled one another on the sidewalk daily for 69¢ cups of the sweet treat.

At the 1964 World's Fair in New York, sugar-topped "Bel-Gem" waffles selling for 99¢ (or about \$10 today) were all the rage. In a 2014 interview, MariePaule Vermersch, whose family made the waffles, told the radio show *The World* that they served as many as 2,500 of them in a day. Even as far back as the early 19th century, Wall Street workers would queue for a block or more to taste the spring water of the moment, according to former *Times* restaurant critic William Grimes' 2009 book, *Appetite City: A Culinary History of New York*.

Gen Z's particular propensity for waiting could be tied to a love of all

things analog and what's been termed frictionmaxxing. "Lines force you to slow down," Zou said. "You can't skip ahead or optimize your way through it. There's also something nice about realizing that everyone on line has, consciously or not, chosen this friction and that there's collective excitement for whatever the end experience or product is."

Not everyone chooses friction, of course. Those with more money than time have found ways to expedite things. Look at the front of any of New York's most notorious queues, and you're likely to see a few people wearing black hats emblazoned in yellow with Same Ole Line Dudes, a company that will do the waiting for you, for a price. Started in 2012 by Robert Samuel, it now employs more than 30 people available to queue around New York, not only for restaurants but for product drops, sample sales, Broadway shows, even courtroom trials. When Samuel first saw the line for cronuts—perhaps the defining viral food of our era—outside of Dominique Ansel Bakery in 2013, his first thought was "Oh, my God, this is like a gold mine."

Pizzerias such as Ceres on the Lower East Side and Lucali in Carroll Gardens in Brooklyn continue to draw regular customers to Same Ole Line Dudes, as do restaurants Semma and Or'esh, where a walk-in seat is (marginally) easier to procure than a reservation if you (or your proxy) get there early enough. For putting your name down on the reservation list, Samuel charges \$55 for parties up to four, plus \$10 for each additional person. Other in-person queuing tasks start at \$25 per hour (sample sales ►

"There's also something nice about realizing that everyone on line has, consciously or not, chosen this friction"

■ YUWRAJ KHANNA FOR BLOOMBERG BUSINESSWEEK



◀ and court cases cost more), with a \$50 minimum—not much more than when he started the business.

Lines continue to get longer, and the demand for proxies to do all this waiting has gone up. According to TaskRabbit Inc., which offers a similar line-waiting service, in 2025 there was a more than 12% increase in line-waiting job requests compared with 2024, while the average duration of a waiting-in-line task in NYC has increased 13% from 2017 to 2025.

For those looking to minimize their own wait, the website Damnlines recently started with a more automated approach to line optimization: It pays people whose apartments have views of popular restaurants and clubs to install a webcam in their window pointed at the queue. The feeds from those cameras are then streamed on the site. A machine-learning algorithm tracks the rate at which people enter and exit the line. This information is used to calculate wait times and build charts and graphs of the best times to go.

It's not the only tech solution to the problem of long waits. Across all industries, virtual queuing—in which customers register for a place on line, either in person or remotely, freeing them to show up close to their turn—is a global category estimated in 2025 to be worth \$657.6 million and to grow to \$1.27 billion by 2034, according to Dimension Market Research. Restaurant reservation platforms sometimes offer the service as well. In 2025, 21.6 million waitlist diners were seated via Yelp Waitlist, 1.16 million more than the year before.

Although virtual queues can bring in customers who might otherwise balk

at the prospect of waiting, for many people, the line is integral to the experience. “We just created a digital waitlist so that people could sign up through Yelp to get on the line before they get to the restaurant,” says Jeffrey Budnechky, the owner of Apocalypse BBQ in Miami. “Even though we’ve offered that, and we’ve promoted it, people still kind of want to wait. It’s almost like a badge of pride.”

Even if businesses could do away with queues, they may not want to. A 2024 study led by a Penn State School of Hospitality Management researcher confirmed that the presence of a line in front of a restaurant indicates to passersby and prospective customers that the business is popular and therefore worth their time.

At Salt Hank's, a purveyor of French-dip-style sandwiches in New York's West Village, where the waits can approach an hour, I met Bobby Casey, 26, Jason Zak, 28, and Sam Guerrini, 26, who were visiting from Cleveland. The trio sat on a stoop near the restaurant holding their \$28 sandwiches as if they were newborn babies and taking pictures. (The sandwich is now \$34.) “There’s 100 spots that we can go to on the street, and we picked the one with a line. I hope that says a little bit,” Guerrini said.

A 2025 study published in the *Journal of Hospitality and Tourism Management* found that customers who wait in a physical line tend to place larger orders than ones who queue virtually. Elena Hwirim Jo, one of the authors, explained: The physical waiting process “creates a psychological tendency

to justify or compensate for that effort by consuming more.”

Not only does waiting make people order more, it may also make what they order appear to taste better. Recent research by Neir Eshel, an assistant professor of psychiatry and behavioral sciences at Stanford University, found that an increase in the amount of effort put into getting a treat (maybe a froyo for you, or, in this case, sucrose given to mice) increases the amount of dopamine—the feel-good hormone that governs reward—released in the brain. The cinnamon bun you wait for makes you happier than the one you just walk up and get.

A boost in business can make up for the inconvenience of always having crowds at hand, but viral businesses often need to dedicate resources to keeping their customers and neighbors happy. At O.P.S., an avant-garde coffee shop in Shanghai where I waited for about an hour, employees monitor the line for safety and take orders before patrons enter to keep things moving. Lannan, a bakery I visited in Edinburgh, has staff act as “line wardens” to keep the queue from blocking neighborhood sidewalks. They’ll sometimes also offer drinks to people while they wait. Dishoom, the popular British chain of Indian restaurants, soothes people waiting to get in with free chai, and Apocalypse BBQ offers free beer or water.

Rachel Brotman, the starch-and-sweets-centric food influencer known on social media as the Carboholic, wrote in the Substack post “Breaking Down NYC’s Frozen Yogurt Boom” that all the line stoking “makes me anxious. I want to see these brands succeed, and this doesn’t feel sustainable. Didn’t we learn anything from the cupcake craze, or more aptly, froyo boom number 1?!”

The answer seems to be no. After leaving Mimi’s, I strolled through the West Village, passing several other yogurt shops, each with its own lengthy line. To my eye, the people queuing seemed to be having as much fun as the ones sitting on the restaurant patios sipping crisp white wines. As long as they’re happy to wait and then spend, I figured, maybe the lines aren’t so dumb after all. **B**



The Rise of Maximalist Home Cooking

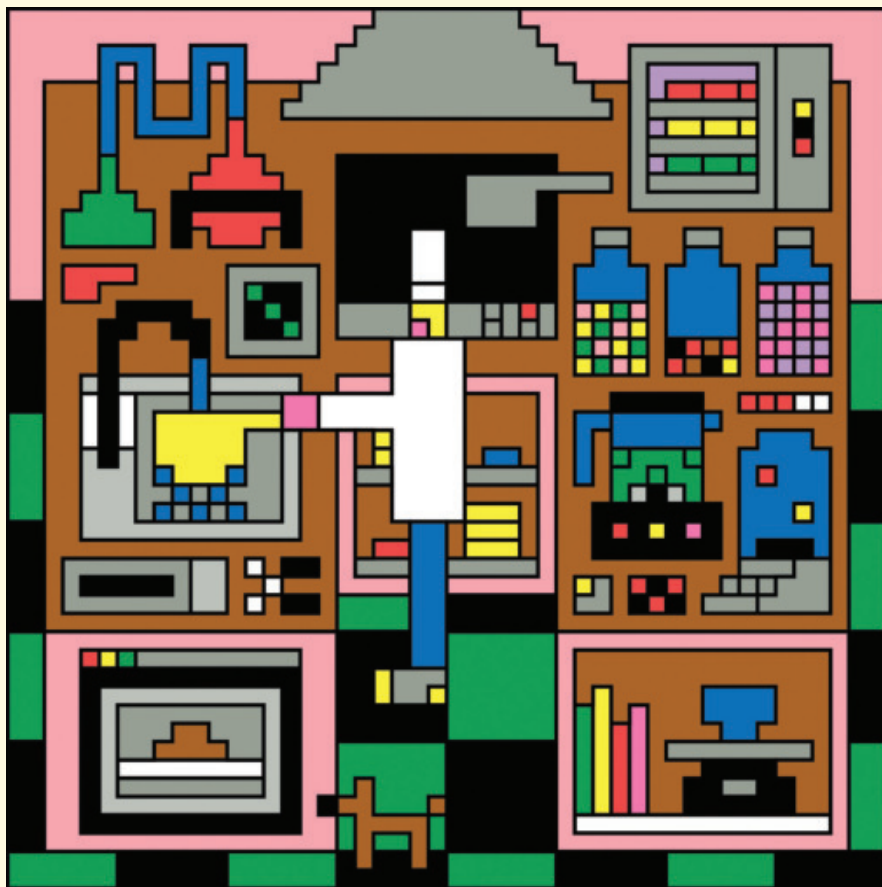
By Kat Odell

Two weeks before guests arrive for one of his omakase-style dinner parties, Travis Iwanaga will place a slab of bluefin tuna belly in a dry-aging fridge in his New York apartment. Over the next 14 days, Iwanaga will monitor the fish with the watchful eye of a sushi chef.

Aging the tuna is just the beginning of his prep. Before his seven guests sit down, he may also have clarified some cocktails, spun sorbets light as air with a Pacojet and assembled kakigori, the eye-catching snow-cone-like dessert, with help from an electric Japanese ice machine.

Over the past six years, the 39-year-old hardware engineer has built a kitchen that would make many professional chefs jealous. Among his appliances: a centrifuge, a superfreezer for storing imported seafood that can drop to -63°F, plus that dry-aging fridge to precisely mature meat and fish. Iwanaga estimates he's spent \$15,000 on the setup and accumulated enough equipment to take up almost half the living area of his 1,200-square-foot SoHo apartment. He charges guests for the price of the ingredients, about \$150 per person, if he's preparing sushi.

As the costs of dining out, takeout and delivery have climbed—prices for food away from home have risen roughly 29% since February 2020, according to data from the US Bureau of Labor Statistics—Iwanaga says demand for his dinners has surged. The meals are primarily a passion project for him, but he now monitors an expanding waitlist of friends, as well as friends of friends. For the invitees the appeal is obvious: an experience modeled on a high-end omakase meal, at around a third of the price of New York City sushi counters.



To cook someone
a hall-of-fame
meal yourself is
“one of the most
genuine gifts you
can give”

Iwanaga is part of a growing cohort of home cooks who grew more experimental during the pandemic and never got out of the habit. They used the internet to learn ambitious cooking techniques—like how to butcher a fish or master New Haven, Connecticut-style pizza—and transformed their kitchens into miniature R&D labs outfitted with professional-grade equipment.

“It’s easy to take someone out to eat if you have the money,” says Scott Manlin, a retired real estate banker in ►

◀ Los Angeles. Although reservations at impossible-to-book dining rooms might be impressive, it's a very different thing to cook someone a hall-of-fame meal yourself. "That's one of the most genuine gifts you can give," he says.

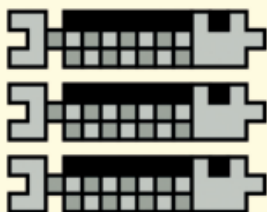
Manlin has spent the past decade assembling an arsenal of tools for almost every culinary task. His collection includes a Robot Coupe to chop ingredients at professional speed, a chamber vacuum sealer, a dehydrator, a Berkel slicer, a charcoal oven, a cold smoker, a meat band saw, a wood-fired pizza oven and enough copper cookware to outfit a restaurant. He's excited about his latest purchase: a dry-aging cabinet.

For a recent dinner party, Manlin sourced two large Galician-style Vaca Vieja subprimals—roughly 19-pound cuts—from a 72-month-old cow, which he butchered into steaks, then dry-aged for 21 days at 35F and 80% humidity to produce a more concentrated beef flavor and richer texture. Few chefs in the US would go to this much trouble.

For Manlin, entertaining at home is an offshoot of the quiet luxury trend. He labels it "quiet elegance," a more intimate and less public opportunity for an opulent dining experience.

Elsewhere in LA, Preston Landers, a product marketing lead and founder of Naomi hand soap, has a kitchen outfitted with a chamber vacuum sealer, a dehydrator, an induction burner, an immersion circulator, fish weights and a yakitori grill, as well as a growing collection of molds for exquisitely shaped cakes and cookies from chef favorite MoldBrothers (whose 3D butter-cone mold goes for \$126). Landers also credits the pandemic with accelerating his culinary ambitions. During lockdown he used downtime between meetings to refine recipes, including one for a semidehydrated tomato wonton wrapper.

Kitchen appliance manufacturers have been paying attention to Landers and other home cooks, adapting commercial equipment for residential kitchens,



Luxury Kitchen Upgrades

SESSY

Chef Esther Choi, of New York's Mökbar, introduced this all-purpose Korean American condiment line in June. Products include nutty toasted sesame oil; a spicy-sweet gochujang; and a lightly funky soy sauce. Made with organic ingredients in collaboration with Sempio—one of Korea's oldest food companies—the jars are designed to give home cooks high-quality Korean staples. \$10 to \$17.50



ONLY GOODS SALSA MACHA

Top Chef winner Danny Garcia's first product for Only Goods, his forthcoming Latin restaurant and bodega concept, is a smoky, medium-spicy salsa macha studded with pumpkin seeds, cashews and hints of fennel. The Brooklyn, New York-born Garcia considers the condiment to be a reflection of the broader Latino diaspora, pulling from the Dominican, Puerto Rican and New York influences that shape his cooking. \$13 for 6.7 oz

FOND REGENERATIVE CHICKEN DEMI-GLACE

The secret behind many exceptional restaurant sauces is a deeply flavorful stock, which typically requires hours of roasting bones and slowly simmering aromatics. This chicken demi-glace offers a shortcut: a rich, silky reduction made from pasture-raised chicken and organic vegetables including carrots and onions. \$20 for 7 oz

OH SO EASY!

These globally inspired mixes, which yield desserts such as an ube blondie and a miso caramel brownie, put a contemporary spin on classic American sweets, helping home bakers create seemingly complex treats featuring esoteric ingredients in about 40 minutes. Each mix is developed in collaboration with a different chef, including modernist baking expert Pichet Ong, who's based in Washington, DC. \$28 for two

GYMKHANA FINE FOODS

Evoking the bestselling dishes served at London's two-Michelin-star Indian restaurant, the newly released US line features ready-to-use, boldly flavored sauces such as tikka masala, korma and madras. \$8 to \$10

FISHSNAX BY JOSÉ ANDRÉS

The acclaimed Spanish chef's new tinned seafood line brings conserva culture to American pantries through responsibly sourced fish and colorful, gift-worthy packaging. The collection includes wild-caught sardines from Galicia in Spanish extra-virgin olive oil and wood-smoked octopus from the same region. From \$14 for 3.9 oz

shrinking sizes, lowering price points and simplifying the user experience.

Ooni, best known for its portable high-heat pizza ovens, recently rolled out the Halo Core Spiral Mixer. At \$599, it's a more compact, less expensive ver-

sion of its Halo Pro Spiral Mixer, which went on sale last year at about \$799. Spiral dough mixing technology is the secret behind almost every great bread bakery and Neapolitan pizzeria, but it hadn't existed on a scale or at a price accessible to most home cooks. Unlike traditional planetary mixers such as KitchenAid's, which spin the attachment around a

stationary bowl, the Halo Core rotates a bowl around a spiral hook spinning in the opposite direction. This creates a dual kneading motion, which produces a stronger gluten structure, helping home bakers achieve silkier dough and more tender loaves.

More specialized baking equipment, once the exclusive provenance of commercial operations, has been a by-product of the 2020 home-sourdough boom. Last January, Brød & Taylor, a producer of high-grade tools for home kitchens, introduced an \$850 dough sheeter that helps achieve precise—even bakery-level—dough and butter lamination for croissants and more.

Earlier this year, kitchenware company Waring unveiled the PlanitPOD WPP600 fermentation chamber, a microwave-size device that costs \$3,500 and automates temperature, humidity, airflow and timing. It democratizes techniques such as koji production (cultivating the umami-rich mold used to make miso, soy sauce and sake), turning them into projects that are accessible at home.

Even dining rituals that have been defined by restaurants are now available to amateurs. Vaunted Japanese design company Balmuda introduced the Teppanyaki in the spring of 2025. The sleek, \$449 stainless-steel electric cooktop plugs into a standard outlet and is meant for cooking everything from wagyu to crepes. Light and portable, it effectively brings a Benihana-style,

communal-cooking experience into the home. (Onion volcanoes and knife tricks optional.)

Over the past five years, the line between restaurant-quality and home-kitchen ingredients has “essentially disappeared,” says chef Mingoo Kang, of the acclaimed Seoul dining room Mingles, where a prix fixe lunch starts at about \$207. With that kind of price tag, the audience who can experience Kang’s food is relatively small.

But there’s no shame in brandishing a secret weapon with a fine dining imprimatur. In June, Kang and longtime collaborator Nadia Cho started Jangin, a brand of two gochujang-based sauces that go for \$22 per 200ml bottle and are made from ingredients including glutinous rice and fermented soybeans. At Mingles, Kang brushes the thicker, more savory and umami-forward cooking sauce on grilled French blue lobster, and he uses the sweet and tangy finishing sauce to brighten seafood carpaccio-style dishes.

Kang can only hope to mimic the success of some of his counterparts in the category of chef-made condiments. In 2021, Major Food Group released Carbone Fine Foods jarred sauces (including marinara and spicy vodka), which last year generated \$102 million in sales. “Consumer products allow us to convert the demand, trust and cultural relevance built in our dining rooms into a scalable platform with real long-term value,” says Major Food Group co-founder Mario Carbone. Correspondingly, industry forecasts from Mercatus Technologies ULC and Incisiv Inc. project US online grocery sales to more than double this decade.

A 2025 survey from payment processor Square found that, on average, almost a quarter of restaurant revenue now comes from products and services outside their core business, such as retail items, reflecting consumers’ growing appetite for restaurant-adjacent products.

Another group that sees the power of putting a high-profile name on the label

OYSTER OYSTER KASHA TAMARI

This umami-rich condiment from Washington, DC’s Michelin-starred Oyster Oyster provides an excellent way to add dimension to salad dressing, pasta sauce or other items. It combines gluten-free buckwheat kasha with tamari for a deeply savory finish and a playful alternative to traditional soy sauce. \$19 for 8 oz

NINJA SLUSHI TWIST

Building on the viral success of Ninja’s original Slushi machine, this upgraded model transforms coffee, cocktails and other beverages into frozen drinks or soft-serve-style treats. Dual chambers create two slushy flavors at once, which can be swirled into a single serving with the smooth, creamy consistency of a professionally made frozen cocktail or dessert. \$400

BRØD & TAYLOR DOUGH SHEETER

Designed for the serious home baker, this countertop hand-cranked machine produces perfectly even sheets of dough with minimal effort. It’s especially helpful for pulling off one of baking’s most technically demanding tasks—butter lamination for croissants and other viennoiserie—but it can also be used to roll out pie crusts, pasta or pizza dough. \$850

BALMUDA THE TEPPANYAKI

Designed in Japan, this attractive electric flat-top grill combines precise temperature control with a stainless-steel surface for teppanyaki-style cooking at home. Ideal for steak or seafood, fried rice or vegetables, it’s compact and lightweight, making it easy to take the dinner party beyond the kitchen—to rooftops, patios and other unconventional settings, wherever a standard outlet is available. \$449

KLARIS ICE MACHINE

Bar-quality cocktail ice at home? Easy. The device—roughly the size of a blender—now comes in a white finish and creates four crystal clear 2-by-2-inch cubes in about 10 hours at the push of a button. Free of air bubbles and impurities, the ice melts more slowly, keeping drinks colder for longer without excessive dilution. \$300

OONI HALO CORE SPIRAL MIXER

Ooni brings professional bakery technology into the home. Unlike a traditional stand mixer, the Halo Core’s silver bowl rotates in one direction while a spiral hook turns in the opposite direction, creating a dual kneading action that produces stronger gluten, with less heat buildup, for silkier dough and better bread. \$599

WARING PLANITPOD FERMENTATION CHAMBER WPP600

This microwave-sized device brings professional fermentation technology home. The unit automates temperature, humidity, airflow and time, making seemingly complex projects like koji fermentation more accessible to ambitious cooks. \$3,500

of a sauce jar is the London-based Indian fine-dining restaurant Gymkhana. Two years ago its team entered the world of consumer packaged goods in the UK with a line of sauces and marinades designed to bring flavors from popular dishes into home kitchens. In the US, Gymkhana Fine Foods made its debut in April with a lineup including a softly sweet and creamy butter masala simmer sauce, based on the restaurant’s popular butter chicken, and a silky Goan coconut curry.

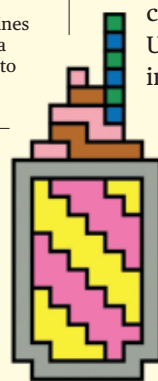
“Elevated, restaurant-caliber food” is what inspires people to cook now, says Gulrez Singh Arora, the brand’s chief executive officer and co-founder. The line already accounts for four of Whole Foods’ seven best-selling Indian products. Across its US and UK operations, the company is producing about 3 million jars of products annually, with plans for growth.

Then there’s the ever-expanding home craft-baking space, powered in part by the appeal of a delectable-looking treat on social media. Oh So Easy!, a startup in Queens, New York, that opened last November, offers globally inspired baking mixes in flavors such as miso caramel brownie and ube blondie. In its first six months the company says it sold almost 5,000 units without any paid advertising and achieved a repeat purchase rate exceeding 35%.

For Iwanaga, the New York dinner party chef, there are no shortcuts. His growing collection of specialized equipment isn’t about collecting gadgets; it’s about building a home lab where he can continually practice, experiment and inch closer to the level of craftsmanship he admires at the world’s best sushi counters. There’s a word for that in Japanese: *kodawari*, the relentless pursuit of perfection.

“Ultimately, hosting these dinners allows me to merge my obsession with the craft—constantly iterating to refine

my skills—with the simple pleasure of bringing together fellow food lovers,” he says. **B**



The Stealth Spike of US Girls Volleyball

By Lauren Mechling

Volleyball is a game of errors, as lovers of the sport will tell you. Unlike many popular games, where players earn points by steering a ball into a basket or goal, a central aim of volleyball is to mess up less than the other team. But hardly any bloopers are on display at the Synergy volleyball club's home gym in King of Prussia, Pennsylvania. The 30-odd teenage girls at play are the picture of strength and grace, their sets, spikes and dives working to keep the ball aloft.

The trickiest maneuver comes at evening's end, when players are finally allowed to mingle with the 19 coaches from Temple University, the University of Pennsylvania and the other colleges watching from the sidelines. It's a delicate dance, and recruiters and athletes stick to safe topics: schoolwork, vacation plans. "It's kind of like speed dating," Lisa Marsland, the gym's manager, says of the recruitment showcases the gym holds three times a year. "We've had coaches offer girls scholarships right on the spot, but they're not supposed to do that."

George Fuller, one of the Synergy coaches, sits in a corner of the gym, manning the livestream. "You have to manage the girls' expectations," he says. "They don't all end up getting offers. Only about 80%."

Synergy is a speck on the heat map of what's shaping up to be a quiet boom in girls sports. You could be forgiven for assuming basketball and soccer are the dominant games, but according to the National Federation of State High School Associations, volleyball was the second-most-popular team sport in the 2024-2025 school year, with 492,799 registered female athletes. (It's not far behind the top sport, track and field, which has 513,808.)

That number doesn't account for all the players on the more than 18,000 extracurricular clubs associated with USA Volleyball, the governing body that oversees everything from the teams of girls responsible for the 24% uptick in junior memberships since 2018 to the Olympic team. With school practices kicking off in August and club tournaments happening practically year-round, it's always volleyball season somewhere, with the prospect of a college scholarship on everyone's mind.

For Lawson Monroe, an outside hitter who's been dazzling the Atlanta circuit since she was 11, a sense of empowerment has kept her coming back. "It's one of the only sports where female athletes get more attention than the male athletes," says Monroe, 18. "At my school, nobody shows up for the girls basketball games."

Monroe played for a hard-driving Atlanta club that competed across the country and held three four-hour practices a week. She committed to play for Brown University the summer after her sophomore year, when she switched to another club with a practice schedule she describes as "slightly less intense."

Many of today's tournaments take place in ballrooms and exhibition halls transformed into multicourt gyms, with clusters of backpacks and a rainbow of Stanley cups stuffed in every available corner. Once centralized in California, Georgia, Oklahoma and Texas, the craze for volleyball is spreading across the South and Northeast, leading to a shortage of courts and coaches.

Volleyball has a lot going for it. It's a relatively simple sport with an easy setup, and it enjoys a squeaky-clean reputation.

● Volleyball is the second-most-popular girls team sport in the US



Laurel Taylor, a marketing professional in Halifax, Nova Scotia, says she loves watching her 13-year-old daughter and her teammates decorate wooden laundry clips with words of encouragement—"You're a star!" "A-C-E"—during tournament downtime. "They're creating such a supportive, fun and wholesome environment for each other," Taylor says.

As Monroe says, it's a sport where girls don't feel overshadowed by boys. Practices don't consist of endless laps in the pool or on the track. And it's not a contact sport, which many parents view as a hedge against injuries. "Each team stays on their side, so you're not worried about your girl getting knocked by another player," says Stephanie Boyd of Norristown, Pennsylvania, who works in sales support and spends most of her weekends at her 15-year-old daughter Brooklyn's tournaments.

Safety was actually the point of the game's inception in 1895. William G. Morgan, who ran the physical education program at the YMCA in Holyoke, Massachusetts, intended the mishmash of basketball, tennis and baseball for those who found basketball to have too much bumping and jolting.

It's since evolved into a sport that favors the tall and whose naughtiest known tradition might be pinning, where players sneak around tournaments and clip those decorated clothespins to unsuspecting players and onlookers. "Volleyball Dad" Christopher Kromer reads aloud the hand-painted laundry pin he'd discovered on his backpack while at the Jersey Joust tournament in the beach town of Wildwood, New Jersey, where his spirited 12-year-old daughter, Olivia, is rolling out killer serves. "I got pinned!" he shares with the other parents. "I've made it!"

Volleyball enjoys national-phenomenon status in Brazil and China. In the US, marketers are only starting to wake up to the business opportunities. ESPN had an average of 190,000 viewers across platforms per women's college game in 2025, up 36% from 2024. The 15-match NCAA volleyball tournament drew an average of 666,000 viewers late last year. The championship pitting Texas A&M University against the University of Kentucky aired on ABC on an NFL Sunday and drew 1.4 million viewers.

This growing popularity hasn't yet translated into cultural clout. Even John Speraw, president and chief executive officer of USA Volleyball, admits to feeling mystified by pop culture's failure to co-opt the volleyball craze. "We haven't had our Zendaya movie yet," he says, referring to the buzzy 2024 tennis film *Challengers*.

Adding to volleyball's visibility gap is its relative lack of virality on social media. The University of Nebraska played a 2023 game at the school's football stadium that welcomed 92,000 spectators. No women's sports event has drawn a larger crowd. Yet two of the biggest names in pro volleyball, Jordan Thompson and Lexi Rodriguez, have fewer than 400,000 Instagram followers between them. Basketball star Angel Reese has 5.2 million.

Volleyball gets a brief moment in the spotlight every four years at the Olympics. And the three major professional volleyball leagues in the US all play to what could charitably be called intimate crowds. Still, a swell in youth participation doesn't necessarily equal full pro stadiums. "Being a good sport to play and being a good spectator sport are two very different



● USA Volleyball reports 18,000 registered clubs

things," says Andrew Zimbalist, an economics professor at Smith College who specializes in sports. He adds that volleyball is still missing a recognizable cast of characters to help it make a leap in popularity.

Although US indoor volleyball may be short on crossover stars, some other big-name athletes double as volleyball dads. Tom Brady posts videos on Instagram of himself rallying on his lawn with his daughter, Vivian. Three daughters of former pro athletes play for Penn State: Caroline and Ava Jurevicius (NFL wide receiver Joe Jurevicius) and Alexis Ewing (NBA great Patrick Ewing). "The girls are so tall," says Jennifer Seo, who lives in Los Angeles and whose 11-year-old daughter plays at tournaments where Steph Curry's daughter Riley and LeBron James' daughter, Zhuri, are regulars.

Even if advertisers aren't spending big on volleyball yet, parents certainly are. "I had always thought that gymnastics was the most expensive sport, with all the handmade leotards and private lessons," says Rachel Cesa, a mother of two gymnasts-turned-volleyball players in Orange County, California. "Whoops," she deadpans. To save money on travel to volleyball tournaments, Cesa sometimes flies into the second- or third-closest city. "Door to door, it's typically seven hours each way," the elementary school program planner says.

Elise Hu, a podcast host in Los Angeles, reckons her daughter's travel league runs her about \$10,000 per year. She calls it a "rude awakening" in financial and emotional terms: "It's less than half that for the actual club membership, but all the travel and team dinners and acai bowls and Starbucks runs add up."

During her run as a volleyball mom, Mary James Ketch, an artist in Norman, Oklahoma, has asked herself some deep questions. Her 16-year-old daughter Amelia is an outside hitter, and her best friend ranks fourth in the state in their age class. "Not to say it's only worth it if your daughter is a Michael Jordan of volleyball," Ketch says. "But there's not a lot of room for casual engagement, and that doesn't seem all that reasonable to me."

But to Amelia and the armies of girls like her, it makes perfect sense. Monroe, the outside hitter from Atlanta, recalls that last spring the six incoming freshmen on Brown's volleyball team met up and texted one another all summer long. "They're so much fun. They're all really cute," she gushes. "I think volleyball just attracts those kinds of people." **B**

TREASURED ISLAND

THE STORY OF ST. BARTS

By James Tarmy

Illustrations by Debora Szpilman



A midcentury Goldilocks with a bank job and a trust fund, David Rockefeller sailed around the Caribbean on his family's 95-foot yacht searching for the perfect spot to build a beach house. By 1957 he found it on the shores of St. Barthélemy, better known as St. Barts or occasionally St. Barth.

A backwater just south of St. Martin, the island was largely undeveloped, with virtually no industry, no infrastructure and a tiny population, writes Michael Gross in *Treasured Island: The Story of St. Barth and Its Barbarians, Billionaires, and Beauties* (Harper). Undaunted, Rockefeller bought about 140 acres and built a five-bedroom villa, kicking off a boom that has yet to slow down more than 60 years later.

Today, in the winter high season, superyachts clog the harbor, models in skintight dresses pour wildly overpriced jeroboams of Dom Pérignon at pulsating beach clubs, and celebrities flit along Flamands, known as Billionaire Beach. "The jet set changed completely," the photographer Jean-Philippe Piter tells Gross. "The high quality is gone. Yeah, they're super rich, but they have no taste." Piter continues, "St. Barth now reminds me of a Walmart parking lot in Arizona."

What emerges in *Treasured Island* isn't the standard narrative of speculators bulldozing a sylvan idyll; nor is it a story of Rockefeller and his fellow equatorial WASPs getting forced out by vulgar oligarchs. Instead, even as Gross personally agonizes over the push and pull "between new money and old, flash and pedigree, the sort of folks who expect to see their names in the papers and those who would perish at the very thought," his book details how a first generation of wealthy vacationers initiated, then profited spectacularly from, the island's descent into crass ostentation.

When Rockefeller came onto the scene, the French territory was effectively devoid of tourism. (In 1946, St. Barts had 285 farmers, Gross writes. By 1979, it had two.) Rockefeller bought property on the island's northwestern tip and spent \$360,000 on building his house (about \$4.4 million in today's numbers). He kept buying more land

and began exploring ways to monetize it. His family office made overtures to potential buyers and hired multiple consultants who came up with detailed plans for a “low-density resort of 80 to 120 units with tennis courts, surrounded by about twenty home sites.” The development never came to fruition, though Rockefeller did sell a beachfront chunk of his property to Frank Goelet, heir to a real estate and banking fortune, for a tidy \$385,000 in 1969.

Almost simultaneously, a French real estate broker placed ads in the *Wall Street Journal* (“Invest in a Tropical Paradise”) that promised buyers they could “double your money fast and buy directly from the owner.”

Oftentimes, they did. The island was soon second home to many Americans, including an heiress to a Coca-Cola bottling fortune, an early IBM employee, a railroad heir and a bevy of gentlemen bankers, doctors and lawyers. Not all of them were in it for a quick flip—“Evening entertainment was limited to visiting friends, reading, painting, and stargazing,” the son of one pioneering vacationer whose family retained and still rents out its property tells Gross—but many were.

Gross recounts story after story of wealthy friends, often with vocations rather than actual jobs, who dipped their toes into island development. “I got permission and sold the worst of the lots, no views, no wind, and I got my money out,” recalls George Bunn Jr., whose father ran the Bunn-O-Matic company, known for its coffee makers. The younger Bunn had bought 15 acres above Flamands. “I made way over the initial investment.”

The Reinckes, heirs to a Hamburg shipping fortune, leveled part of a hillside and built a hotel-restaurant called Les Castelets, as well as 15 houses across the island. Jean-Louis Callies, heir to the Michelin tire company, bought land in 1969 and began a subdivision that included a hotel, shopping center and restaurant, along with residential parcels. (The project was only partially completed.) Wealthy brothers Allan and Paul Reyhan built a large house

for themselves, then bought more land on which they sold prefabricated houses in the mid-1970s for \$65,000 to \$94,000 apiece.

By then, commercialization in St. Barts was well underway. Major hotels including Village St-Jean and Taïwana, often developed by that first generation of international vacationers, soon followed, as did megawatt celebrities. Mikhail Baryshnikov bought a property; so did his fellow Russian ballet defector Rudolf Nureyev. Billy Joel met the model Christie Brinkley at a hotel on the island in 1983; David Letterman bought a place in 1995. By the early 1990s, there was a Gucci store, and tourist visits numbered 15,000 a month.

What did this new wave of rich and famous do on the island, exactly? Readers of *Treasured Island* will never find out. Given the book’s salacious subtitle and ostensible subject matter, one has the reasonable expectation that its author will dig into at least some of the fun stuff. For the most part, he doesn’t. Instead, the book gets lost in the island’s internecine politics and lavishes attention on in-the-weeds things such as hotel management issues. There’s not one but two chapters on the power struggle for control of a villa rental company—and barely any mention of what those villas are like or who’s stayed in them.

St. Barts’ famous party scene is basically ignored, and when people do speak on the record, they tend to be business owners who deliver pageant-queen answers: “Nowhere else in the world can you experience the brand St. Barth of today,” intones David Matthews, the owner of the Eden Rock hotel. “My family and I choose St. Barth and its magic above all else.”

Rockefeller, in contrast, seems to have let the island’s particular brand of magic speak for itself. In 1987, after years of soliciting bids, he sold his house for \$4.75 million. The final documentation tying him to St. Barts is a letter sent to an island official, complaining that his buyers were having legal difficulties turning his former land into a 47-villa resort. “This really seems to be a pity,” Rockefeller wrote. **B**

Pursuits Picks For August

By Sarah Rappaport

FILM

Tony



The late great Anthony Bourdain gets an origin story from A24. Dominic Sessa stars as the famously salty chef at age 19 in the famously salty resort town of Provincetown, Massachusetts, during one rough-and-tumble season in 1975, as detailed in Bourdain’s memoir *Kitchen Confidential*. Matt Johnson directed; the supporting cast includes Leo Woodall and Antonio Banderas. *Aug. 7*

BOOKS

A Tender Age



In this novel from Pulitzer finalist Chang-rae Lee, a typical suburban summer takes a sharp left turn for an 11-year-old son of Korean immigrants. Hard dynamics come to the fore as he grapples with his nascent masculinity and his family’s pursuit of the Asian American dream. *Aug. 11; Riverhead Books*

ART

“The Statue of Liberty From Bartholdi to Warhol”



Continue celebrating America’s 250th with a trip to Fort Worth, Texas. The Amon Carter Museum’s sweeping exhibition recontextualizes Lady Liberty with pop cultural and political works from more than 70 artists, including Andy Warhol and Roy Lichtenstein, as well as a rare bronze cast by Frédéric Auguste Bartholdi, who started modeling her in 1870. *Aug. 15-Jan. 3*

TELEVISION

Lanterns



Just when you thought you were over the superhero genre, showrunners Damon Lindelof (*Watchmen*, *The Leftovers*) and Chris Mundy (*Ozark*, *True Detective*) present this gritty take on the Green Lantern, starring Kyle Chandler, Aaron Pierre and the ever-fabulous Laura Linney. Maybe there’s room for one more comic-book adaptation this summer after all. *Aug. 16; HBO*

THEATER

Electra/Persona



Seeing Cate Blanchett onstage is always electrifying. The two-time Oscar winner is treading the boards at London’s National Theatre opposite her *Tár* co-star Nina Hoss in a fascinating mashup of Sophocles’ 1966 ancient Greek tragedy and Ingmar Bergman’s 1966 avant-garde masterpiece. *Previews from Aug. 19*



CULTURAL CAPITAL

EATING WITH FRIENDS

By Felix Salmon

After Singapore gained independence from Malaysia in 1965, Prime Minister Lee Kuan Yew embarked on an aggressive urbanization program. His public housing looked at first glance much like the high-rise apartment buildings you'd find anywhere else. But the concrete tower blocks had one crucial and idiosyncratic difference: On the ground floor, each contained a hawker center, full of stalls selling the cheap and delicious food for which the city-state has since become famous.

Hawker centers, writes Singaporean chef and writer TW Lim, were "a necessity of nation building"—they played a key role in creating Singapore's identity. From the beginning, the government subsidized hawkers' rents, making their food

accessible to all. Today, the food courts have become integral to the Singaporean way of life: a place to linger, chat, and hang out with friends and neighbors.

Almost anywhere you find humans, you'll find some kind of physical infrastructure where they gather with each other over food in a context larger than that of the nuclear family. And one way to see how that infrastructure changes from city to city is to look at the relative prices of restaurants and groceries.

The Numbeo cost-of-living project, founded by former Google software engineer Mladen Adamovic, offers a dataset of restaurant and grocery prices around the world, indexed to New York being 100. Cities in general are either cheaper

or more expensive than New York, but if you plot restaurant prices against grocery prices, you immediately see outliers—cities where the ratio of grocery prices to restaurant prices is very different from the NYC baseline. In London and Copenhagen, diners have an especially large incentive to buy groceries rather than eat out; in many East Asian cities, such as Tokyo, Seoul or Taipei, restaurants are so affordable, you often save little by cooking at home.

These prices both reflect and reinforce national differences in how people eat and live. London and Copenhagen are relatively low-density cities, where many homes have ample space for entertaining, indoors and outdoors. Buying or renting that space is expensive, creating a hidden

opportunity cost to going to a restaurant; you're paying for a substantial quantity of space anyway, bundled into your rent or mortgage payment, so it makes sense to get the most out of it and stay home.

Westerners in general, and Londoners in particular, tend to assume the dinner party is the optimal way for people to eat together. If someone points to Asian cities where dinner parties are much less common, the Westerners tend to reflexively explain the phenomenon in terms of apartment size. People in Asia may want to entertain at home, they say, they just don't have the square footage to do so. They're forced to find other solutions: a private room in a restaurant or a big table at a Japanese *izakaya* or a hawker center. Not only is that a misreading of norms in Asia, but it also betrays a misunderstanding of Western dining history.

In the UK, the institutionalization of the at-home dinner party is a relatively new phenomenon, one that's competed with a panoply of alternatives, from the neighborhood pub to London's gentlemen's clubs. All these spaces were constructed to be places of hospitality and friendship, where the marginal cost of a convivial evening is low enough to encourage frequent return visits, and where friends are motivated to spend time even if they're not spending money.

With the Thatcherite revolution of the 1980s, many of those older institutions started eroding. Clubs and collectivism

were out, individualism and capitalism in. That ushered in a boom in meals where you chose your tablemates in advance. Soon there were more restaurants and also more private dinner parties.

The UK's evolution was far from a global phenomenon. Jordan Sand, a Japanologist at Georgetown University, says that in Tokyo "a culture of married couples having married couples over has just never ever developed here." Even at the top of the income spectrum, families with domestic spaces large enough to entertain almost never do because private homes just aren't where that happens.

In the north of Spain, you'll find plenty of *txokos*, communal gastronomic societies with free-flowing wine and conversation, usually in Basque rather than Spanish. In West Africa, you'll often come across feasts attached to enormous weddings and funerals, or a big Sunday lunch, without any clearly defined beginning or end, that acts as a continuation of the church service in the morning. In South Africa, the great culinary institution is the *braai*; in Argentina it's the *asado*. (Both involve outdoor grilling.) In China, restaurants' private rooms will often dwarf in collective square footage the general seating areas at the front.

"The norm is for people to eat in large groups over long periods of time in a relaxed setting that includes both family and friends," says New York University sociologist Eric Klinenberg.

"The exception is the Anglo American style of eating, as members of a nuclear family or small friend groups."

Singapore's hawker centers serve up food and also time: They're "a prayer wheel for patience," says chef Lim. You wait for a table, you wait in line to order food, you wait for your friends to order food, everybody waits for their dishes to be made. Thus is the biological necessity of eating turned into a durational experience, filled with deliberate and chance encounters that strengthen both strong and weak social ties.

In Manhattan, such spaces are disappearing fast. "Greenwich Village used to be famous for cafes, but now there are hardly any," says sociologist Sharon Zukin, of the City University of New York. "There are so many places where you can buy coffee and take it out, but you can't sit down at a table in a comfortable way."

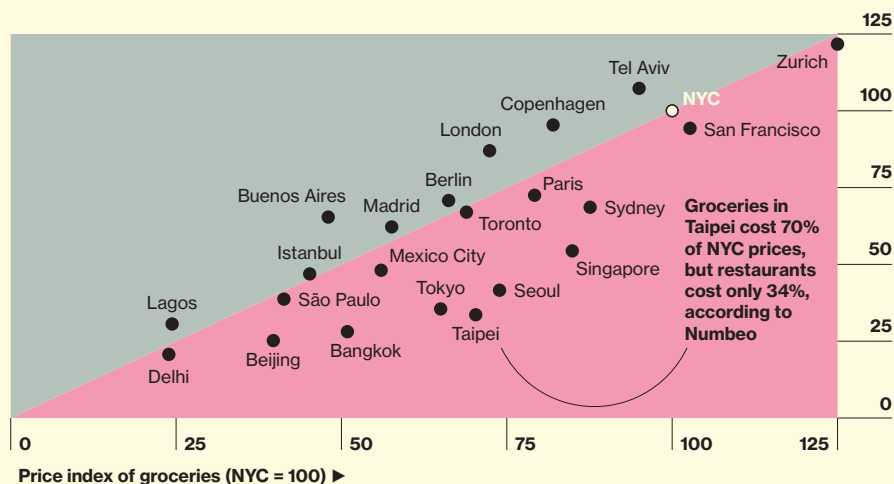
The reason, of course, is the capitalist imperative of profit maximization. An exurban McDonald's or Waffle House might happily accommodate groups of diners lingering over a \$2 coffee, but in Manhattan, every square foot has to earn its keep each hour it's open. Which is why New York is also at the forefront of another distressing trend: the time-delimited restaurant table. Book it for 6:30 p.m., and you have to vacate it by 8 p.m. Every good restaurateur understands the principles of hospitality enough to know that rushing diners is unpleasant and suboptimal. They also know they need to maximize profits, which means squeezing every table until it hosts not one but two, three or even four groups over an evening.

Dining spaces have become a central piece of hospitality infrastructure across the Western world and beyond, the natural habitat of unhurried conversation. They're built into our residences, and when they're not, their disappearance is noted. Rightly so: If you add up the minutes of unselfconscious laughter that fills those rooms on any given night, you'd fill a century. Partly because they're largely invisible to most visitors and partly because they feel so normal, they remain unsung and understudied. But they're a hugely important cultural artifact—one that restaurants will never replace. **B**

The Economics of Dinner

Selected cities where eating in has the relative price advantage over dining out (compared with New York City) and where dining out has the relative price advantage

▲ Price index of restaurants (NYC = 100)



THE BOSS'S BIGGEST MONEY REGRET

Among the requirements for those who run companies is the ability to intelligently oversee finances. Here are lessons that bosses learned along the way, professionally and personally. *By Kate Krader*



Rick Rosenfield

Co-founder, California Pizza Kitchen

"My co-founder, Larry Flax, and I made two expensive mistakes. When we sold two-thirds of California Pizza Kitchen to PepsiCo, we suddenly had what felt like a blank check, and we grew faster than our infrastructure, systems and leadership could support. When PepsiCo decided to exit the restaurant business, the consequences were painful: store closures, layoffs, cost cutting and, perhaps most damaging, a loss of trust among team members. Later, when as a public company we sold to private equity buyers, Larry and I were so focused on getting the transaction right for shareholders that we paid too little attention to our own future. Ultimately, we lost the ability to shape the company we had spent decades building. Sometimes the costliest mistakes aren't the result of bad decisions—they come from failing to anticipate the consequences of good ones."

Meenakshi Lala

CEO, UrbanStems

"Being too conservative too early in my career. I focused heavily on saving and minimizing risk instead of fully appreciating the power of compounding growth—not just financially but personally and professionally. I chose not to take an opportunity to move to France for a role. In hindsight, that decision limited my exposure to new markets, perspectives and relationships that could have significantly accelerated my growth, and likely would have compounded in ways far more valuable than the short-term financial security I prioritized."

JB Orecchia

CEO and president, SavvyMoney

"During my time between Experian and Disney, I executive-produced an indie comedy, *Rock Slyde*. Not exactly a line item most financial planners would approve of, and I knew going in it was a long shot. No regrets. That's kind of the point. The money decisions I can live with are the ones I made with my eyes open, even when they didn't pan out. The ones that actually stay with me are the quiet ones. What you measure, you will manage. It's the years you spent not keeping score that you can't get back."

George Sarkis

CEO, the Sarkis Team at Douglas Elliman

"One regret was spending money on marketing without a clear way to measure results. For years, I invested in initiatives because they sounded good or looked impressive, or because everyone else was doing them. Today, every dollar we spend on marketing is tied to a strategy, a measurable objective and a way to track performance. Brand awareness matters, but understanding ROI matters even more."

Amy Walker

CEO, 4basebio, a synthetic DNA company

"When I was in school, there was really no curriculum to support how young people should make money work for themselves. I knew next to nothing about investments, tax, anything. I've learned that the hard way. I think the regret is perhaps not learning sooner how to build long-term financial security and make informed decisions about wealth creation."

George Morgan-Grenville

CEO, Red Savannah, a travel firm

"That I didn't buy the 588 shares I was considering in Tesla's IPO at a cost of \$10,000. And then sell them again when the stock peaked in December 2020. The return—factoring in the 5-to-1 split in August 2020—would have been \$3.6 million, 20,655%."

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