

What's News

Business & Finance

OPEC and a Russia-led group of oil producers agreed to continue increasing production in measured steps, delegates said, deciding against opening the taps more widely, and driving U.S. crude prices to their highest levels since 2014. A1

◆ **Facebook's services went offline for as much as six hours Monday before some of them were restored, an extended outage that disrupted access for users and businesses around the world. A1**

◆ **Facebook filed a motion seeking the dismissal of an amended FTC antitrust lawsuit alleging that the company engaged in unlawful monopolization. A4**

◆ **Major U.S. stock indexes posted declines, with the Nasdaq, S&P 500 and Dow retreating 2.1%, 1.3% and 0.9%, respectively. B1**

◆ **China Evergrande's property-management unit said it could be the subject of a takeover bid, a deal that could bring in much-needed cash for its parent company. A1, B1**

◆ **Sen. Warren asked the SEC to investigate whether personal financial investments by senior Fed officials, including Vice Chairman Clarida, violated insider-trading rules. A2**

◆ **Tesla subjected a Black former worker to a racially hostile work environment and failed to take reasonable steps to prevent him from being harassed, a federal jury found. B1**

◆ **Kelly Campbell, the president of Walt Disney's Hulu streaming platform, has resigned and is in talks to take a senior role at Comcast's NBCUniversal. B3**

World-Wide

◆ **The Biden administration began defining its China trade policy, saying it aims to launch new talks with Beijing but will keep existing tariffs in place, while also restoring the ability of U.S. importers to seek exemptions from those levies. A1**

◆ **China's military flew 56 sorties near Taiwan, including flights by a dozen bombers, from the predawn hours into the night Monday, intensifying such activity shortly after the U.S. warned against it. A9**

◆ **Senate Majority Leader Schumer set up a vote by Wednesday on increasing the federal government's borrowing ceiling, but didn't lay out how Democrats planned to pass a bill without Republican votes. A4**

◆ **The Biden administration reversed a Trump-era policy that stripped federal family-planning dollars from clinics that refer patients for abortions. A3**

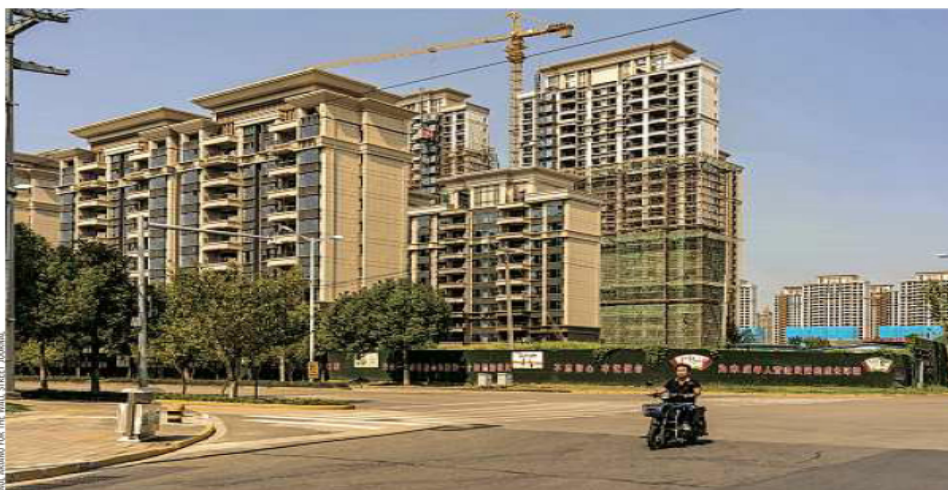
◆ **Fumio Kishida was elected Japan's new prime minister by the nation's parliament. He called for more aggressive distribution of wealth to those with lower and middle incomes. A8**

◆ **Europe's top health regulator issued a broad endorsement of Covid-19 vaccine booster shots, diverging from U.S. officials' more limited recommendation. A8**

◆ **The Nobel in medicine was jointly awarded to David Julius and Ardem Patapoutian for their work on how the human body senses temperature, touch and movement. A3**

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Evergrande built aggressively in Lu'an, China; above, the unfinished Evergrande Junting site in the city on Sunday.

Unfinished Buildings Testify To China's Evergrande Debacle

BY YOKO KUBOTA
AND LIYAN QI

LU'AN, China—Rows of residential towers, some 26 stories high, stand unfinished in this provincial city about 350 miles west of Shanghai, their plastic tarps flapping in the wind.

Elsewhere in Lu'an, golden Pegasus statues guard an uncompleted \$9 billion theme park that was supposed to be bigger than Disneyland. A planned \$4 billion electric-vehicle plant, central to local leaders' economic dreams, re-

mains a steel frame with overgrown vegetation spilling into the road.

The structures are monuments to the once-grand ambitions of China Evergrande Group, now among the world's most indebted property companies, and a case study in how China's dependence on real estate as an economic engine helped feed those ambitions.

Evergrande is in trouble in part because it developed properties aggressively in places such as Lu'an, where its debt-fueled building spree

came as the city's population dwindled. It launched hundreds of projects across more than 200 Chinese cities.

As it expanded, Evergrande racked up more than \$300 billion in liabilities. In September, it said it was facing unprecedented difficulties and was trying to protect customers. Days later, it missed a scheduled interest payment to overseas bondholders. On Monday, Evergrande and its property-management unit halted trading in Hong Kong; the unit said it could be subject of a takeover bid, which

could bring in much-needed cash for Evergrande.

The company's troubles are among the impacts unfolding since Beijing, concerned about risks to the financial system, last year began forcing developers to start cleaning up their balance sheets. Global investors are worried the crack-down could trigger financial-market distress or a protracted real-estate downturn. People who bought units in unfinished

Please turn to page A10

◆ Evergrande unit flags possible takeover attempt..... B1

Facebook Outage Hits Users Globally

BY ROBERT MCMILLAN
AND TALAL ANSARI

Facebook Inc.'s services went offline for as much as six hours Monday before some of them were restored, an extended outage that disrupted access for users and businesses around the world and left the tech giant flailing for a solution.

The company apologized for the outage, which affected its core platforms and apps including WhatsApp, Instagram and Facebook Messenger—and which an outside tracking firm said appears to be the most widespread in its history. Facebook said the problem was due to networking issues. Outside experts said it appeared to stem from a change

the company made to networking instructions for access to its systems.

The disruption hobbled communication both essential and mundane, cut off small businesses from customers and slowed e-commerce across myriad countries. Some companies saw their operations and revenues curtailed, underscoring the extent to which Facebook—despite the many controversies it faces—is at the center of daily life all over the globe.

Users began to receive error messages when trying to access Facebook platforms shortly before noon ET. The outage also caused widespread

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◆ Facebook seeks dismissal of FTC's antitrust lawsuit..... A4

INSIDE



JASON GAY
Tampa Bay comes out on top amid the Brady vs. Belichick psychodrama. A14

BUSINESS & FINANCE

Budget appliances become harder to find as some makers focus on premium models. B1

U.S. Aims to Renew Talks With Beijing But Keep Up Tariffs

WASHINGTON—The Biden administration began defining its China trade policy, saying it aims to launch new talks with Beijing but will keep existing tariffs in place, while

By Josh Zumbrin,
Bob Davis
and Lingling Wei

also restoring the ability of U.S. importers to seek exemptions from those levies.

The new policy, outlined by U.S. Trade Representative Katherine Tai on Monday, largely builds on the policy initiated by former President Donald Trump, who launched

the biggest trade war since the 1930s in an attempt to get China to buy more U.S. goods and to stop it from pressuring U.S. companies to hand over their trade secrets.

Ms. Tai said the U.S. would press China to carry out pledges it made as part of the Phase One accord signed in January 2020—including by maintaining steep tariffs put in place by Mr. Trump on what is currently about half of China's exports to the U.S. But she said there were no plans

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◆ China steps up pressure on Taiwan..... A9

Mob Suffers Management Troubles

New York clan fails to follow best business practices

BY JAMES FANELLI

NEW YORK CITY—The kiss of death for Mafia families isn't necessarily from gang wars or snitches. These days, organized crime is threatened more by mismanagement, lousy hires and half-baked succession plans.

Former mob investigators point to the case against Andrew Russo, the man federal prosecutors allege heads the Colombo crime family, one of five storied Mafia clans that ruled the New York underworld for much of the last century.

The alleged Colombo leader's management troubles

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Indexes Signal Inflation Pressures Are Spreading

BY GWYNETH GUILFORD

While many pandemic-driven price pressures are easing, broader sources of higher inflation are replacing them.

That is the message from a number of alternative inflation measures that strip away price changes due to idiosyncratic swings in supply and demand, and home in on longer-lasting pressures. These alternative indexes are signaling "inflation is not as extreme as what the headline or traditional core shows right now, but it is picking up," said Sarah House, director and senior economist at Wells Fargo.

Brent Meyer, an economist at the Federal Reserve Bank of Atlanta, said, "All of these measures have moved from signaling price stability to signaling sharp accelerations in underlying inflation."

Some economists interpret this as inflation returning to levels consistent with a

healthy economy, after being too low before the pandemic. "To now see price pressures picking up, but not at extremely worrying levels—it's progress," said Elerina Turchi, senior U.S. economist at Barclays.

Inflation as measured by the Labor Department's consumer-price index was 5.3% in the 12 months through August, close to the highest in 12 years. Economists generally expect that to fall, but disagree on how much.

They attribute much of the recent surge in prices to temporary causes—such as a post-vaccine spending upsurge, specific supply-chain problems and other production bottlenecks—that should fade as businesses increase output.

But an important question is whether prices will continue to increase more persistently.

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◆ Dollar's strength becomes a worry for Wall Street..... B1

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Facebook Apps Crash, Leaving Billions Cut Off

Outage Lasting Hours
Has Global Impact

By MIKE ISAAC
and SHEERA FRENKEL

SAN FRANCISCO — Facebook and its family of apps, including Instagram and WhatsApp, were inaccessible for hours on Monday, taking out a vital communications platform used by billions and showcasing just how dependent the world has become on a company that is under intense scrutiny.

Facebook's apps — which include Facebook, Instagram, WhatsApp, Messenger and Oculus — began displaying error messages around 11:40 a.m. Eastern time, users reported. Within minutes, Facebook had disappeared from the internet. The outage lasted over five hours, before some apps slowly flickered back to life, though the company cautioned the services would take time to stabilize.

Even so, the impact was far-reaching and severe. Facebook has built itself into a linchpin platform with messaging, livestreaming, virtual reality and many other digital services. In some countries, like Myanmar and India, Facebook is synonymous with the internet. More than 3.5 billion people around the world use Facebook, Instagram, Messenger and WhatsApp to communicate with friends and family, distribute political messaging, and expand their businesses through advertising and outreach.

Facebook is used to sign in to many other apps and services, leading to unexpected domino effects such as people not being able to log into shopping websites or sign into their smart TVs, thermostats and other internet-connected devices.

Technology outages are not uncommon, but to have so many apps go dark from the world's largest social media company at the same time was highly unusual. Facebook's last significant outage was in 2019, when a technical error

Continued on Page A9

TROUBLE Leaked files published by The Wall Street Journal hint at Facebook's weakness. PAGE B1



RINGO H.W. CHIU/ASSOCIATED PRESS

California Closes Beaches as Oil Spreads

At least 126,000 gallons have spilled from a damaged pipeline off Southern California, the largest such leak since 2015. Page A15.

Energy Prices Spike as Producers Fret Over Pandemic and Climate

By CLIFFORD KRAUSS
and PETER EAVIS

HOUSTON — Americans are spending a dollar more for a gallon of gasoline than they were a year ago. Natural gas prices have shot up more than 150 percent over the same time, threatening to raise prices of food, chemicals, plastic goods and heat this winter.

The energy system is suddenly in crisis around the world as the cost of oil, natural gas and coal has climbed rapidly in recent months. In China, Britain and elsewhere, fuel shortages and panic buying have led to blackouts and long lines at filling stations.

The situation in the United States is not quite as dire, but oil and gasoline prices are high enough that President Biden has

Cost Hits a 7-Year High After OPEC Declines to Increase Supply

been calling on foreign producers to crank up supply. He is doing so as he simultaneously pushes Congress to address climate change by moving the country away from fossil fuels toward renewable energy and electric cars.

U.S. energy executives and the Wall Street bankers and investors who finance them are not doing anything to bolster production to levels that could bring down prices. The main U.S. oil price jumped nearly 3 percent on Monday.

Continued on Page A15

U.S. Suggests It Will Not Ease Tough Line on Chinese Trade

By ANA SWANSON
and KEITH BRADSHAW

WASHINGTON — The Biden administration offered its strongest signal yet that the United States' combative economic approach toward China would continue, with senior administration officials saying that President Biden would not immediately lift tariffs on Chinese goods and that he would hold Beijing accountable for trade commitments agreed to during the Trump administration.

Comments on Monday by Katherine Tai, the United States trade representative, and other officials provided one of the first looks at how the Biden administration plans to deal with a rising economic and security threat from China. They indicated that while

Biden Criticized Trump but Keeps Penalties He Imposed

Mr. Biden may have criticized the Trump administration's aggressive approach, his White House will continue trying to counter China's economic threats with trade barriers and other punitive measures.

That includes requiring China to uphold commitments it agreed to as part of the initial trade deal that it signed with the United States in January 2020, as well as pressing China on the issue of subsidies it offers to give its industries.

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BIDEN'S AGENDA FACES ONSLAUGHT FROM LOBBYISTS

FOCUS ON KEY CENTRISTS

Business Groups Urging
Democrats to Alter or
Kill Social Plans

By LUKE BROADWATER

WASHINGTON — As centrist Democrats in Congress have worked to block or strip out major provisions of President Biden's \$3.5 trillion social safety net and climate plan, a string of online ads has popped up in their states and districts, lavishing praise on them.

One calls Senator Kyrsten Sinema of Arizona, who has emerged as a leading holdout on the measure, an "independent voice" and a "bipartisan leader." Another says Representative Kurt Schrader of Oregon is pushing for the "Biden-Schrader" agenda, though he clearly opposes key portions of the president's package. A third praises Representative Kathleen Rice of New York for "fighting for our health care and our economy," even as she undercuts elements of Mr. Biden's plan.

There is one thing the ads do not say as prominently: They are paid for by groups funded by the pharmaceutical industry and business interests that are lobbying hard to kill or reshape crucial pieces of the president's plan.

As Democrats labor to keep Mr. Biden's proposal on track in Congress amid deep internal divisions, a robust influence campaign is meeting it at every turn. Business groups are working in overdrive to fight large swaths of it, such as raising taxes on the wealthy and corporations; expanding Medicare to cover dental, hearing and vision services; and proposed taxes and fees to cut down on carbon emissions.

The effort is unfolding less conspicuously than previous lobbying.

Continued on Page A13

DEADLINE The president warned the G.O.P. not to use "tricks" on raising the debt limit. PAGE A13

Venice Turns Cameras on Tourists to Count and Corral Big Crowds

By EMMA BUBOLA

VENICE — As the pandemic chased away visitors, some Venetians allowed themselves to dream of a different city — one that belonged as much to them as to the tourists who crowd them out of their stone piazzas, cobblestone alleyways and even their apartments.

In a quiet city, the chiming of its 100 bell towers, the lapping of canal waters and the Venetian dialect suddenly became the dominant soundtrack. The cruise ships that disgorged thousands of day-trippers and caused damaging waves in the sinking city were gone, and then banned.

But now, the city's mayor is taking crowd control to a new level, pushing high-tech solutions that alarm even many of those who have long campaigned for a Venice for Venetians.

The city's leaders are acquiring the cellphone data of unwitting tourists and using hundreds of surveillance cameras to monitor visitors and prevent crowding. Next summer, they plan to install long-debated gates at key entry



ALESSANDRO GRASSANI FOR THE NEW YORK TIMES

In a control room in Venice, officers watch 400 surveillance cameras to track and disperse crowds.

points; visitors coming only for the day will have to book ahead and pay a fee to enter. If too many people want to come, some will be turned away.

The conservative and business-

friendly mayor, Luigi Brugnaro, and his allies say their aim is to create a more livable city for beleaguered Venetians.

"Either we are pragmatic, or we live in the world of fairy tales,"

said Paolo Bettio, who heads Venis, the company that handles the city's information technology.

But many residents see the plans to monitor, and control, peo-

Continued on Page A9

Streets and Storefronts Empty, SoHo Is Teeming With Anxiety

By MATTHEW HAAG

In the chic neighborhood of SoHo, more than 40 stores have closed during the pandemic. More than a quarter of the offices, once among the most desirable and expensive in New York City, are empty, the highest vacancy rate in Manhattan. The international tourists who fueled the area's economy vanished a year and a half ago.

Perhaps no neighborhood in the American city hardest hit by the pandemic's financial devastation has been hurt more than the picturesque district of ornate cast-iron buildings, art galleries and designer boutiques that made it one of the country's hippest neighborhoods.

As New York climbs out of the depths of an economic free-fall, it has notched some major milestones lately. In-person classes have resumed at the city's schools, Broadway theaters have reopened and 300,000 municipal workers have returned to their offices for the first time in 18



JAMES ESTRINE/THE NEW YORK TIMES

SoHo has been hit hard by a loss of overseas tourists.

months.

But on SoHo's cobblestone streets, the economic scars have not yet healed, a sign of how vulnerable New York is to a contagious disease that has unraveled an urban economy built on face-to-face interactions in offices, restaurants and stores.

The sidewalks are bare. "For Lease" signs hang in one storefront after another. Employees far

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INTERNATIONAL A4-9

Britons Face a Lean Christmas

Shortages and supply-chain problems are threatening traditional holiday foods and beyond, as Britain braces for a challenging winter.

PAGE A4

NATIONAL A10-17

Reversing an Abortion Ban

The change reversed a Trump administration policy that barred organizations providing abortion referrals from federal family planning money.

PAGE A13

SPORTS B7-10

Perfectionist Holds Yanks' Fate

Gerrit Cole is known by his teammates as a student of the game. Can he pass a big test on Tuesday night in the A.L. wild-card game in Boston?

PAGE B7

SCIENCE TIMES D1-8

A 'Pacemaker for the Brain'

Scientists are studying an implant that delivers individualized brain stimulation in an effort to treat patients with severe depression.

PAGE D1

OPINION A18-19

Paul Krugman

PAGE A19



REOPENING TONIGHT. ALL RISE.

HARPER LEE'S **TO KILL A MOCKINGBIRD** | NOW ON BROADWAY



Nunes recebeu de investigada na máfia das creches

A quebra de sigilo bancário de suspeitos de um esquema de desvio de verbas conhecido como máfia das creches indica que uma das empresas investigadas repassou cerca de R\$ 31 mil ao atual prefeito de São Paulo, Ricardo Nunes (MDB), e à empresa da família, relatam Artur Rodrigues e Rogério Pagnan. Nunes não nega os repasses e afirma que não são ilícitos. **Cotidiano B1**

Total da população vacinada

ao menos uma dose* totalmente vacinada

Brasil	71,2 %	44,2 %
SP	81,8 %	58,4 %
MS	75,9 %	58,4 %
RS	74,7 %	50,2 %

Total de doses aplicadas

	1ª	2ª	única
Brasil	142,7 mil	90 mil	4,2 mil
1ª SP	37 mil	26,1 mil	1,2 mil
2ª MG	14,9 mil	8,1 mil	486,3 mil
3ª RJ	12,1 mil	6,9 mil	352,6 mil

Números da pandemia

	Casos	Óbitos
Total	21,5 mil	598,2 mil
Méd. móvel	16,0 mil	498
Variação***	-51%	-10,6%
Em 24 h	11,1 mil	199

Dados das 20h de 4.out
* Tornou dose única ou 1ª dose
** Tornou dose única ou 2ª dose
*** Em relação a 14 dias

Apagão global de Facebook e WhatsApp afeta bilhões

Aplicativos de Mark Zuckerberg passam sete horas fora do ar; causa é incógnita

Facebook, WhatsApp e Instagram sofreram um apagão, passando mais de sete horas ontem fora do ar em vários países, inclusive no Brasil. Deixaram desassistidos não só aqueles que os usam para contatar amigos e parentes como os que têm nas plataformas a principal ferramentas de negócios.

O problema começou por volta de 12h (no horário de Brasília), e apenas no início da noite os aplicativos começaram a voltar ao normal. Até a conclusão desta edição, a causa da queda não havia sido informada. O governo americano descartou a hipótese de hackers, segundo o jornal New York Times.

A empresa disse a funcionários que desconhecia a origem da pane e se desculpar com o público em outras redes —que, sobrecarregadas, também engasgaram. Reportagens recentes no Wall Street Journal questionam a gestão que a plataforma faz de informações sobre sua segurança e efeitos.

A ex-funcionária da rede que foi fonte do WSJ depõe ao Senado hoje. **Mercado A18**

Com pane, Zuckerberg perde US\$ 6 bi, e Bill Gates o ultrapassa A19

Marcos Nogueira
Como almoçávamos sem Insta, Zap e Face? **B8**

Denunciantes da Prevent receberam kit a si mesmos

A Prevent Senior levará ao Cremesp documentos para mostrar que médicos que a denunciaram receberam kit hidroxocloroquina a si próprios e a parentes —logo, não seriam coagidos a usar "kit Covid". A defesa deles disse que eram obrigados à autoteste em caso de sintomas. **Saúde B4**

Como fugir da pobreza



Luciele Malaguez, 37, de Eldorado do Sul (RS), formou-se massagista em 2016 sem vaga na área; em 2020, perdeu o emprego de garçonete **Daniel Marcano/Folhapress**

USP reabre, mas ensino remoto ainda será regra

Cotidiano B2

Pessoas de 2ª dose diferente ficam sem certificado

Saúde B5

Ciência B6

Nobel de Medicina

Americano David Julius e libanês Ardem Patapoutian receberam o prêmio pela descoberta de receptores de temperatura e sensação de toque na pele.

Esporte B7

Clubes avaliam que Turner não acreditou no próprio projeto para exibir futebol

Ilustrada C1

De cueca, americano faz sucesso com lives que unem piada e música eschachada

SP vai fechar bilheterias da CPTM e do Metrô até o fim do ano B2

ATMOSFERA

São Paulo hoje



ISSN 1414-3725
9 771414 372032

Educação dos mais pobres dispara, mas crise corrói renda

A metade mais pobre da população brasileira viu sua renda afundar 26,2% na última década, embora seus anos de estudo tenham aumentado quase na mesma proporção, de 6,4 para 8,1. Já os 50% mais ricos preservaram ou ampliaram ganhos, ainda que sua escolaridade subisse menos. Ou: a lacuna de educação se estreitou, e a de renda se alargou.

Os dados são do FGV Social com base na Pnad Continua. O paradoxo, que piorou na pandemia, expõe a armadilha que mantém de sigal o Brasil, onde reduzir a pobreza depende crucialmente de crescimento econômico. **Mercado A24 e A25**

Mesmo com diploma nas mãos, jovens ficam desempregados A25

Para historiador, mundo discute clima e subestima outros riscos

Líderes mundiais concentram energias discutindo mudanças climáticas enquanto ameaças mais urgentes são subestimadas, afirma o escocês Niall Ferguson. **Mundo A17**

China faz maior incursão militar aérea em Taiwan A13

Petróleo tem maior valor em três anos e derruba bolsas A28

Suzana Herculano-Houzel

Chapada pela 1ª vez, vi que perder o controle pode ser incrivelmente bom **B8**

Lira descarta veto, e chance de Bolsonaro no PP cresce

Apesar de demonstrar resistência à entrada de Jair Bolsonaro no PP, o presidente da Câmara, Arthur Lira, declarou a pessoas próximas que não vai atuar para barrar a filiação.

Bolsonaro está cada vez mais próximo da sigla do centrão. Como condição, pediu para escolher candidatos ao Senado pelo partido em 2022. **Poder A4**

Guedes quis tirar taxaço de paraíso fiscal de reforma

Dono de offshore, o ministro Paulo Guedes (Economia) defendeu em julho retirar do projeto de lei do IR a regra que tributaria recursos em paraísos fiscais.

Roberto Campos Neto reafirmou ontem ter declarado offshore. **Mercado A27**

EDITORIAIS A2

Paradoxo das ruas
Sobre atos contra Bolsonaro e cálculos políticos.

Ainda em reforma
A respeito de Previdência do município de São Paulo.

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15h às 17h

EVENTO GRATUITO

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Saiba mais na página A9