"All the News That's Fit to Print"

The New York Times

National Edition
Upper Midwest: Late-afternoon showers or thunderstorms west. Mild with clouds and sunshine east. Highs 70s. Rain west tonight. Lows 50s. Weather map is on Page A26.

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Johnson Ends Comeback Bid As Rival Rises

Path Clears in the Race to Lead Britain

By MARK LANDLER

LONDON — Boris Johnson pulled out of the race to succeed Liz Truss as Britain's prime minister on Sunday evening, ending a quixotic bid to reclaim a job he lost three months ago amid a cascade of scandals, and leaving his rival, Rishi Sunak, in a commanding position to be the country's next leader.

The result of the contest will not be known until Monday afternoon at the earliest, and there is still room for further twists. Mr. Johnson did not endorse Mr. Sunak, and another ambitious candidate, Penny Mordaunt, remains in the hunt. But Mr. Johnson's withdrawal removes much of the suspense from a race that was shaping up as an epic battle between the former prime minister and his onetime chancellor.

Mr. Johnson said he believed he had a path to victory, even though the BBC estimated he had lined up the public support of only 57 Conservative lawmakers. It was well short of the threshold of 100 required to be on the ballot, though he claimed he had 102 votes.

Whatever the case, he said in a statement, "I have sadly come to the conclusion that this would simply not be the right thing to do."

Mr. Johnson, 58, said he did not believe that he could govern effectively without a unified Conservative Party in Parliament. Despite what he said were his efforts to reach out to Mr. Sunak and Ms. Mordaunt to create some kind of unity ticket, "we have sadly not been able to work out a way to do this."

Mr. Johnson's departure ends a feverish three days following Ms. Truss's resignation in which he once again gripped public attention and dominated the political conversation. But his campaign never really gained momentum. Party leaders threw their support behind Mr. Sunak as a better option to try to unify a divided party and put the chaos of the last few months — much of it caused by Mr. Johnson — behind it.

For Mr. Sunak, the 42-year-old son of Indian immigrants, the dizzying events appeared to cap a remarkable turnaround in his fortunes. In September, he lost his leadership bid to Ms. Truss in a vote of the party's members, de-

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Sunak's Vision, Once Ignored, Now Lifts Him

By ESHE NELSON

LONDON — Rishi Sunak would have every right to be smug.

Throughout the summer, Mr. Sunak, Britain's former finance minister — and now the front-runner for prime minister — warned against the economic policies of Liz Truss as he competed with her for the nation's top job, and then lost. From the first television debate, when he described her plans as a "fairy tale," to the final days of the contest, when he said he "struggled to see" how Ms. Truss's tax cuts and spending plans would "add up," he sounded the alarm.

For the past six weeks, Mr. Sunak has been lying low as his economic predictions have played out at a dizzying speed. Investors balked at Ms. Truss's widespread tax cuts and increased borrowing; the pound slumped; government borrowing costs soared; the mortgage market was upended; and the central bank had to intervene. After just 44 days as prime minister, Ms. Truss resigned last week

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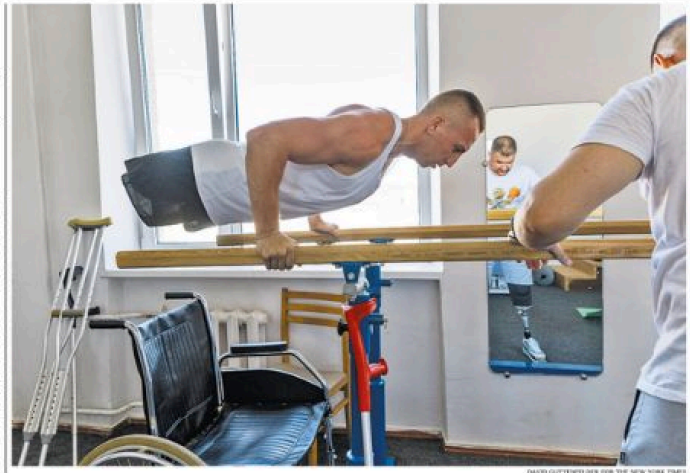

DAVID GUTTENFELDER FOR THE NEW YORK TIMES

Finding Camaraderie in Recovery
At an old medical center in western Ukraine, war amputees are forming a community as they adjust to their new lives. Page A6-7.

TESTING REVEALS ALARMING DROP IN MATH SKILLS

READING ALSO SUFFERS

Most Definitive Picture Yet of the Pandemic's Mark on Students

By SARAH MERVOSH and ASHLEY WU

U.S. students in most states and across almost all demographic groups have experienced troubling setbacks in both math and reading, according to an authoritative national exam released on Monday, offering the most definitive indictment yet of the pandemic's impact on millions of schoolchildren.

In math, the results were especially devastating, representing the steepest declines ever recorded on the exam, the National Assessment of Educational Progress, known as the nation's report card, which tests a broad sampling of fourth and eighth graders and dates to the early 1990s.

In the test's first results since the pandemic began, math scores for eighth graders fell in nearly every state. A meager 26 percent of eighth graders were proficient, down from 34 percent in 2019.

Fourth graders fared only slightly better, with declines in 41 states. Just 36 percent of fourth graders were proficient in math, down from 41 percent.

Reading scores also declined in more than half the states, continuing a downward trend that had begun even before the pandemic. No state showed sizable improvement in reading. And only about one in three students met proficiency standards, a designation that means students have demonstrated competency and are on track for future success.

And for the country's most vulnerable students, the pandemic has left them even further behind. The drops in their test scores were often more pronounced, and their climbs to proficiency are now that much more daunting.

"I want to be very clear: The results in today's nation's report card are appalling and unacceptable," said Miguel Cardona, the secretary of education. "This is a moment of truth for education. How we respond to this will determine not only our recovery, but our nation's standing in the world."

The exam, which is administered by federal officials and is considered more rigorous than many state tests, sampled nearly 450,000 fourth and eighth graders in more than 10,000 schools between January and March. The results are detailed for each state, as well as more than two dozen large school districts.

The findings raise significant questions about where the country goes from here. Last year, the federal government made its largest single investment in American schools — $123 billion, or about $2,400 per student — to help students catch up. School districts were required to spend at least 20 percent of the money on academic recovery, a threshold some ex-

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In Third Term, Xi Strengthens Grip on Power

This article is by Chris Buckley, Keith Bradsher and Chang Che.

When China's leader, Xi Jinping, led six dark-suited men onto a bright red stage on Sunday, the scale of his victory became clear as one by one he introduced the country's new ruling inner circle. Each was an acolyte of Mr. Xi, making his grip over China's future tighter than ever.

Mr. Xi's groundbreaking third term as leader, following a weeklong Communist Party congress, was entirely expected. But even seasoned observers who thought that they had taken the full measure of Mr. Xi have been astonished by how thoroughly he shook up the party's top tiers.

"He was dominant already and is even more dominant now," said Dali Yang, a professor at the University of Chicago who researches Chinese politics. "He owns it."

Mr. Xi has stacked the Politburo Standing Committee, the party's top body, with his loyalists. He has also appointed to the broader leadership a number of domestic security officials, military commanders, ideologues, engineers and technocrats, underscoring his ambition of accelerating China's rise as a military and technological superpower — while keeping it under unyielding Communist Party control.

For the world, this may portend a China newly energized to pursue Mr. Xi's agenda. Beijing is likely to remain defiant in the face of international criticism of its hard-line behavior. It is seeking greater self-sufficiency in strategic technologies. It wants to become the preeminent military force in the region and to strongly assert its claim over Taiwan. At the congress, Mr. Xi also said that China would promote its own initiatives to solve global development and security problems.

To the party's supporters and many people in China, Mr. Xi's centralized control can be a strength. The party has pushed images showing how the pandemic devastated other countries. Mr. Xi has contrasted the vast mobilizing capacity of the Chinese state with what he calls the "chaos of the West."

"A third term for Xi Jinping very much represents continuity in all of China's current policies, unlike the United States' flip-flopping

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Suspicion and Blame as Their America Vanishes

By MICHAEL H. KELLER and DAVID D. KIRKPATRICK

When Representative Troy Nehls of Texas voted last year to reject Donald J. Trump's electoral defeat, many of his constituents back home in Fort Bend County were thrilled.

Like the former president, they have been unhappy with the changes unfolding around them. Crime and sprawl from Houston, the big city next door, have been spilling over into their once bucolic towns. ("Build a wall," Mr. Nehls likes to say, and make Houston pay.) The county in recent years has become one of the nation's most diverse, where the former white majority has fallen to just 30 percent of the population.

DEMOCRACY CHALLENGED
Where Election Doubt Thrives

Don Demel, a 61-year-old salesman who turned out last month to pick up a signed copy of a book by Mr. Nehls about the supposedly stolen election, said his parents had raised him "colorblind." But the reason for the discontent was clear: Other white people in Fort Bend "did not like certain people coming here," he said. "It's race. They are old-school."

A shrinking white share of the population is a hallmark of the congressional districts held by the House Republicans who voted to challenge Mr. Trump's defeat, a New York Times analysis found — a pattern political scientists say shows how white fear of losing status shaped the movement to keep him in power.

The portion of white residents dropped about 35 percent more over the last three decades in those districts than in territory represented by other Republicans, the analysis found, and constituents also lagged behind in income and education. Rates of so-called deaths of despair, such as suicide, drug overdose and alcohol-related liver failure, were notably higher as well.

Although overshadowed by the assault on the Capitol on Jan. 6, 2021, the House vote that day was the most consequential of Mr. Trump's plays to overturn the election. It cast doubt on the cen-

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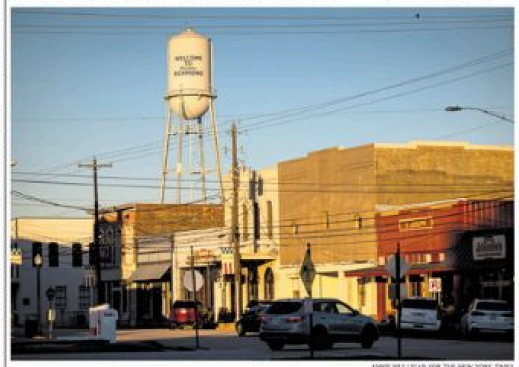

ANNE MULLIGAN FOR THE NEW YORK TIMES

Richmond, Texas, in Fort Bend County, where the former white majority has fallen to 30 percent.

Ryan, Stressing 'Ohio' Over 'Democrat,' Puts Senate Race in Play

By MATT FLEGENHEIMER

COLUMBUS, Ohio — Tim Ryan is the kind of candidate who appears to put some thought into appearing to put no thought into appearances.

His daily uniform exudes well-practiced campaign casual: an Ohio State hoodie on game day; a T-shirt from Dropkick Murphys, the union-minded Celtic punk band, for a recent speech at an A.F.L.-C.I.O. gathering, where he took the stage to Metallica's "Enter Sandman"; unlaced white Nikes for a canvass kickoff in the capital, laced tastefully days later for a condolence visit to a Toledo union hall.

His stump speech is a bits reel befitting an eastern Ohio congressman, as if culled from the down-home liner notes of a Springsteen track about the industrial Midwest.

"My grandfather was a steelworker . . ."

"I'm campaigning for the exhausted majority . . ."

"Star of the high school football team . . ."

"O-H!" (I-O.)

Most political races are about authenticity on some level: who tries too hard, who does not try hard enough, who can read the electorate without staring. Mr. Ryan, 49, has made Ohio perhaps the country's unlikeliest Senate battleground by taking this premise to its logical extreme.

He is seeking to depict his Republican opponent, J. D. Vance, the author and venture capitalist made famous by a memoir of life in Appalachia, as something of a political fabulist — a playacting fraud ("Uncomfortable in Flannel," the text flashes in one attack

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THE WALL STREET JOURNAL.

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Last week: DJIA 31082.56 ▲ 1447.73 4.9% NASDAQ 10859.72 ▲ 5.2% STOXX 600 396.29 ▲ 1.3% 10-YR. TREASURY ▼ 1 17/32, yield 4.212% OIL $85.05 ▲ $0.40 EURO $0.9864 YEN 147.68

What's News

Business & Finance

Fewer companies than usual are beating Wall Street's expectations so far in the third-quarter earnings-reporting season amid a host of challenges to profits, including persistent inflation, rising interest rates and a generational surge in the dollar. A1

◆ **Amazon, Apple and MSFT** Platforms are among the tech heavyweights featured in a packed week of earnings that investors will probe for indicators about the economy. B3

◆ **The Biden administration** is offering to buy oil at fixed future prices to refill the nation's emergency petroleum reserve, but oil companies are wary of boosting output. A1

◆ **China's GDP expanded** by 3.9% in the third quarter as the country bounced back modestly from crippling Covid lockdowns in the spring. A8

◆ **The Nasdaq** has quietly halted listings of small-cap Chinese companies after a series of meteoric run-ups and dramatic collapses in IPOs this year. B1

◆ **Upstart e-commerce** service Meesho is winning more new shoppers in India than Amazon and Walmart's Flipkart, posing a challenge to the U.S. retailing titans. B1

◆ **Rising U.S. interest rates** and the surging dollar are creating problems for riskier companies in Asia that had flocked to the U.S. dollar-denominated bond market when yields were much lower. B1

◆ **Died.** Dietrich Mateschitz, Austrian entrepreneur who made Red Bull energy drink a global sensation, 78. B3

World-Wide

◆ **Xi Jinping cemented** his status as China's most formidable leader since Mao Zedong by extending his term as Communist Party chief into a second decade and declining to elevate a clear potential successor. A1, A8-9

◆ **The new slate** of China's top leaders, packed with allies of Xi, has some economists fearing a further erosion of checks on the power of a Chinese leader. A8

◆ **Former U.K. Chancellor** of the Exchequer Rishi Sunak took a major step toward becoming Britain's next prime minister after his main rival for the job Boris Johnson pulled out the race. A1

◆ **U.S. schools** this year recorded the largest-ever drop in math scores, with fourth- and eighth-grade students in nearly every state showing significant declines, according to Education Department data. A3

◆ **Venezuelans, Cubans** and Nicaraguans drove a wave of migration over the past year, as total annual arrests at the southwestern U.S. border reached an all-time high. A3

◆ **The criminal tax-fraud** trial of the Trump Organization is set to begin with jury selection Monday. A3

◆ **With less than** three weeks left in Charles Rettig's term as IRS commissioner, Biden hasn't picked anyone to succeed him. A5

◆ **Iran's labor unions** are helping antigovernment protests maintain momentum by calling for strikes at oil facilities, schools and factories. A10

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JON GOMEZ FOR THE WALL STREET JOURNAL

Chinese President Xi Jinping, shown Sunday inside Beijing's Great Hall of the People.

Xi Extends His Control Over China

Leader sidelines rivals and elevates no clear successor as he takes a third five-year term

By KEITH ZHAI AND CHUN HAN WONG

SINGAPORE—China's Xi Jinping embarked Sunday on his third term with his rivals out of the way and no clear successor in sight, deepening his control over the world's second-largest economy as the country's most formidable leader since Mao Zedong.

Mr. Xi, 69 years old, received a third five-year term as the Communist Party's general secretary, emerging first as China's new seven-man leadership strode onto a red-carpeted dais inside Beijing's Great Hall of the People on Sunday. That followed a closed-door conclave of about 370 senior officials.

The lineup of the new Politburo Standing Committee, the inner sanctum of power in China, was dominated by Mr. Xi's allies and protégés, though none of them with the combination of age and experience that would mark them out as a viable successor.

By extending his rule without any help apparent, Mr. Xi has effectively obliterated the party's decadeslong efforts to ensure regular leadership successions and prevent a return to Mao-style dictatorship. While the party doesn't set term limits on its top political office, Mr. Xi is breaking with the 10-year leadership cycle set by his predecessor.

Since taking power in 2002, Mr. Xi has reversed the party's embrace of collective leadership, concentrated decision-making authority in his own hands and scrapped constitutional term limits on the presidency.

These power plays also swept aside officials once seen

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Power Play

◆ China's GDP grows 3.9% in rebound ... A8

◆ Loyalists make up new slate of leaders ... A8

◆ Predecessor's surprising exit at congress ... A9

Markets Eye Lackluster Earnings

By HANNAH MIAO

Early results from the third-quarter earnings season haven't provided much comfort to jittery investors.

While some corporate leaders noted glimmers of hope for consumers and the economy, many have reported a host of challenges to profits, including persistent inflation, rising interest rates and a generational surge in the dollar that has pressured revenue generated overseas.

So far, fewer companies than usual are beating Wall Street's earnings expectations. With about 20% of companies in the S&P 500 having reported third-quarter results, 72% have topped analysts' consensus earnings estimates, according to FactSet. That is below the five-year average of 77%.

Investors also are punishing corporations that miss the mark. Shares of S&P 500 companies that have underperformed Wall Street's earnings expectations have slipped 4.7% on average in the two days before their report through the two days after, according to FactSet. That compares with the five-year average of 2.2%.

Even some earnings beats aren't wowing investors as much as usual. Tesla Inc., for example, topped consensus earnings estimates, yet shares dropped 6.7% in the session after the electric-vehicle maker's report.

"The bar was set really low going into earnings season," said Gene Goldman, chief investment officer at Cetera Investment Management. "We were hoping for easier beats because everything had been revised lower, but the earnings releases we're seeing now have not been that great."

The quarterly reporting period marks the latest test for stocks battered by this year's brutal market conditions: Declining bond prices and surging yields have recalibrated investors' appetite for riskier assets. The S&P 500 is on pace for its worst year since the 2007-08 fi-

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◆ Companies' inflation strategies diverge ... B1

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Average share price change for S&P 500 companies that have beat or missed consensus analyst estimates*

*Two days before earnings release through two days after. Q4 of 2019, Q1 through Q3 of 2022.
Source: FactSet

Orders for Cocaine, Deaths by Fentanyl

New Yorkers texted same delivery service

By MARGOT PATRICK

NEW YORK—Ross Mitangi, a trading executive at Credit Suisse Group AG, left his Manhattan penthouse in March 2021 with his laptop and told his pregnant partner he was going to work.

He checked into a nearby hotel and tuned in to work calls. Later, he texted for cocaine from a drug delivery service. A man wearing a baseball cap, cross-body bag and face mask appeared on hotel surveillance.

Mr. Mitangi, 40 years old, missed a follow-up meeting. His sister and her partner found him dead at the hotel the next day. Police found on a table translucent black baggies that contained lethal fentanyl mixed in with the cocaine.

In the East Village, first-year lawyer Julia Ghahramani, 26, tested the same delivery service the same day. She also died. She had just started her career remotely at Akin Gump Strauss Hauer & Feld LLP.

Social worker Amanda Schier, 38, did the same. She died in the Greenwich Village apartment she shared with her Chihuahua-Corgi rescue dog. It was a stone's throw from where she had received

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New Owners of Feral Dogs Hope For Fido, End Up With Cujo

Israel's 33,000 strays test those who adopt them; 'VEEERRY difficult dog'

By DON LEBLER

TEL AVIV—After hours of training, Olly has learned to hound, tail wagging, toward his owners when called. But the big shaggy pooch still sometimes growls in a back-off-pal warning when owner Itai Linzen touches him.

"It's a bit like having a grumpy teenager," said Mr. Linzen, who describes Olly as a mixed breed, part Dr. Jekyll, part Mr. Hyde.

Israel is a dog-friendly country, but a lot of its canines aren't very sociable. An estimated 33,000 strays wander the country, including feral Fido roaming without human help beyond the scrap-rich trash dumps where they feed.

Olly belongs to a generational litter of feral pets adopted by people seeking to turn them from churlish to

Good boy?

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Executive held for years in Venezuelan prison describes his ordeal. A18

SPORTS
The World Series is set: Philadelphia Phillies vs. Houston Astros. A14

Johnson Quits Race For U.K. Leader, Giving Sunak Edge

By MAX COLCHESTER

LONDON—Former U.K. Chancellor of the Exchequer Rishi Sunak took a step toward becoming the country's next prime minister after his main rival for the job, Boris Johnson, pulled out of the race on Sunday evening, averting a head-to-head contest between the two men that had threatened to split the ruling Conservative Party and further roil financial markets.

The decision by Mr. Johnson—who was forced to step down as prime minister and party leader over the summer after a series of scandals—leaves Mr. Sunak as the heavy favorite to replace Liz Truss in the top job.

Ms. Truss, who took office Sept. 6, said last week she was quitting after her economic program imploded, making her the shortest-serving prime minister in British history. The only other remaining candidate for her position is Penny Mordaunt, the leader of the House of Commons.

The contest could be over by Monday afternoon, when candidates need to secure at least 100 nominations from fellow Tory lawmakers to stand as leader of the party. On Sunday, Mr. Sunak had at least 128 public backers, while

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Biden Plan to Refill Oil Reserves Raises Doubts About Production

By BENOIT MORENNE

After releasing the most oil yet from the U.S. emergency petroleum reserve, the Biden administration is signaling it will refill soon, a multibillion-dollar undertaking that it hopes will rouse sluggish domestic drilling activity.

The pitch is likely to be a hard sell for many domestic producers, industry executives and analysts said. "It's a little bit more [complex] than this," said Olivier Le Peuch, chief executive of oil-field services company Schlumberger Ltd.

On Wednesday, President Biden said for the first time that the Energy Department would begin purchasing oil to refill the U.S. Strategic Petroleum Reserve when oil prices are $67 to $72 per barrel, or less. Officials also said the department has made a final rule that would allow it to purchase crude at a fixed future price, which they hope would encourage producers to drill more.

Energy executives and analysts expressed doubts the plan would spur a large increase in production in the short term. Many oil companies are wary of locking in sales when commodity markets have swung wildly. They hope to capture high oil prices while they are in place. Rising drilling costs and pressure from investors to limit production and return excess cash to shareholders are also dimming the outlook for production growth, they said.

As he said his administration would refill the reserve, Mr. Biden said an additional draw of 15 million barrels in to be delivered in December, completing a sale of 180 million barrels he ordered earlier this year to temper soaring oil prices. The Energy Department

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