

THE WALL STREET JOURNAL.

The Right Time To Book That Flight

THE MIDDLE SEAT | DI

Matt A. Mayer It's Too Easy For Terrorists

OPINION | A15

DOW JONES | News Corp ***** THURSDAY, DECEMBER 10, 2015 - VOL. CCLXVI NO. 137 WSJ.com ★★ ★ \$3.00

DJIA 17492.30 ▼ 75.70 0.4% NASDAQ 5022.87 ▼ 1.5% STOXX 600 364.19 ▼ 0.4% 10-YR. TREAS. ▲ 9/32, yield 2.208% OIL \$37.16 ▼ \$0.35 GOLD \$1,077.60 ▲ \$1.30 EURO \$1.1026 YEN 121.44

What's News

Business & Finance

Dow Chemical's CEO had long pushed for a deal with DuPont. News that the chemical giants are in merger talks sent both companies' stocks up 12%. **A1**

◆ **A deal would prompt** what would likely be a lengthy and detailed antitrust review. **B1**

◆ **Yahoo signaled** that its Internet business is up for sale as it shelved a plan to spin off its Alibaba stake, dealing a blow to CEO Mayer. **B1**

◆ **Terrorist attacks** are complicating Fed efforts to resume shipments of dollars to the U.A.E. central bank. **C1**

◆ **DTCC is seeking** \$50 billion in credit commitments from banks and trading partners to bolster a unit that facilitates trades in the repo market. **C1**

◆ **China guided** the yuan to the currency's weakest level in more than four years. **C1**

◆ **U.S. stocks dropped** as the price of oil struggled to stabilize. The Dow lost 75.70 points to end at 17492.30. **C4**

◆ **Oil prices fell** as traders focused on growing inventories of refined products. **C4**

◆ **U.S. safety regulators** are weighing a fine and other penalties against Fiat Chrysler for reporting lapses. **B2**

◆ **VW no longer expects** to have to set aside about \$2.18 billion for a CO₂ emissions issue it recently disclosed. **B2**

◆ **Bond insurers' talks** with Puerto Rico's power authority have stalled. **C3**

World-Wide

◆ **Federal investigators** are probing whether one of the shooters in the San Bernardino, Calif., assault had planned an attack in 2012. Meanwhile, the FBI said the assailants had been radicalized even before they met. **A1**

◆ **Lawmakers introduced** a bill that would require social-media firms to report online terrorist activity. **A6**

◆ **The Senate voted** to replace the No Child Left Behind law, returning power to the states to improve school performance. **A3**

◆ **Iraqi forces** backed by U.S.-led airstrikes repelled Islamic State counterattacks in Ramadi, a day after the army gained a foothold. **A8**

◆ **The Supreme Court** again took up the issue of race in admissions at the University of Texas at Austin. **A7**

◆ **The suspect** in an attack at a Planned Parenthood clinic declared in court that he is "a warrior for the babies." **A7**

◆ **Police identified** a French national who had traveled to Syria as the third attacker at a Paris concert hall. **A9**

◆ **Saudi Arabia hosted** a meeting of Syrian opposition groups in a bid to unite anti-Assad forces. **A8**

◆ **Afghan and Pakistani** leaders said they would work to restart talks between Kabul and the Taliban. **A11**

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U.S. Airstrikes Help Iraqis Beat Back Islamic State in Key City



FRONT LINES: An Iraqi soldier drives a Humvee through embattled Ramadi, where the Iraqis held off an ISIS attack on Wednesday. **A8**

Shooter Planned An Attack In 2012

BY DEVLIN BARRETT AND TAMARA AUDI

Federal investigators are probing whether one of the shooters in the San Bernardino, Calif., assault had planned a previous attack in 2012 with a friend, then abandoned the plot when unrelated counterterrorism arrests were made in the area, said people familiar with the matter.

Investigators are trying to confirm the accuracy of the claim by Enrique Marquez, the friend and former neighbor of shooter Syed Rizwan Farook who bought semiautomatic weapons used in last week's attack, and determine what knowledge, if any, Mr. Marquez had of Mr. Farook's intentions.

Meantime Wednesday, Federal Bureau of Investigation Director James Comey said Mr. Farook and his wife, Tashfeen Malik, had been radicalized toward violence even before they met and were discussing jihad and martyrdom in online conversations two years ago.

Mr. Comey, testifying before the Senate Judiciary Committee, said the case reflects how effective the terror group Islamic State can be in motivating would-be terrorists to attack Americans, and added it is getting worse.

- ◆ U.S. Muslim communities debate actions needed..... **A6**
- ◆ Congress eyes terrorist activity on social media..... **A6**
- ◆ Attacks stall dollar flow to Middle East bank..... **C1**

Dow Long Pursued DuPont

After many tries, rivals reached deal when CEO changed at Delaware chemical giant

BY DAVID BENOIT AND JACOB BUNGE

Shortly after Edward Breen stepped in to run DuPont Co. in October, Andrew Liveris, long-time head of Dow Chemical Co., called with a proposal.

Mr. Liveris saw an opportunity to strike the merger he had long wanted, marrying the two giants of American industry with a combined market capitalization of more than \$130 billion, and he was eager to talk to the noted deal maker now leading his rival.

Mr. Breen asked for some time. He later joked with bankers that he hadn't even had a chance to find the bathrooms at DuPont when Mr. Liveris came calling, according to people familiar with the matter.

Nine weeks later, Dow and DuPont are on the verge of consummating a deal. The two are in advanced talks on a merger that would reshape the chemical and agricultural industries by creating a new massive company, which would quickly be spun into three entities, The Wall Street Journal reported Tuesday. A deal could be announced as soon as this week.

It comes at a time of sinking commodity prices and a strengthening U.S. dollar, which have hurt revenues across the companies' business lines. Both companies have shed some of their hallmark businesses that generated lower profits and left them exposed to price swings, while focusing on proprietary products in faster-growing sectors such as food, electronics and packaging.

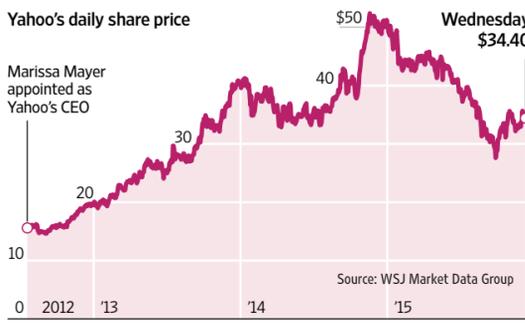
Dow and DuPont also have cut costs and streamlined operations.

- ◆ Proposed merger faces detailed antitrust review..... **B1**
- ◆ Heard on the Street: Bonding over adversity..... **C10**

Please see **DEAL** page **A10**

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Yahoo Drops Alibaba Spinoff Plan



NEW PATH: Yahoo's board said it could spin off or sell its core Internet business, in a deal that could save investors on taxes but that also might take more than a year to execute. **B1**

MERKEL'S OPEN DOOR BECOMES A HARDER SELL

German chancellor's political skills tested amid refugee-policy backlash

BY MARCUS WALKER AND ANTON TROIANOVSKI

BERLIN—Angela Merkel had just returned to her apartment here after meeting critics of her policy of welcoming Middle East refugees, when aides phoned her with news of terrorist attacks in Paris.

The German chancellor's open door for people fleeing war in Syria, Iraq and elsewhere had already weakened her once-unassailable popularity. She knew, says a person familiar with her thinking, that immigration opponents in

Germany and Europe would want to link the Islamist terrorist threat with refugees trekking to Europe and would demand a clampdown on the mainly Muslim migrants.

Ms. Merkel's response: to double down on her migrant policy. She emphatically reiterated her refugee-friendly stance, amping up the moral rhetoric that is infuriating many supporters and politicians of her conservative

Please see **MERKEL** page **A12**

◆ Germany plans to issue migrant ID cards..... **A9**

As Cruz Rises In Polls, He Is Banking On the South

BY JANET HOOK

NASHVILLE—Sen. Ted Cruz of Texas, who is rising to the top tier of the Republican presidential primary field in Iowa, is plotting a protracted nomination fight through Southern states that are playing bigger roles than in prior elections.

It is a region where his antigovernment, evangelical conservative message plays well, and he has quietly been building a far-reaching political organization to take advantage of that.

If it works, Mr. Cruz could become one of the biggest beneficiaries of the party's decision to hold primaries in 12 states—half in the South—on March 1. A strong showing by one candidate could provide a burst of momentum at a key

In Irish Countryside, a Tiny Town Is Transformed by Love

Six-week matchmaking festival draws thousands of hopefuls; 'good craic'

BY SHIRLEY S. WANG

LISDOONVARNA, Ireland—Singles weary of dating websites and apps find themselves rejuvenated each fall in this tiny former spa town.

Online dating "is a lot of time wasted," said Mary Cokelly, sitting in a packed pub, waiting to meet with a matchmaker. Ms. Cokelly, a 58-year-old who says she "embraces life," uses websites, but prefers meeting people in person.

This year, an estimated 60,000 singles descended on Lisdoonvarna for some part of the town's matchmaking festival, a six-week-long extravaganza of music and dance for hopeful romantics. Matchmaking has become a cottage industry for the town of some 700 residents, which gets an annual boost from those looking for love.



Willie Daly

Some turn to Willie Daly, who many call Ireland's last traditional matchmaker. His motto: You may be an old shoe but there's a stocking to fit you.

That means no laptops and no Internet, only the bearded, 70-year-old Mr. Daly, clutching a book full of papers in a room at the Matchmaker Pub.

From his experience in over

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