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WEEKEND  
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### What's News

**World-Wide**

- States may be forced to delay execution after the U.S. maker of a needed drug decided to stop production. Use of an alternative would likely require approval by courts and possibly state legislatures. **A2**
- The U.S. military is drawing up plans to expand a network of village security forces in Afghanistan. **A9**
- Giffords smiled in an ambulance as she was moved to a Houston hospital, where doctors said she was ready to begin rehabilitation. **A10**
- Obama will call for new government spending on infrastructure, education and research in his State of the Union address Tuesday. **A1**
- Tuzi's best-known Islamic leader says his long-banned group isn't seeking a role in the nation's transitional government. **A11**
- Southern Sudanese voters were nearly unanimous in favoring separation from the northern region. **A7**
- Tony Blair told an Iraq war inquiry that he disregarded concerns from top advisers about the legality of the 2003 invasion. **A30**
- Haiti's government is locked in a standoff with international donors and the opposition over recent presidential elections. **A10**

**Business & Finance**

- GE posted its first revenue increase in more than two years and the most new orders since 2007, as Boeing was named to lead a White House jobs panel. **A4, B3**
- The Dow capped its eighth straight week of gains, rising 60.04 points to 11,873.84. GE's results boosted industrial stocks, overshadowing a few other tepid earnings reports. **B2**
- Facebook raised \$1 billion from investors in a deal arranged by Goldman valuing the social-networking company at \$30 billion. **B4**
- China's biggest bank signed a pact to build its first Beijing-controlled institution to open retail bank branches in the U.S. **A8**
- Bank of America reported a \$1.2 billion quarterly loss, capping a rough first year for CEO Moynihan. **B1**
- Prosecutors alleged that a Morgan Stanley banker leaked details of a 2006 merger to Goldman's founder Raj Rajaratnam. **B2**
- The Obama administration is likely to raise a death

# Obama to Push New Spending

## State of Union Speech to Call for Boosting 'Competitiveness' While Nodding to Need for Budget Cuts

President Barack Obama will call for new government spending on infrastructure, education and research in his State of the Union address Tuesday, warning Congress who are demanding deep budget cuts, people familiar with the speech said.

Mr. Obama will argue that the U.S., even while trying to reduce its budget deficit, must make targeted investments to foster job growth and boost U.S. competitiveness in the world economy. The new spending could include initiatives aimed at building the renewable-energy sector—which received billions of dollars in stimulus funding—and rebuilding roads to improve transportation, people familiar with the matter said. Money to restructure the No Child Left Behind law's testing

mandates and institute more competitive grants also could be included.

While proposing new spending, Mr. Obama also will lay out significant budget cuts elsewhere, people familiar with the plan say, though they will likely fall short of what Republican lawmakers have requested.

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## Nation's Eyes on Congresswoman as Her Recovery Advances



NEXT CHAPTER: Rep. Gabrielle Giffords of Arizona is carried onto an airplane as she is transferred from a hospital in Tucson to a rehabilitation center in Houston, Texas. The congresswoman, target of a gunman who shot her and 18 others, has made a recovery that has astonished doctors.

## Drug Halt Hinders Execution in the U.S.

The sole U.S. maker of a drug used in lethal injection halted its production and broad global campaign by opponents of the death penalty, a decision likely to cause a substantial delay in many executions across the country.

The move by Hospira came after months of pressure from activists through a series of petitions aimed at pressuring pharmaceutical companies whose products are used in lethal injections. The final decision came in the face of opposition from investment figures in Italy, where Hospira is based. Italian constitutional prohibits the drug, after Hospira announced plans to shift production of drug to a plant in Italy.

"We worried that if a made in Italy ended up in that injection, it would put facility and our employees at risk of liability," said The Moore, president, U.S. region of the Lake Forest, Ill., company.

The drug, sodium thiopental is an anesthetic typically used in a cocktail with other drugs, including a paralytic, and administered by injection in the sole or pre-execution method in the states that carry out the penalty.

Originally designed for a range of uses, including as an anesthetic, sodium thiopental has come more associated with executions as other anesthetics supplanted it.

Hospira has tried to distance itself from that association, telling prison officials it isn't its use in the procedure.

Now that it has halted production altogether, experts expect states have few immediate alternatives. There are 3,360 inmates on death row in the U.S., as well as the NAACP Legal Defense and Educational Fund.

"There is no quick fix in for departments of corrections

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## Abuse Case Sparks a Clash Over Limits of Tough Parenting

**By MICHAEL JENSEN**

SALLEN, Ore.—Dmitry Kudlov wanted state officials to place a \$100 call to Oregon authorities, alerting them to a terrible case of child abuse in an immigrant community that existed, almost invisibly, in this city's midst.

The alleged victim was 14-year-old Dasha Kozlov. From a pay phone on July 20, 2009, he reported that his parents regularly beat him and several of his six siblings. Their parents, he said, struck them with wires, branches and belts for wearing makeup and getting a fake tattoo.

Bellevue County arrested Dasha

The Kudlov denied wrongdoing. News of the case spread through this state capital, sparking outrage. But one subset of the controversy went to the Kudlov's defense, holding demonstrations, filling the gallery at court hearings and flooding state officials with letters.

Many of those supporters, Russian-born Christians like the Kudlovs themselves, believed the parents were disciplining their children according to Biblical law. In their view, the government was out to "destroy the family because of their faith," says Tatiana I. Bondarchuk, a counselor who helped brief authorities about the abuse.





# EXCLUSIVELY YOURS

**THE TOWN OF PALM BEACH** is turning a century old in April. And though a new glitzy gang of jetsetters has discovered the once discretion-friendly vacation paradise, the Belgian Loafer Set still rules the roost. It's not for everyone, but if you're tired, so tired, of the Twitter Age, it's your Lilly Pulitzer bag: The rules of conduct abide, as does cocktail hour. And the "careless people," as F. Scott Fitzgerald called them, keep their riches mostly un-embarrassing.

November to April is known as "The Season" in Palm Beach, Florida's 16-mile-long Atlantic coast barrier island that completes the Preppy Triangle (Manhattan and the Hamptons also included). That means designer-store openings, mansion parties, celebrity fly-ins and a generally more lively time to cross its bridges.

At the private "B & T" (or Bath & Tennis Club), blue-blood members still grumble over G and T's about The Donald, blaming Mr. Trump for the influx of brand-name-bragging islanders. And when he bought the showy Mar-a-Lago compound in 1985, transforming the residence a decade later into his own private country club, the carefully guarded floodgates were in fact opened to a paparazzi swarm. But that is what they do, and to some, complaining is a pastime.

The city was founded at the turn of the last century by high-living Standard Oil tycoon Henry M. Flagler, who fell in love with the lush oasis and developed it into a playground for his rich but mannered friends. They bought up everything else. In 1902, Flagler completed "White-

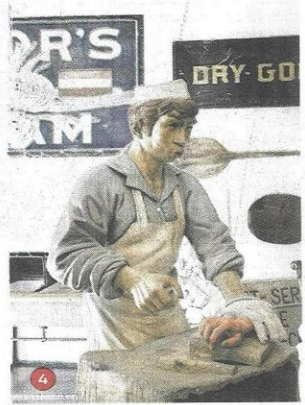
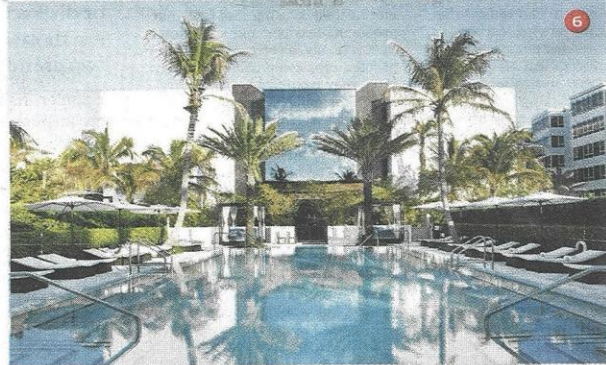
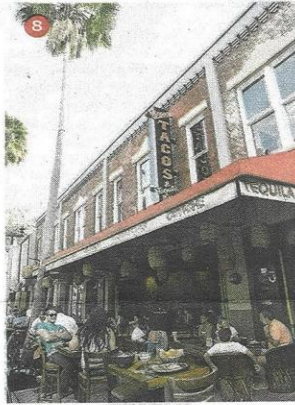
hall," his Beaux-Arts mansion, which followed the opening of his resort, the Palm Beach Inn—re-named the Breakers in 1901. To this day, the Breakers remains the spot to see-and-scene it.

In this teensy town, gossip flies rapidly down the pristine white sand beaches, and scandal has visited the island—from the William Kennedy Smith rape trial of 1991 to the recent Bernard Madoff swindle, the latter of which hit the enclave hard. (No wonder Michael Kors once designed an entire fashion collection called "Palm Bitch.")

Yet despite the true-crime gossip and influx of cash-and-flash, names like Phipps, Boardman, Fanjul and Hanley still carry substantial weight. That said, it hasn't deterred the Pretty Youngish Things—Tinsley Mortimer, Ivanka Trump, Aerin Lauder—from laying claim to their own scene, all regularly making appearances in the party pages of "The Shiny Sheet," the nickname for the Palm Beach Daily News.

Sound kind of snotty? Why go? Why not, old sport? You go to Palm Beach to marvel at this manicured time bubble, where lawn jockeys once guarded many a porte-cochère. You go to luxuriate in its old-school resorts and daydream on its un-peopled beaches. You go to gaze through the hedgerows surrounding those Addison Mizner-designed, pink-stucco villas, built in the Roaring '20s. And mostly you go to soak up that rare "Six Degrees of Separation" from reality you can't find anywhere else. Hey, you're entitled to it.

—Peter Davis



## PLUS, DON'T MISS...

- **The Omphoy Ocean Resort:** 6 Minimalist chic with a younger crowd, the first oceanfront hotel to open in Palm Beach in 18 years. [omphoy.com](#)
- **The Church Mouse:** Run by an Episcopal church, it's for "thrifters" looking for vintage Lilly Pulitzer or needlepoint pillows. 561-659-2154
- **The Leopard Lounge Bar:** 7 The cougar-central classic in the Chesterfield Palm Beach Hotel is a retro-jungle of cat-print decor, bartenders in leopard-spot vests and elephant head bar rails. [chesterfieldpb.com](#)
- **C. Orrico:** The signature shop for Lilly Pulitzer and an outpost for jellybean-hued frocks and prep-wear by brands like Tibi and Milly. [corrico.com](#)
- **Henry Morrison Flagler Museum:** Florida's first museum was once "Whitehall," the former Beaux-Arts estate of tycoon Flagler. Stroll through the city's Gilded Age. [flaglermuseum.org](#)

Photographs by Jessica Kiewicki Glynn for The Wall Street Journal



**The Designer:**  
**Lars Bolander**  
Furniture designer with stores in West Palm Beach and New York

**Cheap-Chic Eats:** Vagabondi. This place is very casual but with great service and unpretentious owners. My favorite dishes are the mussels and the fish stew. It's very intimate—only ten tables.  
319 Belvedere Rd., No. 2; 561-249-2281

**Brunch Scene:** 2 Cafe Boulard at The Brazilian Court. Saturdays are wonderful on the café terrace. Stellar Bloody Marys and Chicken Cobb salad. It's also a fun place to see the beautiful people.  
301 Australian Ave., [thebraziliancourt.com](#)

**Chop Shop:** Joseph's Classic Market (Palm Beach Gardens). They've just reopened in a bigger space: three generations of artisanal butcher experience. And there's a gourmet market with prepared foods for take-home. 4409 Northlake Blvd., [josephsclassicmarket.com](#)

**Linens Love:** Kassatly's Inc. Since 1923, they've known their fine linens and housewares. To me, it's the best shop on the Worth Avenue strip.  
250 Worth Ave., 561-655-5655

**Rare Finds:** 1 Wilson Antiques. It's run by this great couple that carry the things my clients need. But it's dangerous: I always end up buying something for myself. My last purchase was a life-size 18th-century Tibetan horse made of wood.  
3716 S. Dixie Highway, West Palm Beach; 561-802-3881



**The Florida Gal:**  
**Savannah Jane Buffett**  
Daughter of Jimmy Buffett, designer of AIA sportswear; co-author of the children's book "The Jolly Mon"; raised in Palm Beach

**Surfer Essentials:** P.B. Boys Club. It's funny to think of it as a surf town, but there is actually an avid local scene there. This is the one-stop for all-things surfing, including Strong Boalt swim trunks by local designer Amanda Boalt.  
307 South County Rd., [pbboysclub.com](#)

**Live Music:** Nick and Johnnie's. This fun restaurant and bar books great roots acts from all over the country. What starts out as post-black-tie cocktails easily turns into an all-out dance party.  
207 Royal Poinciana Way, [nickandjohnniespb.com](#)

**Cantina:** 8 Rocco's Tacos and Tequila Bar. This is the place for Mexican food with friends. Catch owner Rocco dancing Pee-wee Herman-style—white shoes and all—on top of the bar, pouring free Patron tequila. 224 Clematis St., West Palm Beach; [roccostacos.com](#)

**Shaken and Stirring:** 5 The Seafood Bar at The Breakers. Enjoy some stone crab claws and a martini, while gazing out at the ocean. And its aquarium bar is one of the coolest things I've ever seen.  
1 South County Rd., [thebreakers.com](#)

**Road Trip Respite:** 3 The Old Key Lime House. Take a drive south to the oldest waterfront restaurant in Florida. It's a classic salty-dog bar with blackened mahi sandwiches and shrimp baskets.  
300 E. Ocean Ave., Lantana; [oldkeylimehouse.com](#)



**The Style Scribe:**  
**Simon Doonan**  
Author of "Eccentric Glamour" and five other books; creative director-at-large of Barneys; New York and Palm Beach resident

**Public Club:** Publix Super Market. To view the WASP-y hauteur at its hilarious peak, crash the private Bath & Tennis or Everglades clubs. If this fails then stalk the aisles here, watching the old-money crowd buying hot dogs and Welveeta.  
265 Sunset Ave., 561-655-4120

**Fashion Food:** Chez Jean-Pierre. It's a fashion show there—tiras and boufants...and that's just the men! The scene is more over the top than anywhere in Paris. The food, by contrast, is simple: rustic and yummy. Get the vegetable soup.  
132 North County Rd., 561-833-1171

**Beach Bumming:** Phipps Ocean Park. You can romp in the sand to your heart's content—even on major holidays, this beach is totally deserted. Maybe everyone's at the hairdresser. 2185 South Ocean Blvd., 561-585-9203

**Natural Habitat:** The Lake Trail. You'll see indigenous nature everywhere here: ospreys, buzzards, foxes, snakes, lizards. Marvel at the natural beauty...and the power-walking outfits worn by aging glamorpuresses. North Lake Trail, Palm Beach

**Second-Hand Chic:** 4 Dolce. Trawl the vintage furniture stores on Dixie Highway to see the surreal excesses of decades past. But the most intriguing objects d'art are to be found here. 3700 South Dixie Highway, No. 8, West Palm Beach; 561-832-4550



**The Hostess:**  
**Marjorie Gubel**  
Founder and preside Vie Luxe home fragrances; Palm Beach and New York social

**Prep Central:** Michael R. McCarty's. I always for a drink here to see which blue-blazer at Stubbs & Wootton-loafed friends of mine are town to make plans with. 50 Coconut Row, [michaelrmccartys.com](#)

**Dairy Dream:** Sprinkles Ice Cream & Sandwich Shop. No visit would be complete for my son without a pass by there. I love the black-and-checkerboard floors: It's upscale-casual. There so many flavors and toppings, I never imagine 279 Royal Poinciana Way, 561-659-1140

**Tabloid Grabber:** Main Street News. I always make a stop there in the morning to grab the paper and European magazines like Hello! and Tatler. 255 Royal Poinciana Way, 561-833-4C

**Mirror, Mirror:** Tammy Fender Holistic Skin A facial at this pampering emporium is like no other. You lie down on a puffy feather bed and transported to a place of complete relaxation. cleansers, exfoliators and oils are all organic packaged old-apothecary-style. 711 North Flag Drive, [tammyfender.com](#)

**Air Apparent:** Lotus Hair Studio. A blow-dry makeup at Lotus Hair Studio is always a must the only salon in a town of "Palm Beach Cras Helmet" hairdos that's young and with-it. 1609 South Dixie Highway, [lotushairstudio.co](#)