

Partly sunny 90/72 • Tomorrow: T-storm 85/73 B6

Democracy Dies in Darkness

FRIDAY, AUGUST 16, 2024 • \$3

## Recession fears ease on jump in retail sales

1 percent increase in July marks largest gain in more than two years

BY ABHA BHATTARAI

Americans are still spending big — on cars, appliances and furniture — in a surprise burst of activity that is propelling the U.S. economy and helping shake off fears of an impending downturn.

Retail sales rose 1 percent in July, reversing a June slowdown and marking the largest jump in more than two years, according to Commerce Department data released Thursday. Car sales were particularly brisk, after a cyberattack disrupted purchases the previous month. There were gains across the board at restaurants and bars, as well as at stores that sell groceries, electronics, furniture and health goods.

Earlier Thursday, Walmart, the country's largest retailer, reported stronger-than-expected earnings and lifted its forecasts for the rest of the year, citing continued consumer resilience.

"Everybody's trying to talk down the economy, but pay attention to what people are doing: They are increasing their spending," said Gus Faucher, chief economist at PNC Financial Services Group. "That's an indication the economy remains solid."

The upbeat reports, on the heels of an encouraging inflation snapshot this week, helped assuage investors' fears of an imminent recession.

Last week, the markets  
SEE **ECONOMY** ON A16

## Va. delayed corporations' tax refunds in 2022, '23

Youngkin finance team's error led to 'backlog' in the hundreds of millions

BY LAURA VOZZELLA

RICHMOND — Gov. Glenn Youngkin's administration failed to provide timely tax refunds worth hundreds of millions of dollars to Virginia corporations two years in a row, an error made public this week after Lt. Gov. Winsome Earle-Sears inquired about an odd footnote in a financial presentation to the House and Senate money committees.

After Youngkin (R) gave an upbeat assessment of the state's finances to the committees Wednesday, Finance Secretary Stephen E. Cummings presented the members with a slide-show with more details. One of the slides noted "a backlog of corporate refunds [that] had accumulated from prior years," and Earle-Sears (R) asked about it.

Cummings acknowledged that the administration had "pushed aside" the routine work of processing corporate refunds in its haste to mail tax rebates to individual taxpayers in the fall of 2022 and 2023. The timing of the individual refunds, which landed in mailboxes just before Election Day both years with Youngkin's name on them, was widely  
SEE **REFUNDS** ON A7



LORENZO TUGNOLI FOR THE WASHINGTON POST

A security team at an Israeli settler outpost practices responding to an infiltration, represented by a settler boy dressed as an Arab.

## Israel solidifying control over the West Bank — and its future

Recent moves by Netanyahu coalition are putting two-state solution out of reach

BY LOUISA LOVELUCK,  
CLAIRE PARKER,  
SUFIAN TAHA  
AND LORENZO TUGNOLI

During more than 19 months in power, Prime Minister Benjamin Netanyahu's coalition government has dramatically expanded Israel's footprint in the occupied West Bank — accelerating a long-term campaign by the country's settler movement to thwart the creation of a Palestinian state.

The government has approved strategic land seizures — almost 6,000 acres this year alone — and

major settlement construction, escalated demolition of Palestinian property and increased state support for illegally built settler outposts. Together, the actions mark the most significant territorial changes in the West Bank in decades.

While the Biden administration insists that any diplomatic solution to the war in Gaza include a path to an independent Palestinian state, radical Jewish settlers and their far-right political backers, who have ascended to the highest levels of Israel's government, are redrawing the map in real time — making the two-state solution envisaged in past peace accords effectively impossible.

Interventions across six Palestinian communities, residents described paralyzing constraints on daily life as settlements creep closer, limiting their ability to move freely and to access the farmlands that long sustained them. Settler violence has erased some villages.

Netanyahu, Israel's longest-serving prime minister, returned to office in December 2022 on the basis of a coalition agreement that promised to  
SEE **WEST BANK** ON A12

**Cease-fire talks:** Negotiations resume without Hamas in attendance. **A14**

ELECTION 2024

## Harris to propose ban on grocery 'price gouging'

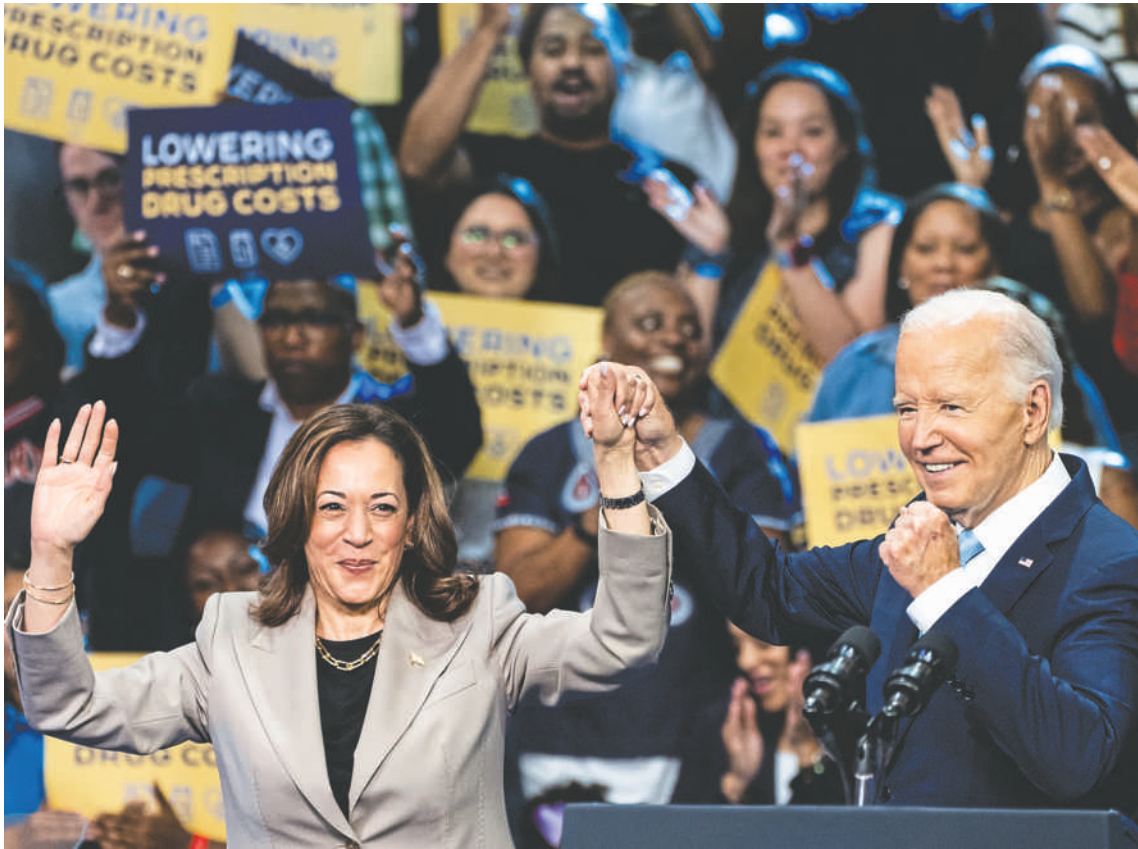
Plans expected to target costs of drugs, housing signal a populist overture

BY JEFF STEIN

Vice President Kamala Harris on Friday will unveil a proposed ban on "price gouging" in the grocery and food industries, embracing a strikingly populist proposal in her most significant economic policy announcement since becoming the Democratic Party's nominee.

In a statement released late Wednesday night, the Harris campaign said that if elected, she would push for the "first-ever federal ban" on food price hikes, with sweeping new powers for federal authorities. Harris on Friday will also announce plans to lower prescription drug and housing costs, the campaign said.

Harris's plans amount to a sharp escalation in the economic populism of even President Joe Biden, who had already pulled the party to the left on economic policy compared with his Democratic predecessors. While offering some overtures to the business elite, Harris is attempting to  
SEE **HARRIS** ON A4



DEMETRIUS FREEMAN/THE WASHINGTON POST

President Joe Biden and Vice President Kamala Harris at an event focused on lowering prescription drug prices in Largo, Md., on Thursday. Harris is expected on Friday to make her most significant economic policy announcement since becoming the Democratic Party's presidential nominee.

**Taking shape:** Harris's agenda and policy stances are still evolving. **A6**

**Pennsylvania:** Harris can't shake her past anti-fracking stance. **A15**

**Maryland:** Top Democrats praise progress on lowering drug costs. **B1**

## Ukraine expands Russia assault

SIGNS OF CEMENTING CONTROL IN KURSK

Moscow puts up fiercer fight in nearby Belgorod

BY SIOBHÁN O'GRADY,  
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DAVID L. STERN  
AND ROBYN DIXON

SUMY REGION, UKRAINE — Ukraine's offensive into Russia has expanded to the region of Belgorod, with fierce fighting underway there as Kyiv's forces in the neighboring region of Kursk showed signs of solidifying control Thursday.

The new details about the fighting in Belgorod, described by Ukrainian soldiers wounded there and evacuated across the border to Ukraine's Sumy region, came as Ukraine on Thursday appointed a military commander to manage the parts of Kursk it has taken.

Ukraine's intelligence service also announced Thursday the detention of more than 100 Russian troops, in what it said amounted to the "largest mass capture" of enemy soldiers at one time.

The celebratory mood over the surprise advance into Russian territory persisted among many troops returning from Kursk to Sumy on Thursday to refuel their armored vehicles and buy espressos and hot dogs in Ukraine before returning to their posts across the border in Russia.

In a village close to the border crossing Ukrainian forces overran  
SEE **UKRAINE** ON A11

**12 years:** Russia sentences woman for donation aiding Ukraine. **A11**

## India asked U.S. to ease rhetoric on Bangladesh

Before leader's ouster, White House toned down criticism of rights abuses

BY GERRY SHIH,  
ELLEN NAKASHIMA  
AND JOHN HUDSON

NEW DELHI — A year before she was deposed last week in a student uprising, Indian officials began to lobby their U.S. counterparts to stop pressuring Sheikh Hasina, the iron-fisted prime minister of neighboring Bangladesh, according to U.S. and Indian officials.

U.S. diplomats had publicly harangued the 76-year-old Hasina for jailing thousands of her rivals and critics ahead of an election scheduled for last January. The Biden administration had sanctioned a Bangladeshi police unit under Hasina's command accused of carrying out extrajudicial abductions and killings and had threatened imposing visa restrictions on Bangladeshis who undermined democracy or committed human rights abuses.

But in a series of meetings, Indian officials demanded that  
SEE **BANGLADESH** ON A14

### IN THE NEWS

**A hacking target** An FBI probe has found evidence suggesting that suspected Iranian hacking attempts were directed at Susie Wiles, a senior adviser to Donald Trump. **A8**

**Tech troubles** D.C.'s 911 center has had outages and connection issues eight times this year, opening the door for costly accidents. **B1**

**THE NATION** Four former law enforcement officers are accused of staging a fake raid to extort millions. **A2**  
**Chrystul Kizer**, who killed the man who sexually abused her, will be sentenced Monday. **A3**

**THE WORLD** The Gaza war's death toll has surpassed 40,000, the enclave's health ministry said. **A9**  
**Sweden found** the first case outside Africa of an mpox variant linked to severe illness. **A10**

**THE ECONOMY** President Joe Biden touted big savings on Medicare for some prescription drugs, thanks to price negotiations. **A16**  
**After an antitrust** ruling, Google's foes are stepping up efforts to craft a legal case for the breakup of the internet giant. **A20**

**THE REGION** A father abducted his three children from their Virginia home, crashing his car in Maryland and killing his daughter, police say. **B1**  
**The D.C. man** charged in the fatal shooting of 13-year-old Karon Blake testified in court that he feared for his life. **B1**

**STYLE** Five people were charged in last year's overdose death of "Friends" star Matthew Perry. **C1**

**WEEKEND** There are fewer steak-houses than there used to be in D.C., but there are still plenty of gems, Tom Sietsema writes.

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