"All the News That's Fit to Print"

The New York Times

Today, very warm, humid, thunderstorms, high 89. **Tonight,** thunderstorms, humid, low 75. **Tomorrow,** warm, humid, thunderstorms, high

VOL. CLXXIII No. 60,235

© 2024 The New York Times Company

SATURDAY, AUGUST 3, 2024

\$4.00 Prices in Canada may be higher



Evan Gershkovich hugged his mother, Ella Milman, after he and other freed Americans arrived at Joint Base Andrews on Thursday.

HARRIS CLOSES IN ON RUNNING MATE

Formal Vetting Process Is Finished by Law Firm

This article is by Lisa Lerer, Reid J. Epstein and Katie Glueck.

The law firm hired by the Harris campaign to investigate potential vice-presidential candidates has completed its work, leaving the final decision — the most important yet of the still-new campaign squarely in Vice President Kamala Harris's hands.

Covington & Burling, the Washington law firm tasked with the vetting, completed the job on Thursday afternoon and turned over its findings to Ms. Harris, according to two people briefed on the process.

Ms. Harris has blocked off several hours on her calendar this weekend to meet with the men being considered to join the ticket, according to two people who had viewed her schedule and who, like others interviewed, spoke on the condition of anonymity because they were not authorized to discuss the private process. The Harris campaign has suggested it will announce the decision by Tuesday evening, when the vice president and her to-be-named running mate begin a five-day tour of presidential battleground states, starting in Philadelphia.

Several of the contenders, including Govs. Josh Shapiro of Pennsylvania and Andy Beshear of Kentucky, canceled events this weekend, reflecting both a desire to be available for those conversations and to avoid drawing additional speculation from the news media about their chances.

The choice of a running mate is one of the most consequential decisions of Ms. Harris's political career, one that can pay dividends in votes and years of counsel or backfire disastrously. In some ways, Ms. Harris is setting a direction for the future of the party, a reality she intimately understands given her own head-spinning ascension to the top of the ticket.

But unlike previous nominees, who spent months considering candidates, she must make her Continued on Page A16

SECURED Democrats said Kamala Harris had enough delegates to be the nominee. PAGE A16

Lavish Spending at a Top L.G.B.T.Q. Nonprofit

By EMILY STEEL

A light rain fell at the Zurich airport one Sunday morning in January 2023 as Sarah Kate Ellis made her way from a seat in Delta's most exclusive cabin to a waiting Mercedes. It was there to chauffeur her to the Swiss Alps, where she and her colleagues would stay at the Tivoli Lodge, a seven-bedroom chalet that cost nearly half a million dollars to rent for the

Ms. Ellis, who was en route to the World Economic Forum in Davos, doesn't run a Wall Street bank or a high-flying tech start-up. She is the chief executive of the nonprofit organization GLAAD, one of

GLAAD Files Suggest It May Have Broken I.R.S. Regulations

the country's leading L.G.B.T.Q. advocacy groups

The group, which has an annual budget of roughly \$30 million, paid for Ms. Ellis's trip, as well as a day of skiing, according to internal documents reviewed by The New York Times and interviews with current and former employees and others with knowledge of GLAAD's operations.

The trip was part of a pattern of

lavish spending at GLAAD, much of it by Ms. Ellis, that may have violated the organization's own policies as well as Internal Revenue Service rules.

The Times reviewed dozens of GLAAD expense reports and accompanying receipts from January 2022 through June 2023, as well as employment agreements, tax filings, audit reports, other financial documents and internal communications.

When Ms. Ellis traveled for work, there were first-class flights, stays at the Waldorf Astoria and other luxury hotels and expensive car services. Not to mention a Cape Cod summer rental

Continued on Page A14

Inside the Prisoner Trade: Spies, a Killer and Couriers

Secret Talks Involving Multiple Countries Led to Deal That Freed Americans

This article is by Mark Mazzetti, Anton Troianovski, Michael D. Shear and Peter Baker.

WASHINGTON — A turning point came on June 25, when a group of C.I.A. officers sat across from their Russian counterparts during a secret meeting in a Middle Eastern capital.

The Americans floated a proposal: an exchange of two dozen prisoners sitting in jails in Russia, the United States and scattered across Europe, a far bigger and more complex deal than either side had previously contemplated but one that would give both Moscow and Western nations more reasons to say yes.

Quiet negotiations between the United States and Russia over a possible prisoner swap had dragged on for more than a year. They were punctuated by only occasional glimpses of hope for the families of the American prisoners - including Evan Gershkovich, a reporter for The Wall Street Journal, and Paul Whelan, an American security contractor - growing increasingly impatient for their ordeal to end. Those hopes were always dashed when one of the two sides balked.

But the June meeting changed things, according to accounts from American and Western officials and other people familiar with the long process of bringing the deal to fruition.

The Russian spies took the proposal back to Moscow, and only days later the C.I.A. director was on the phone with a Russian spy chief agreeing to the broad parameters of a massive prisoner swap. On Thursday, seven different planes touched down in Ankara, Turkey, and exchanged passengers, bringing to a successful close an intensive diplomatic effort that took place almost entirely out of public view.

The deal between longtime adversaries — negotiated mostly by spies and sometimes through secret messages hand-delivered by couriers — secured the release of Mr. Gershkovich, Mr. Whelan and 14 other imprisoned Americans, Russians and Europeans.

The deal also freed, among others, a Russian hit man, Vadim Krasikov. He had been jailed in Germany since 2019 for the murder of a Chechen former separatist fighter in a park in Berlin. He was the prize most sought by President Vladimir V. Putin of Russia, who had publicly praised the killing as an act of patriotism and for years had insisted that Mr. Krasikov be part of any swap.

The stunning deal took place against the geopolitical backdrop of the war in Ukraine, where the United States is sending weapons to the battlefront aimed at killing as many Russian troops as possi-

And it reached its conclusion even as President Biden, who got personally involved in the negotiations at key points, was losing hope of continuing his re-election bid following a disastrous televised debate that took place two days after the C.I.A. gave the Russians what proved to be the decisive new offer.

On the morning of Sunday, July 21, Mr. Biden, sick with Covid, placed a call from his vacation home in Delaware to Slovenia's prime minister to nail down one of the last pieces of the prisoner agreement. Less than two hours later, he announced he was withdrawing from the presidential

"The deal that made this possible was a feat of diplomacy and friendship," Mr. Biden said on Thursday in brief remarks from the White House, flanked by family members of the prisoners. He

Continued on Page A6

GERMANY'S ROLE The chancellor overcame opposition in his decision to release a hit man. PAGE A5



Angela Carini of Italy, right, abandoned her bout against Algeria's Imane Khelif in just 46 seconds.

Olympic Officials Try to Quell Fury Over Fairness

By JERÉ LONGMAN and EMMANUEL MORGAN

PARIS - Lin Yu-ting strode toward the boxing ring on Friday fully aware that she was walking straight into a swirling controversy that has turned the Paris Olympics into a forum for a fierce debate about biology, gender and fairness in women's sports.

Dressed all in red and greeted with a mix of cheers and boos from the crowd, Lin, who competes for

Defending the Eligibility of Two Female Boxers

Taiwan, stepped through the ropes for her opening match, bowed a couple of times and got to work. Emerging victorious about 15 minutes later, she greeted some of her supporters and then left the arena as silently as she had arrived. She declined to speak to re-

At the same time, Olympic officials were working urgently to rebut what they described as widespread "misinformation" spurred by a 46-second fight on Thursday — that led some to question the presence of Lin and another boxer, Imane Khelif of Algeria, in the Paris Games a year after they were disqualified from the world championships in a dispute about their eligibility.

Continued on Page A9

In 10 Seconds, One-Man Team Could Be Done

By HANNAH BEECH

PARIS — As his nation's lone athlete at the Paris Olympics, Winzar Kakiouea carries an additional burden: Most people have no idea that his country is a coun-

Also, his homeland could one day disappear into the ocean.

First, a brief geography primer: Nauru, with a population of less than 13,000, is an island nation perched in the middle of the Pacific Ocean. Once known as Pleasant Island, Nauru (pronounced NO-roo, not Nah-oo-roo) gained its independence in 1968, after a period of trusteeship by the United Nations. Its economy for decades depended on guano, or bird poop, a key ingredient in fertilizer. Mining destroyed parts of the island; chunks of Nauru slid into the sea. Climate change is nibbling at its shores, too.

"Most people don't know about Nauru," Kakiouea said. "When I tell them about it, they are shocked that this little, tiny place is a country.

On Saturday, Kakiouea, 23, will compete in the preliminaries of the men's 100 meters. He is a very fast runner - the fastest man in the expanse of the Pacific known as Micronesia — but it is probably safe to say that his Olympics will be over in fewer than 11 seconds.

Still, Kakiouea's presence in Paris is testament to one of the Continued on Page A9

Slowed Hiring Casts Doubts On Fed's Wait

By JEANNA SMIALEK

Federal Reserve officials held off on cutting interest rates this week because they wanted to see slightly more data to feel confident that inflation is truly coming under control. While that approach is cautious when it comes to price increases, Friday's employment report underscored that it might be a risky one when it comes to the job market.

Unemployment rose to 4.3 percent in July, up from 4.1 percent previously, as hiring slowed sharply. The labor market cracks have given sudden urgency to concerns that the Fed has waited too long to begin cutting rates and that it might be falling behind, allowing the job market to slow in a way that will be hard to stall or "They are absolutely behind the

curve, and they need to catch up," said Julia Coronado, founder of MacroPolicy Perspectives.

High Fed interest rates help to cool inflation by slowing demand. When it costs more to borrow to buy a house or expand a business, people make fewer big purchases and companies hire fewer workers. As economic activity pulls back, businesses struggle to raise prices as quickly, and inflation moderates.

That chain reaction can come at a serious cost to the job market, though. And once the labor mar-

Continued on Page A17

INTERNATIONAL A4-11



Taking a Break From Troubles Some young people

in China are pretending to be birds on social media as a way of escaping exam pressures, employment woes and overall hustle culture. PAGE A4

Funeral for Hamas Leader

Few Palestinians appeared to heed Hamas's call for a "day of anger" to condemn the killing of Ismail Haniyeh PAGE A10 and Israel's bombardment.

NATIONAL A12-17, 20

Hard Path for Harris in Nevada Polls show Democrats' chances have improved, but Kamala Harris faces a challenge in undecided voters who had tuned out completely.

Campaign Audit Faults Adams

A 900-page draft review of the mayor's 2021 campaign found widespread errors that could lead to fines or forfeiture of public matching funds.

Ruling Narrows Voting Act

Reversing decades of precedent, a federal appeals court said different minority groups cannot jointly claim their votes had been diluted. PAGE A17 **BUSINESS B1-6**

Trump's 'Opportunity Zones'

His tax incentive, with bipartisan roots, aims to foster development in poor areas. It has fueled building, but it hasn't always aided residents. PAGE B1

TikTok Sued Over Child Data

The Justice Department said the company knowingly allowed users younger than 13 to create accounts.

SPORTS D1-11

Always a Devastating Spin

Dwight Freeney made the Pro Football Hall of Fame by making blockers "look absolutely silly.

ARTS C1-6



Where Pieces Come Together Puzzling has been

around for more than 250 years, but a budding tournament in Spain, featuring participants from more than 75 countries, is giving it a new vitality. PAGE C6

Art Lands in Ski Country

Aspen, Colo., a city with one of the nation's highest concentrations of ultrawealthy homeowners, became the site of a new art fair.

TRAVEL C7-8

Keeping It Local, and Cheap

A Chicago resident explores her city as a visitor might — a visitor with an open mind and a tight budget.

36 Hours in Nice

The French Riviera's unofficial capital has ancient ruins, a Matisse museum and a world-famous beach.

OPINION A18-19

Charles M. Blow



PAGE A18