

Digest of The New York Times

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1 New Protests in Western China After Clashes

Some women glared through their black veils at the paramilitary troops encircling them. Others held identity cards of missing relatives in the air. Fists raised, tears in their eyes, they demanded the release of sons and husbands seized by the police after Muslim Uighurs rioted in this western regional capital days earlier.

And as the group of several hundred Uighur women beseeched journalists on a government-sponsored tour here on Tuesday, they gave voice to broader concerns at the heart of the deadliest ethnic violence to strike China in decades.

“They don’t respect our lifestyle,” said one woman, a 26-year-old who gave her name as Guli. “We want our dignity. We just want fairness, and we want equality.”

A wide variety of government policies here in the western desert region of Xinjiang, a lightly populated area that covers about a sixth of China’s total landmass, has for years led many of the area’s 10 million Uighurs to believe their culture and livelihoods were under assault by the Han Chinese, the dominant ethnic group in China, according to local residents, foreign scholars and recent studies of the area.

The policies include limits on religious practice, the phasing out of Uighur-language instruction in schools and the reinforcement of better economic opportunities for the Han, from businesspeople to migrant workers.

Uighurs are the largest ethnic group in Xinjiang, but Han migration, encouraged in part by government incentives, is quickly changing the demographics here: census figures show that Han made up 40 percent of the population in 2000, a huge leap over the 6 percent in 1949. Under the Chinese Communist Party, Han have always held the power in Xinjiang. Wang Lequan, the party secretary of the region, is a Han whose hard-line policies have inspired systems of control in other ethnic minority regions of China, including Tibet.

“Fundamentally, the relationship between Uighur and Han is one of colonized to colonizer,” said Nicholas Bequelin, a China researcher at Human Rights Watch who has written about policies in Xinjiang.

That dynamic may have laid the foundation for the riot on Sunday in which 156 people were killed and more than 1,000 injured when angry Uighurs attacked Han civilians and battled with security forces across the city. Government officials declined Tuesday to give an ethnic breakdown of the dead. The riot began as a protest over government handling of a brawl between Uighur and Han factory workers in southern China.

On Tuesday afternoon, thousands of Han Chinese armed with sticks, shovels, pipes and meat cleavers tried marching to the Uighur quarter to exact revenge for those Han civilians who were killed on Sunday. Paramilitary troops fired tear gas at the mob³⁵⁴, but not before the first wave got into a brick-throwing battle with Uighurs perched on rooftops near Erdaoqiao Market, where the rioting began on Sunday.

President Hu Jintao of China cut short a trip to Italy for the G8 summit and flew back to Beijing early on Wednesday because of the unrest in Xinjiang, the official Xinhua news agency reported.

Many Han Chinese say the Uighurs, like China’s 55 other ethnic minorities, actually enjoy generous advantages under government policies. Uighur women, for example, can give birth to more than one child without having to pay a fine, unlike the Han. Uighur students have extra points added to their scores when taking the standardized tests that determine university placement.

But on issues that go to the heart of Uighur identity, the government takes a strict line, many Uighurs say.

The vast majority of Uighurs are Sunni Muslims, but the practice of Islam is tightly circumscribed. Government workers are not allowed to practice the religion. Imams cannot teach the Koran in private, and study of Arabic is allowed only at designated government schools. Two of Islam’s five pillars – the sacred fasting month of Ramadan and the pilgrimage to Mecca, the hajj – are also closely managed: students and government workers are

compelled to eat during Ramadan, and passports of Uighurs have been confiscated to force them to join official hajj tours.

Three years ago, in its annual report on international religious freedom, the State Department singled out Xinjiang for criticism in a section on China: “Officials in the Xinjiang Uighur Autonomous Region tightly controlled religious activity, while elsewhere in the country, Muslims enjoyed greater religious freedom,” the report said.

On Tuesday, Abudurehepu, a religious leader in Xinjiang who supports the government, said at a news conference here that “our religious freedom is respected,” noting that Xinjiang had more than 2,000 mosques.

He also said that “the party and the government have been doing very well on ethnic policy, like having Uighur kids going to Uighur-language schools.”

In fact, the government is phasing out the use of the Uighur language in schools. Many Uighur parents know the importance of having their children learn Mandarin Chinese, but they are upset over the disappearance of their native language from the education system. There are some bilingual schools, but those generally relegate the Uighur language to a marginal role.

A 2009 Amnesty International report on threats to Uighur identity charts the recent history of the erosion of the Uighur language in education, beginning with a policy in the 1990s that eliminated Uighur as a language of instruction at the university level. Today, at Xinjiang University in Urumqi, only Uighur poetry classes are taught in Uighur, the report says. In 2006, the government began carrying out policies that make Chinese the main language of preschool instruction.

Since the central government adopted a “develop the west” campaign in the past decade, Xinjiang’s economy has grown quickly, and living standards on the whole have risen. But many Uighurs complain about high unemployment and the growing income gap with Han Chinese, who control the largest industries in Xinjiang: oil, agriculture and construction. They give many more contracts and jobs to other Han.

“Uighurs feel cut out of this process,” said a former resident of Kashgar, an oasis town near China’s western border where more than 200 protesters gathered on Monday.

The bingtuan, vast farms started by the military in the 1950s to employ demobilized troops, are among Xinjiang’s biggest moneymakers. But Mr. Bequelin, the human rights researcher, said more than 90 percent of employees at bingtuan were Han.

Chinese officials deny that government policies contribute to ethnic unrest. They place blame for the tensions on outside figures like the Dalai Lama, the Tibetan spiritual leader, or, in the case of the latest Xinjiang riots, Rebiya Kadeer, a Uighur businesswoman and former political prisoner who lives in Washington.

On Tuesday, as thousands of Han armed with makeshift weapons tried to attack the Uighur quarter, the party secretary of Urumqi climbed atop a car and pleaded with them to go home.

2 After Her Rise in China and Expulsion, a Uighur Becomes the Face of Her People

As the global face of resistance to what she calls the worsening Chinese repression of the Uighurs, Rebiya Kadeer is displaying the tenacity and sense of destiny that drove her improbable climb inside China in decades past, from laundry girl to famed business mogul.

The Beijing government that hailed her as a model citizen in the 1990s, before imprisoning her for stealing state secrets and sending her into exile in the United States in 2005, vilifies her as the unseen hand behind protests that erupted Sunday in the Uighur homeland of western China. “All the difficulties in my life prepared me for the tough times we face now,” said the woman, who is happy to be called the “Mother of the Uighurs,” in an interview on Tuesday.

In a plain wool suit and a traditional Uighur cap topping waist-length pig-tails, Ms. Kadeer, 62, veered from impish humor and warmth – she leapt

to pump the hand of a reporter who described visiting her childhood town – to intense, hand-waving condemnations of Chinese perfidy.

The walls of her small office in downtown Washington are covered with photographs of meetings with President George W. Bush and Laura Bush, and pictures of several of her 11 children, two of whom are now in prison in China. They were sentenced to long terms after she came to the United States and resumed work for Uighur rights.

The week's events have catapulted Ms. Kadeer to a new level of global recognition, a prominence that seems belied by the few modest rooms here where she and a few aides press their cause with telephones, the Internet and passion.

This week, several office and personal phones rang incessantly, with reporters from around the world seeking a word. Still, it became clear that the Uighurs, long downtrodden and little known in the West, enjoy little of the glamour of their neighbors, the Tibetans. When Ms. Kadeer led a march to the Chinese Embassy on Tuesday, no more than several dozen supporters, mainly fellow exiles, showed up.

If she was disappointed, she gave no sign. In the interview and in her autobiography, "Dragon Fighter," which came out this year, Ms. Kadeer described her survival through famine, persecution during Mao's Cultural Revolution and then – as she threw herself into black-market trading of cloth, underwear and other items – the repeated seizure of her goods and money by corrupt or overzealous officials.

She claims that she had, from the beginning, an irrepressible devotion to Uighur self-determination. In her eyes, even her start in life brought an omen. Money and luck were running out in the mining settlement where her father hoped to strike it rich, she wrote, in a story that may be too good to investigate.

In accordance with tradition, her father went to bury the bloody birth linens. As he dug a hole, he suddenly shouted, "Gold!" From that moment on, she wrote, her parents said, "You don't belong to us; you belong to the people."

What is indisputable is that from early on she was a determined and shrewd businesswoman willing to sell goods from a sack at the side of the road

when necessary, buying and selling thousands of sheepskins or logs when she saw the chance. As China's economy opened up in the 1980s, she expanded into real estate and flourished. By the 1990s she was running trading companies all over Central Asia, had built a famous women's bazaar and then a seven-story department store in Urumqi, the capital of the region of Xinjiang, and ran a charity for Uighur women.

Her career had personal costs. In an unthinkable violation of Uighur custom, and angering her relatives, she traveled for months at a time, leaving young children with a working husband or relatives. "Of course it was difficult for me as a woman to leave my children," she said. "But I found out that money is very important to the destiny of a nation, and I decided to find that money."

Five of her children are now in the United States, and have been working computers and phones night and day this week, she said. Another five, including the two in prison, remain in China, and one lives in Australia.

In the mid-1990s, as Chinese officials heralded her as an example of ethnic success and even made her a member of the national legislature, she tried to work for change and never lost sight of her political dream, Ms. Kadeer said.

"I was sincere in my interactions with the Chinese government. I was hoping to solve the problems of the Uighurs," she said. "I still believe we can solve the problems."

But she started speaking out about Uighur grievances and she kept ties with her husband, by then a dissident living in the United States. In 1999 she was imprisoned.

Ms. Kadeer dismisses Beijing's charge that she planned last Sunday's protests.

She is more than happy, however, to tell how she and the two organizations she heads, the Uighur American Association and the World Uighur Congress, both of which receive financial support from the National Endowment for Democracy, mobilized exile groups around the world to protest an episode in Guangdong Province in late June.

Chinese officials say that two Uighur workers were killed by a small group of Han Chinese, who have been detained; Ms. Kadeer says, with evident sincerity, there is evidence that a mob killed up to 60 Uighurs while the police did nothing. But her version has not been independently verified, and Chinese authorities accuse exiles of exaggerating the matter to incite anti-Chinese feelings.

The world congress, based in Munich, has just one paid staff member but is in touch with some 51 exile groups around the world. Ms. Kadeer said that by June 30 she had called all of those groups to encourage demonstrations outside Chinese embassies.

The rumors about mass killings in Guangdong were one trigger for Sunday's protests, but Ms. Kadeer challenged Beijing authorities to release the transcript of a call she made to a brother in Urumqi on Saturday in which, she said, she urged him not to become involved in any demonstrations.

"Instead of blaming me, the Chinese government should start listening to the complaints of the Uighur people and choose dialogue," Ms. Kadeer said.

Her fame and force of personality have given the Uighurs a huge lift, but some exiles wonder about her domination and future leadership.

"I've been looking for someone like me who can take over," she said on Tuesday. For now, she said, "The people will not let me stop because my goal is their liberation."

"Until I lose my consciousness, I'll stay on as the leader."

3 At a Factory, the Spark for China's Violence

The first batch of Uighurs, 40 young men and women from the far western region of Xinjiang, arrived at the Early Light Toy Factory here in May, bringing their buoyant⁷⁹ music and speaking a language that was incomprehensible to their fellow Han Chinese workers.

“We exchanged cigarettes and smiled at one another, but we couldn’t really communicate,” said Gu Yunku, a 29-year-old Han assembly line worker who had come to this southeastern city from northern China. “Still, they seemed shy and kind. There was something romantic about them.”

The mutual good will was fleeting.

By June, as the Uighur contingent rose to 800, all recruited from an impoverished rural county not far from China’s border with Tajikistan, disparaging chatter began to circulate. Taxi drivers traded stories about the wild gazes²⁵² and gruff²⁶³ manners of the Uighurs. Store owners claimed that Uighur women were prone⁴³² to shoplifting. More ominously³⁷⁸, tales of sexually aggressive Uighur men began to spread among the factory’s 16,000 Han workers.

Shortly before midnight on June 25, a few days after an anonymous Internet posting claimed that six Uighur men had raped two Han women, the suspicions boiled over into bloodshed.

During a four-hour melee³⁴⁸ in a walkway between factory dormitories, Han and Uighur workers bludgeoned one another with fire extinguishers, paving stones and lengths of steel shorn from bed frames.

By dawn, when the police finally intervened, two Uighur men had been fatally wounded and 120 other people were injured, most of them Uighurs, according to the authorities.

“People were so vicious⁵⁸¹, they just kept beating the dead bodies,” said one man who witnessed the fighting, which he said involved more than a thousand workers.

Ten days later and 1,800 miles away, the clash in Shaoguan provoked a far greater spasm⁵¹⁴ of violence in Urumqi, the capital of the Xinjiang region. On July 5, a demonstration by Uighur students protesting what they said was a lackluster investigation of the factory brawl gave way to a murderous rampage⁴⁴³ against the city’s Han residents, followed by killings carried out by the Han.

In the end, at least 192 people died and more than 1,000 were injured, according to the government. Of the dead, two-thirds were Han, the authorities said. Uighurs insist that the toll among their own was far higher.

Shaoguan officials, who said that the rape allegations were untrue, contended that the violence at the toy factory was used by “outsiders” to fan ethnic hatred and promote Xinjiang separatism. “The issue between Han and Uighur people is like an issue between husband and wife,” Chen Qihua, vice director of the Shaoguan Foreign Affairs Office, said in an interview. “We have our quarrels, but in the end, we are like one family.”

Li Qiang, the executive director of China Labor Watch, an advocacy group based in New York that has studied the Shaoguan toy factory, has a different view. He said the stress of low pay, long hours and numbingly repetitive work exacerbated deeply held mistrust between the Han and the Muslim Uighurs, a Turkic-speaking minority that has long resented Chinese rule.

“The government doesn’t really understand these ethnic problems, and they certainly don’t know how to resolve them,” Mr. Li said.

In the government’s version of events, the factory clash was the simple product of false rumors, posted on the Internet by a disgruntled former worker who has since been arrested.

A few days later, the authorities added another wrinkle to the story, saying that the fight was prompted by a “misunderstanding” after a 19-year-old female worker accidentally stumbled into a dormitory room of Uighur men.

The woman, Huang Cuilian, told the state news media that she screamed and ran off when the men stamped their feet in a threatening manner. When Ms. Huang, accompanied by factory guards, returned to confront the men, the standoff quickly escalated.

The Uighur workers have since been sequestered at an industrial park not far from the toy factory. Officials refused to allow a reporter access to the workers, and a large contingent of police officers blocked the hospital rooms where two dozen others were recovering from their wounds.

“They want to lead a peaceful life and not be bothered by the media,” said Mr. Chen, the Shaoguan official. He said the government of Guangdong

Province, where Shaoguan is located, and the factory would provide them employment at a separate plant.

Officials at Early Light, a Hong Kong company that is the largest toy maker in the world, declined to comment.

In the city of Kashgar, the ancient heart of Uighur civilization, the Shaoguan killings have inflamed longstanding anger over the way China manages daily life in Xinjiang. Many Uighurs complain about policies that encourage Han migration to the region and say the government suppresses Uighurs' language and religion. When it comes to employment, they say coveted state jobs go to the Han; a 2008 report by a United States Congressional commission noted that government job Web sites in Xinjiang set aside most teaching and civil service positions for non-Uighurs.

"If we weren't so poor, our children wouldn't have to take work so far from home," said Akhdar, a 67-year-old man who, like many others interviewed, refused to give his full name for fear of reprisals from the authorities.

The Uighurs who work at the Shaoguan toy factory, all of them from Shufu County outside Kashgar, are part of a growing wave of 1.5 million people who have migrated from Xinjiang to more prosperous cities of coastal China. This year, more than 6,700 young men and women left Shufu County, according to government figures, part of an ambitious jobs export program intended to relieve high youth unemployment and provide low-cost workers to factories.

According to an article in the state-run Xinjiang Daily, "70 percent of the laborers had signed up for employment voluntarily." The article, published in May, did not explain what measures were used to win over the remaining 30 percent.

But residents in and around Kashgar say the families of those who refuse to go are threatened with fines that can equal up to six months of a villager's income. "If asked, most people will go, because no one can afford the penalty," said a man who gave his name only as Abdul, whose 18-year-old sister is being recruited for work at a factory in Guangzhou but has so far resisted.

Some families are particularly upset that recruitment drives are directed at young unmarried women, saying that the time spent living in a Han city far away from home taints their marriage prospects. Taheer, a 25-year-old bachelor who is seeking a wife, put it bluntly. “I would not marry such a girl because there’s a chance she would not come back with her virginity,” he said.

Still, a few Uighurs said they were thankful for factory jobs with wages as high as \$190 a month, double the average income in Xinjiang. One man, a 54-year-old cotton farmer with two young daughters, said he was ready to send them away if that was what the Communist Party wanted. “We would be happy to oblige,” he said with a smile as his wife looked away.

Once they arrive in one of China’s bustling manufacturing hubs, the Uighurs often find life alienating. Mr. Li of China Labor Watch said many workers were unprepared for the grueling work, the cramped living conditions and what he described as verbal abuse from factory managers.

But the biggest challenge may be open hostility from Han co-workers, who like many Chinese hold unapologetically negative views of Uighurs.

Many Han say they believe that Uighurs are given unfair advantages by the central government, including a point system that gives Uighur students and other minorities a leg up on college entrance exams.

Zhang Qiang, a 20-year-old Shaoguan resident, described Uighurs as “barbarians” and said they were easily provoked to violence.

“All the men carry knives,” he said after dropping off a job application at the toy factory, which is eager to hire replacements for the hundreds of workers who quit in recent weeks.

Still, Mr. Zhang acknowledged that his contact with Uighurs was superficial. When he was a student, his vocational high school had a program for 100 Xinjiang students, although they were relegated to separate classrooms and dorms.

If he had any curiosity about his Uighur classmates, it was quashed by a teacher who warned the Han students to keep their distance. “This is not prejudice,” he said. “It is just the nature of their kind.”

4 Senate Likely to Vote on Sotomayor in August

Judge Sonia Sotomayor completed her testimony before the Senate Judiciary Committee on Thursday, acknowledging regret for having said that a “wise Latina” judge could decide a case better than a white man while defending her role in a case involving New Haven firefighters in which she was reversed by the Supreme Court.

But over her four days in the witness chair, Judge Sotomayor provided Republicans little ammunition²⁰ with which to block the Senate from approving her elevation to the Supreme Court, where she would become the nation’s first Hispanic justice.

Senior Republican staff aides said in interviews they expected that at least one and perhaps as many as three of the panel’s seven Republicans might vote to approve the Sotomayor nomination and send it to the full Senate, which is expected to confirm her in the first week in August.

Senator Patrick J. Leahy, Democrat of Vermont and the committee chairman, has scheduled a vote for next Tuesday, but Republicans on the panel have indicated they will ask the vote be delayed a week until July 28.

The aides said they expected Senator Lindsey Graham of South Carolina, whose questioning of Judge Sotomayor veer⁵⁷⁵ed between folksy²³⁸ support and wariness, to vote to approve the nomination. They said he could be joined by Senators Orrin G. Hatch of Utah, Charles E. Grassley of Iowa, John Cornyn of Texas or Tom Coburn of Oklahoma. Senators Hatch and Grassley, committee veterans⁵⁸⁰, have generally supported Democratic judicial nominees in the past. Senator Coburn said he was “mighty impressed” with Judge Sotomayor after questioning her.

In 2005, John G. Roberts Jr., who had been nominated to be chief justice by a Republican president, George W. Bush, received three votes from among the eight Democrats on the panel.

One of the aides, all of whom spoke on the condition of anonymity, said Republicans had for some time given up any hope of derailing the Sotomayor

nomination. But the aide said that committee Republicans had taken satisfaction in two of Judge Sotomayor's concessions at the hearings, which ended in the evening with panels of outside witnesses.

Not only did she back away from and express regret for her "wise Latina" comments, but the official said Republicans were also pleased that she seemed to repudiate President Obama's formulation that a judge needed to have empathy for those who came before the court.

Before she got up from the witness chair for good, Judge Sotomayor, who sits on the federal appeals court in New York City, was confronted repeatedly by Republican questions about the apparent gulf between her testimony and her past speeches in which she spoke about how personal experiences might influence a judge's behavior. "Look at my record over the last 17 years as a judge," she responded regularly.

In eschewing²⁰² her speeches, Judge Sotomayor gave answers that were reminiscent of Clarence Thomas, who was challenged at his 1991 confirmation hearings about several speeches in which he said that "natural law," an unwritten moral code, sometimes trumped written law. Justice Thomas said his speeches were philosophical musings, an answer Democrats dismissed but Republicans accepted.

Senator Jeff Sessions of Alabama, the ranking Republican on the committee, remained Judge Sotomayor's most relentless inquisitor³⁰⁰. In one pointed colloquy¹⁰⁷, Mr. Sessions challenged her about being part of a three-judge panel that ruled against white and Hispanic New Haven firefighters after the city threw out civil service exam results because not enough members of minorities had achieved scores high enough for promotion.

Mr. Sessions, who was denied a federal district court judgeship 23 years ago over accusations of racial insensitivity, tried to turn the tables on Judge Sotomayor. "Did you fail to show the courage that the attorney general has asked us to show about race?" he asked, referring to comments by Attorney General Eric H. Holder Jr.

"Sir, no, I did not show a lack of courage," she replied. "It was a thorough, complete discussion of the issues."

Two of the firefighters who lost the case before Judge Sotomayor only to achieve victory last month in a 5 to 4 Supreme Court ruling testified against her nomination in the afternoon.

The panel also heard from David Cone, a former major-league pitcher, who said Judge Sotomayor “rescued baseball” with her ruling in 1995 in which she barred team owners from unilaterally doing away with the free agent and salary arbitration systems. In discussing what is perhaps Judge Sotomayor’s most celebrated case, Mr. Cone said, “All of us players, owners and fans are in her debt.”

The National Rifle Association, after days of critical comments about Judge Sotomayor, formally opposed her nomination on Thursday. The group said it did so because of concern over her commitment to the Second Amendment, citing a case in which she took part involving the banning of a martial arts weapon in New York State.

Officials of the gun group said they would not include a senator’s vote on the nomination to rate lawmakers on their fidelity to a pro-gun-rights agenda.

5 Future Nominations Are at Stake in Hearings

As the two parties skirmish over the Supreme Court nomination of Judge Sonia Sotomayor, some of their rhetorical fire is aimed not at her but at the next justice President Obama may get to pick.

After three days of testimony, Judge Sotomayor appeared to have made no major mistakes that would jeopardize her confirmation in a Senate dominated by Democrats. So both sides are trying to use the Judiciary Committee hearings to define the parameters of an acceptable nomination in case another seat opens up during Mr. Obama’s presidency.

By forcing Judge Sotomayor to retreat from Mr. Obama’s desire for justices with “empathy,” Republicans have effectively set a new standard that

future nominees will be pressed to meet. The Republicans hope their aggressive questioning of Judge Sotomayor on race discrimination, gun control and the death penalty will make it harder for Mr. Obama to choose a more outspoken liberal in the future.

Liberal activists, by contrast, hope the hearings demonstrate that a Democratic president has nothing to fear from Republicans who have not rattled Judge Sotomayor. If she is confirmed by a commanding vote that includes a number of Republicans, the activists argue, they will have given Mr. Obama more political running room next time to name a more full-throated champion of liberal values.

“Democrats want to draw lines in one place in the sand, and Republicans want to draw lines in another place in the sand,” said Rachel Brand, a former assistant attorney general who helped manage the confirmations of Chief Justice John G. Roberts Jr. and Justice Samuel A. Alito Jr.

For all sorts of reasons, Mr. Obama’s next nomination fight could easily be a bigger confrontation than this one. At the moment, the president still enjoys strong popular support and is replacing a retiring liberal, Justice David H. Souter, with another liberal. But if his next choice alters the political balance or comes when his poll numbers are down, the battle could become much fiercer.

“It depends on who’s left the court,” said Fred McClure, a former White House official who worked on the confirmations of three Republican-appointed justices. “If the departing justice falls into the middle-to-liberal wing of the court, then I think the president is free to nominate a similar candidate. If on the other hand, the nominee is to replace the middle-to-right wing of the court, then I think he’s got to think differently.”

One lesson the White House has learned is to expect a fight on any nomination, fueling its desire for a strong vote for Judge Sotomayor. White House officials say they hope to generate momentum for the next one, though cautioning that each nomination is unique.

Several legal experts said Judge Sotomayor’s testimony might make it harder for Mr. Obama to name a more liberal justice next time.

She repudiated the president's assertion that "what is in a judge's heart" should influence rulings and rejected the liberal idea that the Constitution is a "living" document whose meaning evolves with society. Instead, she said the Constitution was "immutable" and did not change except by amendment. And she dismissed any role for foreign law in deciding cases, an influence some liberal legal experts argue should be considered.

Louis Michael Seidman, a Georgetown University constitutional law professor, said Judge Sotomayor adopted a "fairy tale" definition of judging that ignores the discretion¹⁶⁶ they have to decide hard cases where the legal materials do not dictate outcomes.

"She reinforced the official ideology, and it makes it that much harder for other judges later on to talk to the American people as if they were adults about what courts actually do and what constitutional law consists of," Mr. Seidman said.

James R. Copland, director of the Center for Legal Policy at the Manhattan Institute, said it was significant that Judge Sotomayor had endorsed a "traditionalist" view of judging and distanced herself from liberal theories. "That limits somewhat his ability to go far afield from the mainstream public understanding of the law," Mr. Copland said of the president.

Manuel Miranda, chairman of the Third Branch Conference, a conservative advocacy group, said Judge Sotomayor could make it easier for conservatives to attack future nominees. "She is portraying herself as someone who is bound by the rules that conservatives have been articulating for so many years," Mr. Miranda said. As a result, if Mr. Obama picks someone with different views, Republicans "now can say, 'You don't meet the Sotomayor test.' "

But Nan Aron, president of the liberal Alliance for Justice, said that if Judge Sotomayor ended up being confirmed by a significant margin, it would represent a "strong vote of confidence in President Obama's judicial picks in the future" at both the appeals court and Supreme Court levels.

"Everyone has been saying get a good vote, and this administration will have a firm foundation and a good record to move forward on pushing

back against the ultraconservative hold that currently exists on this court,” Ms. Aron said.

Either way, each side has taken the measure of the other and will emerge from this nomination with ammunition for the next.

“There were some rigorous questions, but it wasn’t Armageddon,” said Kenneth M. Duberstein, who was Ronald Reagan’s White House chief of staff and later managed the confirmations of Justices Souter and Clarence Thomas. “That’s left for another day and another nomination.”

6 Chinese Question Police Absence in Ethnic Riots

As this shattered regional capital sorts through the corpses from China’s deadliest civil unrest in decades, another loss has become apparent: faith in the government’s ability to secure the peace and quell mass disturbances. In many neighborhoods, police officers remained absent for hours as the carnage unfolded, witnesses say.

The bloodletting here on July 5, in which ethnic Uighurs pummeled⁴³⁹ and stabbed ethnic Han to death, was just the latest episode in a nationwide upswing in large-scale street violence that had already prompted concerned officials in Beijing to look for new ways to defuse such outbursts. In all of the recent cases, not only were officials and security forces unable to contain the violence, but average people clashed¹⁰³ with the police en masse – a sign of the profound distrust of local authority throughout much of China.

“In the last several years, the level of violence and speed with which these incidents can turn violent has increased,” said Murray Scot Tanner, an analyst of Chinese security. “It raises a very, very serious question: To what extent are the Chinese people afraid of their police anymore?”

In parts of the Uighur quarter and in poorer, mixed areas of south Urumqi, young Uighur men with sticks, knives and stones went on a bloody rampage for about five hours while police officers remained mostly absent, according to interviews with dozens of residents. In some areas where police

officers arrived but were outnumbered by rioters, the officers stood around or fled, witnesses said.

“Where were the police while people were being killed?” said Cheng Wei, 41, a landscaper whose neighbors, poor fruit vendors from Henan Province, lost a son in the riots. “They were completely useless.”

Large street protests that turn violent, and that officials and security forces have been powerless to stop, have been on the rise in recent years, analysts say. The government usually avoids reporting the number of protests or riots in China, but an article in January in Outlook Weekly, a policy magazine published by Xinhua, the state news agency, said there were 90,000 such events in 2006, up from 60,000 in 2003.

The central government still can completely lock down areas when it anticipates protests, as it did across the Tibetan plateau⁴¹³ in the spring or for the 20th anniversary of the student rallies at Tiananmen Square in June. But increasingly, security forces seem to have been caught unaware.

The rampage⁴⁴³ by Uighurs on July 5 was followed for days by reprisal⁴⁵⁴ killings by Han vigilantes⁵⁸³ who defied¹⁵¹ police orders to refrain from violence. At least 192 people were killed and 1,721 injured in all of the violence, most of them Han, according to the government. Many Uighurs say the Uighur casualties⁸⁸ have been severely undercounted. The Han, who dominate China, are the majority in Urumqi, even though the Uighurs, a Turkic people largely resentful of Chinese rule, are the biggest ethnic group in this western region of Xinjiang.

In March 2008, rioters in Tibet openly defied police officers who, caught by surprise, largely disappeared during the first 24 hours of violence. At least 19 people died.

Last month, tens of thousands of residents of Shishou, in Hubei Province, clashed with riot police officers over the mysterious death of a hotel chef. A year earlier, in Weng'an County of Guizhou Province, at least 30,000 people rioted over the handling of an inquiry into the death of a 17-year-old girl, torching police cars, the main police station and the government headquarters.

Frustration at legal injustice and Communist Party corruption is a common thread. The violence in Xinjiang began as a peaceful protest on July 5, when Uighurs called for a proper inquiry into a factory brawl⁶⁹ in southern China that had left two Uighurs dead.

“The absence of an independent legal system is the party’s biggest mistake, because when people can’t take their grievances²⁶² to the courts, they take them to the streets,” said Nicholas Bequelin, an Asia researcher for Human Rights Watch.

So concerned are Chinese leaders over the rise in mass violence and the growing contempt for law enforcement that they have taken new measures to ensure stability, with the 60th anniversary of the establishment of the People’s Republic coming up in October.

Vice President Xi Jinping, pegged³⁹⁸ as the next leader of China, took charge of a committee to ensure social stability. Separately, party officials and police officers down to the county level have taken part in training for managing civil unrest. The drills include teaching them to disable local Internet service during an outbreak and emphasizing that leaders take part in dialogue at the front lines rather than resort to shows of force.

But party leaders and police officers in Urumqi failed to avert⁴² disaster the night of July 5 even though government officials say the police knew as early as 1 a.m. that day that Uighurs were planning to hold a protest.

In the early evening of July 5, galvanized²⁴⁹ by Internet messages, Uighurs began gathering at People’s Square in the city center, near the headquarters of the regional Communist Party and government offices, to protest the handling of the earlier factory brawl. Police officers quickly encircled the crowd, witnesses said.

A mile south, about 6 p.m., people also began gathering on the northern edge of the old Uighur quarter, said Adam Grode, an American teacher who watched the scene from his 16th-floor apartment. The crowd swelled to more than 1,000 people, including women and the elderly.

There were at first only a few traffic police officers standing around. But by 6:30 p.m., a line of troops from the People’s Armed Police, a paramilitary force, had formed to the north and was trying to push the crowd down

into the Uighur quarter. Some officers charged with batons⁵¹. The crowd surged back against the troops, fists raised.

Another wave of troops arrived. They were better equipped, with body padding and riot shields, Mr. Grode said. Some had rifles slung across their bodies.

Young men began hurling stones and bricks as the police attacked with batons. People also threw rocks at buses that had been halted. A full-fledged street battle erupted, though the police officers at this point did not use their guns, Mr. Grode said.

Just a few hundred yards south, at the busy Grand Bazaar area, there were few officers. The handful there just stood by as rioters set upon any Han civilians they saw, witnesses said. One taxi driver, who gave his name as Mr. Han, said he was dragged from his car by Uighurs with knives while policemen watched. He managed to escape.

After 8 p.m., rioters showed up in mixed neighborhoods about two miles southeast of the Uighur quarter. Police officers did not arrive until after 1 a.m., witnesses said. These areas were among the worst hit; witnesses said bodies were strewn all around Dawan North Road, for instance.

“The police arrived around 1:30 a.m., and they put down their riot shields to move bodies,” said Mr. Cheng, the landscaper.

Earlier, at twilight⁵⁶⁸, back in the northern half of the Uighur quarter, officers sprinted through alleyways to beat down and handcuff Uighur men. By around 10 p.m., they had begun opening fire with guns and tear gas rifles, Mr. Grode said, adding that he heard occasional series of single-shot gunfire. Another foreigner also said she heard gunfire after dark.

By 1 a.m., the rioting had ebbed, and police officers in the Uighur quarter were putting scores of handcuffed men onto buses.

Han residents keep asking why security forces showed up so late in the southern neighborhoods, where Han live close to Uighurs and are clearly vulnerable. Mr. Tanner, the security analyst, said that 11 years after the Tiananmen Square protests, security forces were ordered to handle protests

cautiously, but that if rioting broke out, officers and paramilitary troops could use “decisive force” as long as senior local officials had given approval. They are not supposed to let a riot run its course, he said.

But security forces also make securing government buildings, financial centers and other strategic points a top priority, Mr. Tanner said. Indeed, a local reporter wrote that he saw many police officers after 8 p.m. on Zhongshan Road, where government buildings are. This could help explain why officers did not show up in the residential areas until much later.

At the most basic level, though, the policing failure appears rooted in the government’s inability to understand the Uighur-Han relationship. “There’s a severe failure of intelligence about society and about social tensions,” Mr. Tanner said. “In this case, what I think they were clearly unprepared for is the level of organized intercommunal violence.”

Two days after the killings by the Uighurs, thousands of Han with sticks and knives clashed with police officers as the Han tried storming the Uighur quarter. None of them trusted the government to mete out proper punishment or to protect the Han.

A man who gave his name as Mr. Li, waving a wooden chair leg, said, “I’m here to safeguard justice.”

7 Why Japan’s Cellphones Haven’t Gone Global

At first glance, Japanese cellphones are a gadget lover’s dream: ready for Internet and e-mail, they double as credit cards, boarding passes and even body-fat calculators.

But it is hard to find anyone in Chicago or London using a Japanese phone like a Panasonic, a Sharp or an NEC. Despite years of dabbling¹⁴⁶ in overseas markets, Japan’s handset makers have little presence beyond the country’s shores.

“Japan is years ahead in any innovation. But it hasn’t been able to get business out of it,” said Gerhard Fasol, president of the Tokyo-based IT consulting firm, Eurotechnology Japan.

The Japanese have a name for their problem: Galápagos syndrome.

Japan's cellphones are like the endemic¹⁹⁵ species that Darwin encountered on the Galápagos Islands – fantastically evolved and divergent¹⁷⁸ from their mainland cousins – explains Takeshi Natsuno, who teaches at Tokyo's Keio University.

This year, Mr. Natsuno, who developed a popular wireless Internet service called i-Mode, assembled some of the best minds in the field to debate how Japanese cellphones can go global.

“The most amazing thing about Japan is that even the average person out there will have a superadvanced phone,” said Mr. Natsuno. “So we’re asking, can’t Japan build on that advantage?”

The only Japanese handset maker with any meaningful global share is Sony Ericsson, and that company is a London-based joint venture between a Japanese electronics maker and a Swedish telecommunications firm.

And Sony Ericsson has been hit by big losses. Its market share was just 6.3 percent in the first quarter of 2009, behind Nokia of Finland, Samsung Electronics and LG of South Korea, and Motorola of Illinois.

Yet Japan's lack of global clout is all the more surprising because its cellphones set the pace in almost every industry innovation: e-mail capabilities in 1999, camera phones in 2000, third-generation networks in 2001, full music downloads in 2002, electronic payments in 2004 and digital TV in 2005.

Japan has 100 million users of advanced third-generation smartphones, twice the number used in the United States, a much larger market. Many Japanese rely on their phones, not a PC, for Internet access.

Indeed, Japanese makers thought they had positioned themselves to dominate the age of digital data. But Japanese cellphone makers were a little too clever. The industry turned increasingly inward. In the 1990s, they set a standard for the second-generation network that was rejected everywhere else. Carriers created fenced-in Web services, like i-Mode. Those mobile Web universes fostered²⁴¹ huge e-commerce and content markets within

Japan, but they have also increased the country's isolation from the global market.

Then Japan quickly adopted a third-generation standard in 2001. The rest of the world dallied, essentially making Japanese phones too advanced for most markets.

At the same time, the rapid growth of Japan's cellphone market in the late 1990s and early 2000s gave Japanese companies little incentive to market overseas. But now the market is shrinking significantly, hit by a recession and a graying economy; makers shipped 19 percent fewer handsets in 2008 and expect to ship even fewer in 2009. The industry remains fragmented, with eight cellphone makers vying for part of a market that will be less than 30 million units this year.

Several Japanese companies are now considering a push into overseas markets, including NEC, which pulled the plug on its money-losing international cellphone efforts in 2006. Panasonic, Sharp, Toshiba and Fujitsu are said to be planning similar moves.

"Japanese cellphone makers need to either look overseas, or exit the business," said Kenshi Tazaki, a managing vice president at the consulting firm Gartner Japan.

At a recent meeting of Mr. Natsuno's group, 20 men and one woman crowded around a big conference table in a skyscraper in central Tokyo, examining market data, delivering diatribes and frequently shaking their heads.

The discussion then turned to the cellphones themselves. Despite their advanced hardware, handsets here often have primitive, clunky interfaces, some participants said. Most handsets have no way to easily synchronize data with PCs as the iPhone and other smartphones do.

Because each handset model is designed with a customized user interface, development is time-consuming and expensive, said Tetsuzo Matsumoto, senior executive vice president at Softbank Mobile, a leading carrier. "Japan's phones are all 'handmade' from scratch," he said. "That's reaching the limit."

Then there are the peculiarities³⁹⁷ of the Japanese market, like the almost universal clamshell design, which is not as popular overseas. Recent hardware innovations, like solar-powered batteries or waterproofing, have been incremental rather than groundbreaking.

The emphasis on hardware makes even the newest phones here surprisingly bulky. Some analysts say cellphone carriers stifle innovation by demanding so many peripheral hardware functions for phones.

The Sharp 912SH for Softbank, for example, comes with an LCD screen that swivels 90 degrees, GPS tracking, a bar-code reader, digital TV, credit card functions, video conferencing and a camera and is unlocked by face recognition.

Meanwhile, Japanese developers are jealous of the runaway global popularity of the Apple iPhone and App Store, which have pushed the American and European cellphone industry away from its obsession with hardware specifications to software. “This is the kind of phone I wanted to make,” Mr. Natsuno said, playing with his own iPhone 3G.

The conflict between Japan’s advanced hardware and its primitive software has contributed to some confusion over whether the Japanese find the iPhone cutting edge or boring. One analyst said they just aren’t used to handsets that connect to a computer.

The forum Mr. Natsuno convened to address Galápagos syndrome has come up with a series of recommendations: Japan’s handset makers must focus more on software and must be more aggressive in hiring foreign talent, and the country’s cellphone carriers must also set their sights overseas.

“It’s not too late for Japan’s cellphone industry to look overseas,” said Tet-suro Tsusaka, a telecom analyst at Barclays Capital Japan. “Besides, most phones outside the Galápagos are just so basic.”

8 Wikipedia May Be a Font of Facts, but It's a Desert for Photos

Some may wonder: Could there be a bad picture of Halle Berry or George Clooney?

Just visit Wikipedia. There you'll find a fuzzy shot of Ms. Berry from the mid-1980s, when she was part of a U.S.O. tour with other Miss USA contestants. She is out of focus and wearing a red-and-white baseball cap – in short, she is barely recognizable. Mr. Clooney, in his Wikipedia entry, is shown in Chad wearing a khaki vest and a United Nations cap. Smiling, he is ruggedly handsome in the company of two women who work for the United Nations; still this is hardly a glamour shot.

Then there are big names like Howard Stern or Julius Erving who have no photograph at all on Wikipedia.

At a time when celebrities typically employ a team of professionals to control their images, Wikipedia is a place where chaos rules. Few high-quality photographs, particularly of celebrities, make it onto this site. This is because the site runs only pictures with the most permissive Creative Commons license, which allows anyone to use an image, for commercial purposes or not, as long as the photographer is credited.

“Representatives or publicists will contact us” horrified at the photographs on the site, said Jay Walsh, a spokesman for the Wikimedia Foundation, which operates the Wikipedia encyclopedias in more than 200 languages. “They will say: ‘I have this image. I want you to use this image.’ But it is not as simple as uploading a picture that is e-mailed to us.”

“In general,” he added, “we need them to know that giving us a photograph from Annie Leibovitz won’t work unless Annie Leibovitz is O.K. with it.”

Photographs are a glaring flaw in the Wikipedia model. Unlike the articles on the site, which in theory are improved, fact checked, footnoted and generally enhanced over time, photographs are static works created by individuals. A bad article can become a better article. A bad photograph simply stays bad.

Wikipedians have tried to make up for this defect by organizing outings where groups of contributors take high-quality photographs of buildings or objects. Likewise Wikipedia has tried to gain permission from large photographic collections to use their material.

Last winter the German Federal Archives released 100,000 low-resolution digital copies under a license so they could appear on Wikipedia. Recently a Wikipedia user, Derrick Coetzee, downloaded more than 3,000 high-resolution photographs from the British National Portrait Gallery – to serve, in essence, as the head shots for important historical figures like Charlotte Brontë or Charles Darwin.

The gallery threatened legal action against Mr. Coetzee, saying that while the painted portraits may be old and thus beyond copyright protection, the photographs are new and therefore copyrighted work. The gallery is demanding a response by Monday from Mr. Coetzee, who is being represented by the Electronic Frontier Foundation. In an e-mail message on Friday a gallery spokeswoman, Eleanor Macnair, wrote that “contact has now been made” with the Wikimedia Foundation and “we remain hopeful that a dialogue will be possible.”

But none of this has made much of an improvement in Wikipedia’s photography. Any gallery of hideous Wikipedia photographs would include the former N.B.A. star George Gervin, who is standing stiffly in a suit in a shot that is cropped longer and thinner than would be typical even for a basketball player. The unrestricted photograph came from the office of Senator John Cornyn of Texas, who has been cut out of it.

As in Mr. Gervin’s case, the government is a prime source for public domain photographs. President Obama, for example, looks composed and serious in the official portrait that sits on the upper right-hand corner of his article.

But Wikipedia contributors also cull government collections for photographs of celebrities’ meetings with politicians, hoping to find something to post on the page.

The former home-run king Hank Aaron is shown in an out-of-context, oddly cropped photograph from a 1978 visit to the White House. Likewise the

main photograph of Michael Jackson was taken from his 1984 visit with Ronald and Nancy Reagan.

Recent photographs on Wikipedia almost exclusively are the work of amateurs who don't mind giving away their work. Amateur may be too kind a word; their photos tend to be the work of fans who happen to have a camera. The opera singer Natalie Dessay is shown looking the wrong way at an autograph signing; the actress Allison Janney appears in sunglasses at the Toronto Film Festival. The Coen brothers, Joel and Ethan, are seen from middle distance at Cannes in 2001, with Ethan covering his mouth, perhaps because he has just coughed.

Then there are the photographs taken from the stands, with the subject barely a fleck. Barry Bonds is apparently the outfielder in the center of one photograph on his page; David Beckham can be discerned with his hands on hips during a 1999 soccer match.

A few celebrities, like Plácido Domingo and Oliver Stone, have had the foresight to provide their own freely licensed photographs. And considering the money that stars spend to maintain their image, it is surprising that more have not invested in high-quality, freely licensed photographs for Wikipedia and other sites. Perhaps they don't recognize how popular Wikipedia is. In June, for example, Ms. Berry's article had more than 180,000 page views.

Also, it can be difficult to persuade a talent photographer to go along with that approach because one free photograph can drive out all the others, said Jerry Avenaim, a celebrity photographer. He is unusual in that he has contributed about a dozen low-resolution photographs to Wikipedia, including a shot of the actor Mark Harmon, originally created for TV Guide.

In an interview Mr. Avenaim still sounded torn about the idea of contributing his work. He said he was trying to accomplish two goals: "One, I really wanted to help the celebrities that I care about to show them in the proper light they want to be shown," he said. "Second, it is an interesting marketing strategy for myself."

He said that having his work on Wikipedia has increased his online visibility as reflected in search-engine results and traffic to his Web site,, but that

the costs are potentially high. “This is the lifeblood of my career,” he said, noting that photographers may get paid very little for a celebrity shot for a magazine. They make their money from resales of the image. And even a low-resolution photograph that is available free – say, his shot of Dr. Phil – becomes the default photograph online and means there is no need to pay for another one of his shots.

That, ultimately, is the issue for photographers who might want to donate their work to Wikipedia, but not the entire Internet.

“To me the problem is the Wikipedia rule of public use,” Mr. Avenaim said. “If they truly wanted to elevate the image on the site, they should allow photographers to maintain the copyright.”

9 Across U.S., ESPN Aims to Be the Home Team

Not content with being a sports colossus with broadcasts in 200 countries, ESPN is taking aim at hometown sports coverage, threatening one of the last strongholds of local newspapers and television stations.

ESPN has long dominated the coverage of national athletics, pumping out news and commentary on every major sport (and some not-so-major ones) via an expanding network of cable channels, Web sites and mobile services.

Now, after a promising test run in Chicago, ESPN is adding local offshoots to three more cities. On Monday, ESPN, which is owned by the Walt Disney Company, plans to announce local Web sites in New York, Los Angeles and Dallas – in what executives say is only the “first inning” of their effort to provide hyperlocal sports coverage in cities across the country.

“We look at this as a perfect example of offering a better product,” said George W. Bodenheimer, co-chairman of Disney Media Networks.

Chicago news outlets, which have some experience competing directly with ESPN, acknowledge that the threat is real.

“We are taking ESPN’s marketing push seriously, and we are looking forward to the local sports turf battle in the weeks and months ahead,” said Bill Adeo, The Chicago Tribune’s editor for digital media.

In less than three months, ESPN Chicago has become the city’s top sports site, attracting about 590,000 unique visitors in June, according to data from comScore, an Internet measurement company. Second place went to The Tribune’s online sports section with 455,000 unique visitors.

ESPN Chicago does not seem to have cut into The Tribune’s online sports audience as much as it has slowed its growth, according to a review of the traffic data.

At The Los Angeles Times, which is about to face ESPN head-on, the associate editor, Randy Harvey, said: “It would be foolish to underestimate ESPN, but it comes down to resources. I don’t see them being able to replicate what we do.”

Once ESPN establishes itself in local markets, it plans to move deeper into local sports – down to the high school level and perhaps beyond – by using social networking and other technology to inform its journalism.

Just as CNN offers news from everyday people through its iReport service, ESPN could augment its local coverage by tapping sports fans. Picture fathers uploading scores from their daughters’ soccer games.

“This initiative is perfect for exploring that opportunity,” said Mr. Bodenheimer, who also serves as president of ESPN and ABC Sports.

The company would say only that its costs are “minimal,” using existing resources to expand; in fact, ESPN says it is hiring only about 15 new people for the sites in Dallas, Los Angeles and New York. The Dallas site will start in the fall, the other two early next year.

These moves have challenges, even for a company with pockets as deep as ESPN. Sports fans, loyal to their local newspaper columnists, could balk at the continued march of ESPN across the sports news landscape, and the media giant could easily run afoul of local quirks. Costs also may be difficult

to control, and maintaining editorial standards with content supplied by fans might be difficult.

Also, Fox Sports has successful cable networks in several regional markets, but its Web presence is minimal and for the most part does not focus on high schools.

Still, ESPN's offshoots may hurt native news operations, possibly speeding the flow of fans from print to the Web. Local papers' sports sections generally do not generate much advertising revenue, but sports news helps keep subscribers loyal.

The New York Daily News and The Dallas Morning News had no comment over the weekend on ESPN's plans.

Sports also bring a global audience to the Web sites of local papers. ESPN wants those people, who are probably also checking ESPN.com, to stay entirely within its arms.

ESPNChicago.com, introduced on April 13, is the model. The site covers the city's seven professional teams and sports at nine area colleges, much of it already offered on ESPN's other platforms. Plans are afoot to expand coverage to area high schools.

There is also a focus on pickup leisure sports. Organizing a neighborhood softball league? ESPN Chicago has a tool to help. The site's coverage, from news wires and ESPN staff, is augmented by original reporting from a local team of editors, columnists and bloggers – some of them familiar to sports fans from their previous work at The Chicago Sun-Times and the local NBC affiliate.

The site also offers a daily Chicago edition, three to six minutes long, of its flagship "SportsCenter" program.

"Huge" is how Stacey Woelfel, chairman of the Radio Television News Directors Association, described the potential threat to TV stations, in part because their Web presence in sports "tends to be fairly weak."

ESPN, of course, is going after local ad dollars, as well as readers. Chicago Lincoln-Mercury dealers, Hilton Hotels of Chicago, MillerCoors and Hawthorne Race Course have been among ESPN Chicago's advertisers.

"A national sports brand that's dedicated to your local market? It hasn't really been seen before," said Ray Elias, marketing director for StubHub, the ticket resale marketplace and an early partner with ESPN Chicago.

Although local advertising in print, radio and television has plunged in recent years – led by a drop in spending from car dealerships – online advertising is growing. The Kelsey Group, which studies local media, values the local online ad market at about \$16 billion and expects it to double by 2013.

John Kosner, ESPN's digital media chief, played down the competitive threat posed by his company's plan. "You've got outstanding newspapers and television stations that have been in these markets forever and have strong followings," he said. "Our presence will be additive."

Mr. Kosner even hinted at collaboration. "It's not a foregone conclusion that we will be independent" in every market, he said. ESPN already has some content-sharing partnerships with local newspapers.

ESPN, which broadcasts "Monday Night Football," has looked for a way to go local for years, but the growth potential was always outweighed by the costs of deploying local reporters and ad staffs. Sites that simply aggregated what ESPN was already doing would be quickly dismissed by fans, Mr. Kosner said.

To address the costs, ESPN is building off its radio stations' Web sites. The company owns five stations – in Chicago, New York, Los Angeles, Dallas and Pittsburgh – and counts more than 350 others as affiliates.

"We decided to take those sites, set up to service the station, and turn them on their ear to service the consumer," said Jim Pastor, senior vice president of the ESPN Radio Station Group.

Localization will not pad ESPN's bottom line anytime soon. But it could turn into a significant growth engine over time.

"Efforts like this might not sound so meaningful," said Michael Morris of UBS. "But if this area takes off, and ESPN's success record is astounding, it could really add up in a hurry."

10 In Britain, Judge Finds for Google in Libel Case

Google is not liable for defamatory¹⁴⁹ material that appears in its search results, a British judge has ruled, a decision that lawyers call significant because of the country's reputation as a haven for libel claimants⁹⁹.

The decision was in a case involving Metropolitan International Schools, a British company that operates Internet-based training courses. The company wanted to sue Google over negative comments posted by a reader of a technology news Web site; the comments appeared in text blurbs⁶³ with the results of Google searches related to Metropolitan.

David Eady, a High Court judge, ruled that Metropolitan could not sue Google, saying it was not a publisher of the material. "It has merely, by the provision of its search service, played the role of a facilitator," he wrote.

Lawyers said the decision, the first of its kind in Britain, was consistent with court decisions in several other European countries. In the United States, search engines are protected from liability for the contents of the results they turn up. Several European countries have extended similar protection.

Still, lawyers said Judge Eady's decision, published Friday, was significant because of uncertainties over libel law in Britain. British courts are often seen as sympathetic to defamation plaintiffs, and Web hosting services in Britain have been held responsible for the contents of sites they host.

"It's significant because it's consistent with what we thought the law should mean," said Struan Robertson, a technology lawyer at the firm Pinsent Masons in London. "If the judge had ruled otherwise, it would have been a terrible decision for search engines."

Google said the decision "reinforces the principle that search engines are not responsible for content that is published on third-party Web sites.

"Justice Eady made clear if someone feels they have been defamed by material on a Web site then they should address their complaint to the person

who actually wrote and published the material, and not a search engine, which simply provides a searchable index of content on the Internet,” the company’s statement said.

Metropolitan International Schools could not be reached for comment.

11 A Race to Provide Wi-Fi (but Not the Voice Part)

Though it is not yet clear how extensive the market is for in-flight Wi-Fi service, the competition to provide it is heating up. Row44, a California company whose in-flight Wi-Fi technology uses satellite connections, is emerging as an aggressive competitor to the market leader, Aircell, whose system uses ground-based stations.

Aircell said it had installed its system, called Gogo, on 460 airplanes, with technicians working night shifts at airline maintenance centers across the country. The company hopes to have as many as 1,000 domestic airplanes outfitted by the end of the year.

Two airlines, Virgin America and AirTran, now have Gogo on their entire fleets. Other carriers installing the Aircell system are Delta, American and United. Delta expects to have 90 percent of its domestic mainline fleet outfitted by the end of September.

Meanwhile, John Guidon, the chief executive and a co-founder of Row44, said the company was ready to begin installations, though it did not yet have a firm fleetwide contract. He estimated that Row44’s system would be installed on 500 to 1,000 airplanes worldwide by the end of 2010.

It would seem that Aircell is running so far ahead that competitors might be wary of entering the market. But Row44 is banking on making its domestic entry to the market aboard Southwest Airlines, which has been testing Row44 Wi-Fi on four of its more than 500 Boeing 737 aircraft.

Since June, after months of free trials on those planes, Southwest has been evaluating demand for the service at “various price points,” said a spokeswoman, Whitney Eichinger.

Alaska Airlines has also been testing the Row44 system on a single aircraft.

Southwest is not expected to make any firm decisions on whether to install Wi-Fi fleetwide until after the summer.

The big question about in-flight broadband service has always been whether enough passengers would pay for it, especially during a poor economic period.

“Right now, as we run these trials we’re seeing healthy single-digit numbers of paying customers,” Mr. Guidon said. He said that number was acceptable for the initial phase of development.

“We feel that’s a conservative number,” Mr. Guidon said. As more people acquire Wi-Fi enabled personal devices, which are easier to use in the cramped space of coach seats than laptops, “this will become an essential service that customers will demand,” he said.

Aircell told me it cost about \$100,000 to outfit an airplane with its land-based system. Mr. Guidon would not disclose how much the installation of Row44’s satellite system costs for each plane, other than to say, “It’s quite a lot more, let’s put it that way.”

Prices for using the Aircell service have ranged as high as \$12.95, depending on the length of a flight, though users of Wi-Fi enabled BlackBerrys and smartphones receive discounts. Last week, Aircell began offering a 24-hour pass for \$12.95, covering multiple flights.

Mr. Guidon anticipates that for Row44 service, airlines will charge about \$10 for long-haul flights and \$5 for short-hauls.

Wi-Fi enabled devices, whether notebooks or smartphones, are capable of providing more than the Internet and e-mail. One big question surrounding the proliferation of smartphones and other Wi-Fi enabled devices on planes is whether they will soon lead to in-flight phone calls.

Both the Aircell and Row44 systems are technically capable of providing voice-over-Internet protocol, called VoIP, service, which allows users to make phone calls over broadband Internet connections.

Aircell and Row44 both block the service for voice calls, but there are Web forums devoted solely to sharing tips on how to overcome the roadblocks.

Like many probably bad ideas, there seems to be a certain inevitability to having people engage in phone calls aboard planes. In fact, some foreign carriers already allow it.

Earlier this year, for example, the big European budget airline Ryanair teamed up with a company called OnAir to install capability for making calls with cellphones, Wi-Fi enabled smartphones and BlackBerrys in flight on 20 airplanes.

“This is a political hot potato here in America, where there is concern over the social implications of having people talking on phones, annoying other passengers,” Mr. Guidon said. “Nevertheless, across the rest of the world this seems to be rolling out with no drama.”

He said that airlines would ultimately decide whether it should become available.

Until it does, “we’ll block voice over I.P.,” he said. “Nevertheless, there will continue to be a cat-and-mouse game between people who try to figure out ways of getting voice over I.P. over Row44 service and our attempts to stop them. I think that’s just what makes the world go around.”

12 Earnings Climb Nearly 8% at Yahoo

Carol Bartz, Yahoo’s chief executive, is known for peppering⁴⁰⁰ her public presentations with the odd expletive²¹⁵ or two. But her conference call Tuesday to discuss Yahoo’s second-quarter financial results was entirely family-friendly. Then again, Ms. Bartz did not have much to swear about.

Yahoo's revenue declined 13 percent in the second quarter as advertisers continued to reduce spending in the downturn. But cost-cutting initiatives helped to soften the blow, and profits climbed nearly 8 percent, beating analysts' expectations.

Yahoo also said that it planned a new round of investment in products and a rebranding campaign, which would lead to a drop in profit in the current quarter. Investors reacted by sending shares down nearly 3 percent in after-hours trading.

"Over all, the long and protracted⁴³⁵ turnaround process continues," said Jeffrey Lindsay, an analyst with Sanford C. Bernstein & Company. "We don't see a catalyst that is going to turn things around soon."

Yahoo continues to discuss a search and advertising partnership with Microsoft that would create a more viable rival to Google. The talks have intensified recently, according to people briefed on them.

Both companies have declined to discuss their talks publicly and, for the first time since Ms. Bartz became chief executive in January, analysts did not ask her about them.

But Ms. Bartz recognized that Yahoo's search business would fare better with many more users, or more "scale," and she praised Bing, Microsoft's new search engine. "I think Microsoft should be getting kudos for Bing," Ms. Bartz said in a conference call with investors. "They've done a nice job."

Some analysts interpreted those comments as an indication that she appeared more willing to consider a deal than ever before.

"She talked about scale being an issue," said Ross Sandler, an analyst with RBC Capital Markets. "She talked about Microsoft having a pretty good search engine. That's all an admission that it might make sense for these parties to come together."

Yahoo reported net income of \$141 million, or 10 cents a share, compared with \$131 million, or 9 cents a share, a year earlier. Revenue dropped to \$1.57 billion, from \$1.8 billion a year earlier.

Net revenue, which excludes commissions paid to advertising partners, was \$1.14 billion, down 15 percent from \$1.35 billion a year earlier.

On average, Wall Street analysts had expected Yahoo to report net income of 8 cents a share on net revenue of \$1.14 billion.

“Considering the economy I am pleased with our results,” Ms. Bartz said. “Over all we are seeing less fear in the marketplace.” Ms. Bartz said advertisers appeared ready to spend more, but she added that it was too early to say how that would affect Yahoo.

Yahoo said search advertising revenue on its sites declined 15 percent, even as the number of searches on Yahoo rose. By comparison, Google, whose business is largely driven by search advertising, last week reported a 3 percent growth in revenue. Analysts said Yahoo did not give good reasons for the disappointing results.

On Tuesday, Yahoo also introduced an overhauled home page, a major initiative intended to restore its luster³³⁸ with users, advertisers and investors.

The new home page allows users to preview Yahoo services like mail and Flickr, and also third-party applications and sites, like Facebook, Gmail or BBC World News, in a section on the left side of the page called My Favorites. As Internet users’ attention is increasingly fragmented across a growing number of sites and services, the company’s decision to include third-party content on its home represents an effort by Yahoo to establish itself as the “center point of people’s lives online,” said Tapan Bhat, a senior vice president at Yahoo who is responsible for the company’s home page.

With 114 million visitors in June in the United States alone, Yahoo.com remains the most visited home page online. But Yahoo’s efforts to cash in on its huge audience have faltered²¹⁸ in recent years, as prices for premium brand ads have declined and as advertising networks have given marketers the ability to reach large audiences across vast arrays of Web sites at lower cost.

The new design could help Yahoo. The preview windows for third-party applications will include ads and should help advertisers reach large and specific groups of customers, Mr. Bhat said.

13 Challenge to Health Bill: Selling Reform

What's in it for me?

On the subject of health care reform, most Americans probably don't have a good answer to the question. And that, obviously, is a problem for the White House and for Democratic leaders in Congress.

Current bills would expand the number of insured – but 90 percent of voters already have insurance. Congressional leaders say the bills would cut costs. But experts are dubious. Instead, they point out that covering the uninsured would cost billions.

So the typical person watching from afar is left to wonder: What will this project mean for me, besides possibly higher taxes?

Barack Obama was able to rise from the Illinois State Senate to the presidency in large measure because of his ability to explain complex issues and then to make a persuasive argument. He now has a challenge worthy of his skills.

Our health care system is engineered, deliberately¹⁵³ or not, to resist change. The people who pay for it – you and I – often don't realize that they're paying for it. Money comes out of our paychecks, in withheld taxes and insurance premiums, before we ever see it. It then flows to doctors, hospitals and drug makers without our realizing that it was our money to begin with.

The doctors, hospitals and drug makers use the money to treat us, and we of course do see those treatments. If anything, we want more of them. They are supposed to make us healthy, and they appear to be free. What's not to like?

The immediate task facing Mr. Obama – in his news conference on Wednesday night and beyond – is to explain that the health care system doesn't really work the way it seems to. He won't be able to put it in such blunt terms. But he will need to explain how a typical household, one that has insurance and thinks it always will, is being harmed.

The United States now devotes one-sixth of its economy to medicine. Divvy that up, and health care will cost the typical household roughly \$15,000 this year, including the often-invisible contributions by employers. That is almost twice as much as two decades ago (adjusting for inflation). It's about \$6,500 more than in other rich countries, on average.

We may not be aware of this stealth \$6,500 health care tax, but if you take a moment to think, it makes sense. Over the last 20 years, health costs have soared, and incomes have grown painfully slowly. The two trends are directly connected: employers had to spend more money on benefits, leaving less for raises.

In exchange for the \$6,500 tax, we receive many things. We get cutting-edge research and heroic surgeries. But we also get fabulous amounts of waste – bureaucratic and medical.

One thing we don't get is better health than other rich countries, whether it's Canada, France, Japan or many others. In some categories, like emergency room care, this country seems to do better. In others, like chronic-disease care, it seems to do worse. "The fact that we spend all this money and don't have better outcomes than other countries is a sign of how poorly we're doing," says Dr. Alan Garber of Stanford University. "We should be doing way better."

So far, no one has grabbed the mantle as the defender of the typical household – the opponent of spending that creates profits for drug companies and hospitals at no benefit to people's health and at significant cost to their finances.

Republicans have actually come out against doing research into which procedures improve health. Blue Dog Democrats oppose wasteful spending but until recently have not been specific. Liberals rely on the wishful idea – yet to be supported by evidence – that more preventive care will reduce spending. The American Medical Association, not surprisingly, endorses this notion of doing more care in the name of less care.

Mr. Obama says many of the right things. Yet the White House has not yet shown that it's willing to fight the necessary fights. Remember: the \$6,500

tax benefits someone. And that someone has a lobbyist. The lobbyist even has an argument about how he is acting in your interest.

These lobbyists, who include big names like Dick Armey and Richard Gephardt, have succeeded in persuading Congress to write bills with a rather clever feature. They include some of the ideas that would cut costs – but defang them.

One proposal would pay doctors based on the quality of care, rather than quantity, but it's a pilot project. Doctors who already provide good care may well opt in; doctors providing wasteful but lucrative care surely will not. The bills would also finance research on which treatments are effective. But Medicare officials would not be prevented from continuing to spend taxpayer money on ineffective treatments.

In reaction, some people who should be natural supporters of reform have become critics. The Mayo Clinic – one of Mr. Obama's favorite models of care – says the legislation fails to “help create higher-quality, more affordable health care.”

On Thursday, Mr. Obama will visit another example he likes to cite, the Cleveland Clinic. Its successes capture what real reform would look like. Like Mayo, the Cleveland Clinic pays its doctors a salary, rather than piecemeal, and delivers excellent results for relatively little money.

“I came here 30-some years ago,” Delos Cosgrove, a heart surgeon who is the clinic's chief executive, told me. “And I have never received any additional pay for anything I did. It never made a difference if I did five heart operations or four – I got paid the same amount of money. So I had no incentive to do any extra tests or anything.”

This is the crux of the issue, economists say: the current fee-for-service system needs to be remade. The administration has made some progress, by proposing a powerful new Medicare overseer who could force the program to pay for good results and stop paying for bad ones.

But even a strong Medicare plan won't be enough. Reform will need to attack the piecemeal system in numerous ways. Among the most promising, which Mr. Obama has resisted, is a limit on tax subsidies for the costliest

health insurance plans. This limit would give households and employers a reason to become smarter shoppers.

Above all, reform can't revolve around politely asking the rest of the medical system to become more like the Cleveland Clinic.

In recent weeks, polls have shown that a solid majority of Americans support the stated goals of health reform. Most want the uninsured to be covered and want the option of a government-run insurance plan. Yet the polls also show that people are worried about the package emerging from Congress.

Maybe they have a point.

14 A Defining Moment Nears for President

Six months into his administration, President Obama is at a pivotal moment. He has pushed through a \$787 billion economic stimulus package, bailed out Wall Street and, on Tuesday, managed to beat the defense industry in the Senate, which voted to kill a high-profile fighter jet program.

But the public, and lawmakers, are growing skittish over Mr. Obama's next big plan, to remake the American health care system. How he handles the issue over the next several weeks could shape the rest of his presidency, shedding light on his political strength, his relationship with both parties in Congress and the extent to which he is willing to bend in fighting for his agenda.

With some fellow Democrats balking over his insistence that both the House and the Senate pass health legislation before the August recess, Mr. Obama has a tough decision to make: Does he take a hard line, demanding that lawmakers stick to his timetable – and risk losing the support of Republicans and moderate Democrats? Or does he signal flexibility, allowing lawmakers to take their time – and give opponents the chance to marshal their case against the bill?

“He’s got to be careful that while he ratchets up the pressure, he doesn’t bet his whole presidency on whether this gets done before the August recess,” said Kenneth M. Duberstein, who orchestrated President Ronald Reagan’s first-term legislative strategy. “He has a broad, broad agenda that he’s in a rush to enact, and if he’s not careful he will be viewed as a steamroller who tries to get things fast and not necessarily right.”

On Wednesday, Mr. Obama will address the nation in a prime-time news conference. Rahm Emanuel, the White House chief of staff, said in an interview that the president intended to use it as a “six-month report card,” to talk about “how we rescued the economy from the worst recession” and the legislative agenda moving forward, including health care and energy legislation, which squeaked through the House and faces a tough road in the Senate.

Polls show that Mr. Obama is more popular than his own policies, a worrisome sign for a president with such an ambitious agenda. Mickey Edwards, a former Republican congressman who is now vice president of the Aspen Institute, said Mr. Obama might be making a mistake in reading his election as a mandate for dramatic change.

“A lot of people supported Obama because they wanted to repudiate the Bush administration,” said Mr. Edwards, who backed Mr. Obama for president. “I was one of those people who supported him for reasons other than the policies he is proposing. He seemed more thoughtful, more contemplative – I felt he had the right temperament to be president. But I think his health care proposal goes beyond what the public at the moment is ready to accept.”

Mr. Obama came into office promising a more bipartisan Washington tone, which he has so far been unable to achieve. His actions in the coming weeks on health care may determine his long-term relationship not only with Republicans but also with his fellow Democrats.

“I think this will be a major factor in defining his presidency,” said Tom Daschle, the former Senate Democratic leader, who remains a close adviser to the White House on health issues. “Because he’s made it such an issue, and because he has invested so much personal time and effort, this will, more than stimulus and more than anything he has done so far, be a

measure of his clout and of his success early on. And because it is early on, it will define his subsequent years.”

On the Republican side, one question is whether Mr. Obama will succumb to the temptation to turn health care into a partisan fight, even as he tries to court the opposing party. He is, after all, still a popular new president confronting an unpopular Republican Party, and so it would be easy for him to demonize Republicans as obstructionists who want to stand in the way of progress.

Senator Jim DeMint, Republican of South Carolina, gave Mr. Obama an opening to do just that the other day, and the president took it. Mr. DeMint called health care a “Waterloo moment” that could break Mr. Obama. The president struck back, declaring, “This isn’t about me.” But if Mr. Obama extends that line of attack to Republicans more broadly, and rams a bill through without their support, any claim he may have to bipartisanship will quickly evaporate.

As for Democrats, Mr. Obama faces a balance-of-power conundrum. He has said all along that he will set out broad principles for a bill and leave the details to Congress. But now House Democrats in the fiscally conservative Blue Dog Coalition, including seven who hold decisive votes on the Energy and Commerce Committee, say they will not support the House bill without big changes.

One question for Mr. Obama is whether to try to strong-arm them, and face a rebellion from some of the very same conservative Democrats who helped put him in office. If he forces them to vote for a bill their constituents do not like, on a timetable that feels too rushed for them, it could hurt them at home. That could mean a bigger political problem for the White House: a resulting loss of Democratic seats in the 2010 midterm elections.

Another question is how hard Mr. Obama will push Congress as a whole to adopt his progressive agenda, not only on health care but also on climate change and a variety of other issues.

The next few weeks, as the president tries to broker a health care deal, may well tell Americans just how far he is willing to go.

15 Obama Wins Crucial Round in Senate Vote on F-22

With some of his political capital on the line, President Obama won a crucial victory on Tuesday when the Senate voted to strip out \$1.75 billion in financing for seven more F-22 jet fighters from a military authorization bill.

The president had repeatedly threatened to veto the \$679.8 billion bill if it included any money for the planes. The 58-to-40 vote clearly gives the Obama administration more leeway to overhaul military spending.

The F-22, the world's most advanced fighter, has been a flashpoint in a battle over the administration's push to shift more of the Pentagon's resources away from conventional warfare projects, like the F-22, to provide more money for fighting insurgencies.

Senate aides said that some Democrats who otherwise might have voted for more planes sided with the president out of concern that a loss could have hurt him in the fight for health care reform.

"The president really needed to win this vote," Senator Carl Levin, a Democrat from Michigan who led the fight to cut financing for the plane, said after the vote.

Lockheed Martin, the prime contractor for the F-22, has estimated that work on the plane provides 25,000 jobs and indirectly supports about 70,000 others. But Robert M. Gates, the defense secretary, has said that the Pentagon needs to accelerate a new plane, the F-35, and that doing so would offset the job losses.

About 1,000 suppliers in 44 states provide the jobs, which will gradually be phased out as some of the 187 F-22s that have been ordered are completed.

About two-thirds of the jobs are in California, Texas, Georgia, Washington and Connecticut. Several large unions who supported Mr. Obama in his campaign for the presidency, back building more planes.

All four senators from California and Washington are Democrats, and they all voted in favor of preserving the money for more planes.

The senators from Connecticut – Senator Christopher J. Dodd, a Democrat, and Senator Joseph Lieberman, a former Democrat who is now an independent – also voted to keep the money in the budget, as did the four Republican senators from Georgia and Texas.

Senator John Kerry of Massachusetts, the Democratic presidential nominee in 2004, had long supported the plane, partly because of jobs in Massachusetts, but he voted on Tuesday to strip out the money. Senator Edward M. Kennedy of Massachusetts, another senior Democrat who also had supported the plane, is battling brain cancer and did not vote Tuesday.

Immediately after the vote, Mr. Obama praised the Senate's decision, saying that any money spent on the fighter was an "inexcusable waste" – and that by following his lead the Senate had demonstrated a commitment to changing Washington's ingrained habits.

He also received crucial support from his Republican rival in last year's presidential election, Senator John McCain of Arizona, who co-sponsored an amendment with Mr. Levin to remove the \$1.75 billion from the bill.

Mr. McCain told reporters after the vote that the result was "definitely attributable" to the strong push by the president and Mr. Gates.

Mr. McCain added that the vote "really means there's a chance of us changing the way we do business in Washington," particularly in terms of Pentagon contracting.

Mr. Levin said that Mr. Gates and the White House chief of staff, Rahm Emanuel, made phone calls to influential senators to rally support.

"This was a very significant decision that the Senate made after a very, very tough battle," Mr. Levin said.

Despite Mr. Obama's veto threat, the Armed Services Committee had set the stage for Tuesday's decision by voting 13 to 11 in late June to shift the

\$1.75 billion from other parts of the Pentagon's budget for 2010 to add the seven planes to the 187 that have been built or ordered.

The House has also voted to keep the plane alive by authorizing \$369 million to buy advanced parts for 12 more F-22s. Ultimately, a conference committee will decide the next step.

And even though Tuesday's vote represented a test of strength for the White House, the issue could potentially resurface in the Senate. Senator Daniel Inouye, a Democrat from Hawaii and the chairman of the Senate Appropriations Committee, was among the Democrats who voted on Tuesday to preserve the money for the planes, and his panel will be putting together a separate military appropriations bill soon.

Senator Saxby Chambliss, a Republican from Georgia who led the fight to save the plane, said after the vote that he was disappointed. But he added that he hoped a law banning exports of the plane might be changed to allow it to be sold to allies like Japan. Lockheed assembles the planes in Marietta, Ga.

Still, military analysts said supporters had made much more progress in saving the F-22 than most experts had expected when Mr. Gates announced plans in April to cancel it and other major weapons systems.

Critics have long portrayed the F-22 as a cold war relic. The plane was designed in the late 1980s and can perform tactical operations at higher altitudes than other fighters. It can cruise at supersonic speeds without using telltale afterburners, and it has a stealthy skin that scatters radar detection signals. Proponents see it as a form of insurance against possible wars with countries like China.

But the F-22 has never been used in war, and the Pentagon's focus has shifted to simpler weapons needed in Iraq and Afghanistan.

Air Force leaders recently agreed that they could make do with the F-22s already built or ordered, instead of the 381 that the service had sought.

Mr. Gates has said a new fighter, the F-35, is better designed to attack ground targets. The plane will be used by the Navy, the Marine Corps and the Air Force, and the Pentagon plans to buy more than 2,400 of them.

16 Why China Will Keep Investing Abroad

Overshadowed by a sparkling economic report card for the second quarter, the leap in China's official currency reserves last week is yet one more reason to bank on a transformative surge in the country's investments abroad.

But the diplomatic storm whipped up by charges leveled by Beijing against four employees of Rio Tinto shows just how bumpy the journey overseas may be if it triggers a backlash against Chinese interests.

China has long been scouring the globe for energy and commodities to feed its thrumming economy. What is new is the leadership's determination to increase outbound foreign direct investment, or O.F.D.I., as it weans the economy off low-value, export-oriented manufacturing. The deal by Sinopec, the largest Chinese oil refiner, to buy the Swiss oil explorer Addax for \$7.24 billion last month was China's largest overseas acquisition yet.

The government is not throwing caution to the wind. Beijing blocked Bank of China's purchase of a stake in La Compagnie Financière Edmond de Rothschild, the French merchant bank, and has responded tepidly to a bid by Sichuan Tengzhong, a little-known machinery maker, for General Motors' Hummer unit.

But the first half of 2009 may prove to be an inflection point for Chinese outbound foreign direct investment, said Daniel Rosen, a visiting fellow at the Peterson Institute for International Economics in Washington.

"Despite short-term anxieties, Chinese O.F.D.I. is poised to grow markedly in the medium and long term, and the importance of these investments to Chinese firms is changing fundamentally as the nation confronts the need to rebalance its growth model," Mr. Rosen wrote in a paper whose co-author was Thilo Hanemann.

With domestic economies of scale largely exhausted, companies will have a powerful incentive to move abroad to upgrade their manufacturing and compete in more profitable areas like distribution, design and branding.

“Made in China” will increasingly give way to “Made by China – abroad,” Mr. Rosen and Mr. Hanemann argued.

On top of the commercial motives, greater capital outflows would make monetary policy easier to conduct by reducing China’s balance of payments surplus. Because the central bank buys most of the foreign currency entering China to cap the yuan’s exchange rate, every dollar that can be recycled as outbound investment is one dollar less that must be bought and added to reserves.

Those reserves jumped \$177.9 billion in the second quarter to \$2.13 trillion, helping to generate record credit and money supply growth that economists fear may be creating asset bubbles.

“We don’t know what the right amount of domestic monetary creation is, but it’s pretty safe to say it’s much, much lower than the increase in central bank reserves,” said Michael Pettis, an economics professor at Peking University.

Hence the significance of new government rules issued last week that will make it easier for companies to finance outbound foreign direct investment.

“On top of China needing to invest – they need to secure energy supplies, they need to acquire technology – there’s also the element of recycling dollar revenues,” said Qu Hongbin, chief China economist at HSBC in Hong Kong.

China’s outbound foreign direct investment has increased steadily this decade, and the outflow of \$52 billion last year was a record. Still, the historical stock of the outbound direct investment of \$170 billion is puny next to China’s foreign exchange reserves and its inward foreign investment stock of \$876 billion.

Mr. Qu, however, said that outflows could reach \$100 billion to \$150 billion a year as soon as 2012. And Mr. Rosen said in an e-mail message that sum would be “entirely conceivable” if there were no political interference from Beijing.

Mr. Rosen and Mr. Hanemann identify four areas where progress, now blocked by the state's reluctance to take its hands off the economy, is needed to promote outbound investment.

The government must completely pull back from companies' investment decisions. It must further liberalize access to foreign exchange and O.F.D.I. funding. It must let all companies invest overseas. And it needs a strategy that serves China's long-term interests – defending pariah states where China has invested hurts the image of the country's companies among consumers.

Similar reputational damage is where the detention by China of Stern Hu, an Australian and Rio's chief negotiator in fractious iron ore pricing talks, may dim China's ambitions to expand abroad. The perception that Beijing is exacting revenge on Rio for being outsmarted in the ore talks risks hardening attitudes far beyond Australia.

After all, critics already complain that foreign companies in China cannot trade and invest on a level playing field. So why should the West roll out the welcome mat for Chinese investors?

Mr. Pettis of Peking University said he expected outbound foreign direct investment to keep growing despite "political noise" generated by trophy transactions, but he acknowledged that Chinese attitudes toward overseas investors would hardly encourage foreigners to welcome Chinese investment.

"It's too easy if you are opposed to a Chinese acquisition to point out the things that have happened here in China," he said.

The "callousness" with which Beijing has blocked some inward investments raises questions about its seriousness toward cross-border investments both ways, Mr. Rosen and Mr. Hanemann said. Yet the implications of the Rio case are not clear-cut.

The charges laid at Rio's door reflected China's immaturity on matters of commercial regulation, Mr. Rosen wrote in his message. "On the one hand, that immaturity is an impediment to cross-border investment flows both ways. But on the other, and somewhat counterintuitively, it is one of the reasons China is so attractive as an investor and as a place to invest."

17 China's Wide Reach in Africa

Among Westerners, the economic partnership between China and Africa is often overlooked. But in “China Safari: On the Trail of Beijing’s Expansion in Africa” (Nation Books, \$27.50), Serge Michel and Michel Beuret examine the roots of this relationship – and argue that China is engaged in a conquest of Africa that will have worldwide economic implications.

As French journalists, Mr. Michel and Mr. Beuret bring an acute awareness of their own country’s colonial history to the China-Africa story. Mr. Michel, a former West Africa correspondent for *Le Monde*, has also reported from Iran, Iraq and Afghanistan. Mr. Beuret, the foreign editor of the Swiss magazine *L’Hebdo*, has written extensively on human trafficking in China and Europe.

“China Safari” is a fascinating, provocative work of firsthand reporting that illuminates an important global economic story. The book also features a 16-page insert of color photographs shot by Paolo Woods, who puts human faces on the book’s sprawling story and highlights some of the stark juxtapositions of African laborers and their Chinese bosses.

In 1976, under Mao Zedong, China completed the Tan-Zam railway, linking Zambia to the port of Dar es Salaam in Tanzania. But, as the authors note, Chinese inroads into Africa really got a kick-start in 1995, when President Jiang Zemin made a speech urging Chinese business leaders to “Go abroad! Become world players!”

Chinese business interests in Africa have grown dramatically in recent years. The authors say that bilateral trade between the regions quintupled, to \$55 billion, from 2000 to 2006, and that the figure is expected to reach \$100 billion by 2010. Chinese business interests in Africa range from oil, lumber, refining, agriculture, mining, textiles and banking to the construction of dams, railroads, highways, bridges, airports and housing.

The authors contend that China’s ambitions in Africa are grandly geopolitical as well as economic. As Jacob Wood, a Shanghai-born housing developer based in Africa for more than 30 years, tells them: “I’m going to

be honest with you, China is using Africa to get where the United States is now, and surpass it.”

According to one report cited by the authors, there are now about 750,000 Chinese living and working in Africa, in countries including South Africa, Nigeria, Zambia, Sudan, Algeria, Congo, Zimbabwe, Mozambique, Angola, Gabon, Guinea, Ethiopia, Cameroon, Egypt and Chad.

So far, China’s ventures in Africa have produced decidedly bittersweet results.

On the one hand, the Chinese invest heavily in infrastructure projects and create hundreds of thousands of jobs in return for being granted oil, mining and other concessions by African nations. According to the authors, Chinese “discretion and humility” are a breath of fresh air against a backdrop of “colonial arrogance” by France, Britain and other nations. In addition, the authors say, “Africa welcomes any competition that shakes up the Western, Lebanese and Indian business monopolies.”

Many African leaders are enamored¹⁹⁴ of the Chinese mix of authoritarianism and capitalism in business affairs, an emphasis on efficiency and a lack of preaching⁴²² about human rights, the authors say. Moreover, when the Chinese talk, they back up their words with concrete actions.

“The Chinese build things, the Europeans don’t,” declares Claude Alphonse N’Silou, the minister of construction and housing of the Congo Republic.

But there are increasing signs of trouble in the Sino-African economic paradise. The book says the Chinese have been criticized for selling arms to Sudan and Zimbabwe in the past, and for showing support for the Zimbabwean dictator Robert Mugabe. The authors also cite a United Nations report that says that thousands of machetes used in the Rwandan genocide were imported from China.

And the everyday workplace is riven⁴⁷³ with accusations of mistreatment of African laborers by Chinese bosses, and accusations of virulent⁵⁸⁶ racism that seems to contradict the Chinese image of discretion and humility.

An opposition leader in Zambia, meanwhile, complains that his country is allowing Zambia to become “a province – make that a district – of China,”

adding, “There’s nothing any minister can do when confronted by China’s amoral scheming.” The authors also cite instances of Chinese companies recently abandoning infrastructure projects without public explanation.

Since “China Safari” went to press, there have been reports that China may be backing out of deals in Guinea and Congo.

“CHINA SAFARI” is hobbled by the fact that Mr. Michel and Mr. Beuret were often denied access to important business people and projects. As a result, the authors occasionally resort to rambling anecdotal narratives like one in which they trace the manufacture of plastic souvenir pyramids sold at Egyptian archeological sites to – where else? – China.

Despite the recitations of socioeconomic and cultural disruptions and workplace abuses, the authors reach what may be an overly sanguine⁴⁸³ conclusion. They contend that “China’s arrival has been a boon for a continent adrift,” adding that the Chinese have “given Africa a real sense of worth, as much in the eyes of Africans themselves as in the eyes of foreigners.”

Still, it is not hard to join the authors in predicting that this joining of Chinese and African interests will likely succeed to the chagrin of the rest of the business world.

18 Unraveling how children become bilingual so easily

The best time to learn a foreign language: Between birth and age 7. Missed that window?

New research is showing just how children’s brains can become bilingual so easily, findings that scientists hope eventually could help the rest of us learn a new language a bit easier.

“We think the magic that kids apply to this learning situation, some of the principles, can be imported into learning programs for adults,” says Dr. Patricia Kuhl of the University of Washington, who is part of an international team now trying to turn those lessons into more teachable technology.

Each language uses a unique set of sounds. Scientists now know babies are born with the ability to distinguish all of them, but that ability starts weakening even before they start talking, by the first birthday.

Kuhl offers an example: Japanese doesn't distinguish between the "L" and "R" sounds of English – "rake" and "lake" would sound the same. Her team proved that a 7-month-old in Tokyo and a 7-month-old in Seattle respond equally well to those different sounds. But by 11 months, the Japanese infant had lost a lot of that ability.

Time out – how do you test a baby? By tracking eye gaze. Make a fun toy appear on one side or the other whenever there's a particular sound. The baby quickly learns to look on that side whenever he or she hears a brand-new but similar sound. Noninvasive brain scans document how the brain is processing and imprinting language.

Mastering your dominant language gets in the way of learning a second, less familiar one, Kuhl's research suggests. The brain tunes out sounds that don't fit.

"You're building a brain architecture that's a perfect fit for Japanese or English or French," whatever is native, Kuhl explains – or, if you're a lucky baby, a brain with two sets of neural circuits dedicated to two languages.

It's remarkable that babies being raised bilingual – by simply speaking to them in two languages – can learn both in the time it takes most babies to learn one. On average, monolingual and bilingual babies start talking around age 1 and can say about 50 words by 18 months.

Italian researchers wondered why there wasn't a delay, and reported this month in the journal *Science* that being bilingual seems to make the brain more flexible.

The researchers tested 44 12-month-olds to see how they recognized three-syllable patterns – nonsense words, just to test sound learning. Sure enough, gaze-tracking showed the bilingual babies learned two kinds of patterns at the same time – like lo-ba-lo or lo-lo-ba – while the one-language babies learned only one, concluded Agnes Melinda Kovacs of Italy's International School for Advanced Studies.

While new language learning is easiest by age 7, the ability markedly declines after puberty⁴³⁸.

“We’re seeing the brain as more plastic and ready to create new circuits before than after puberty,” Kuhl says. As an adult, “it’s a totally different process. You won’t learn it in the same way. You won’t become (as good as) a native speaker.”

Yet a soon-to-be-released survey from the Center for Applied Linguistics, a nonprofit organization that researches language issues, shows U.S. elementary schools cut back on foreign language instruction over the last decade. About a quarter of public elementary schools were teaching foreign languages in 1997, but just 15 percent last year, say preliminary results posted on the center’s Web site.

What might help people who missed their childhood window? Baby brains need personal interaction to soak⁵¹⁰ in a new language – TV or CDs alone don’t work. So researchers are improving the technology that adults tend to use for language learning, to make it more social and possibly tap brain circuitry that tots would use.

Recall that Japanese “L” and “R” difficulty? Kuhl and scientists at Tokyo Denki University and the University of Minnesota helped develop a computer language program that pictures people speaking in “motherese,” the slow exaggeration of sounds that parents use with babies.

Japanese college students who’d had little exposure to spoken English underwent 12 sessions listening to exaggerated “Ls” and “Rs” while watching the computerized instructor’s face pronounce English words. Brain scans – a hair dryer-looking device called MEG, for magnetoencephalography – that measure millisecond-by-millisecond activity showed the students could better distinguish between those alien English sounds. And they pronounced them better, too, the team reported in the journal *NeuroImage*.

“It’s our very first, preliminary crude attempt but the gains were phenomenal,” says Kuhl.

But she’d rather see parents follow biology and expose youngsters early. If you speak a second language, speak it at home. Or find a play group or caregiver where your child can hear another language regularly.

“You’ll be surprised,” Kuhl says. “They do seem to pick it up like sponges.”

19 In China, a Rocky Ascent for Basketball

With 1.3 billion potential fans, China is increasingly seen as a financial promised land for N.B.A. stars through endorsement deals, and the league itself has established a robust organization here valued at \$2 billion.

But China's own professional league, the Chinese Basketball Association, has hardly enjoyed a smooth ascendance alongside this country's basketball boom. American players and agents describe broken contracts, unpaid wages, suspicions of game-fixing and rising resentment toward foreign players. Several players have left China after failing to receive paychecks. Last month, the league announced that it lost \$17 million last season, which ended in May.

Players and coaches in China's professional league said problems escalated²⁰⁰ last season after the association loosened salary and court-time restrictions on foreign players, part of an effort to heighten the game's appeal to China's growing N.B.A fan base and to bring in more lucrative³³³ sponsorship deals. The association also hoped the prowess⁴³⁶ of imported players would help bolster China's basketball prospects for the 2012 Summer Olympics.

The efforts yielded conflicting results. TV ratings soared, and foreign players found starring roles – the top 15 scorers were non-Chinese, and players like Bonzi Wells and Dontaé Jones – who had less than stellar N.B.A. careers – frequently scored more than 40 points a game. At the same time, the dominance of foreign players fueled frustration.

“Foreigners should play supporting roles, not dominate the game,” said Zhang Xiong, director of operations for the Chinese Basketball Association.

Li Xiaofeng, 20, a restaurant manager and C.B.A. fan, said: “I don't like foreign players. They got most of the chances to shoot and score. How about our own players? They don't have the chance to bring their skill and talent into play.

“Our Chinese players' ability is limited by the current rule.”

Some Chinese state news media outlets went so far as to call imported players a “malignant³⁴¹ tumor.”

Meanwhile, China’s most prominent homegrown player, Yao Ming, is an N.B.A. star. This month he bought the financially troubled Shanghai Sharks, for whom he played five seasons before joining the N.B.A.

Chinese players like Wang Yong of the Dongguan Leopards support the increased participation of foreign players. “Chinese and foreign players are a harmonious²⁶⁶ blend,” he said. “I’ve learned a lot from them this season and feel I am a better player.”

Foreign players bridled⁷⁰ at accusations that they were selfish, saying they were simply following orders.

“The coaches tell you you’re the main scorer,” said Corsley Edwards, an American who played for the Yunnan Bulls last season.

The dominance of international players is not the only systemic problem in the 18-team league. Coaches, visiting players and their agents suspect that the outcome of some games is predetermined.

Players recounted locker-room lectures in which they were told to slack off on the court. On other occasions, they said, the best players had to sit out particularly competitive games or were sent home once their teams made the playoffs.

Gabe Muoneke, an American player who joined the Yunnan Bulls last season, said he was told by a Chinese teammate that a game against the Shanghai Sharks in November was fixed.

“He said, ‘Listen, my bookie told me we’re going to win today, so don’t worry,’” Muoneke said.

At the time, Shanghai and Yunnan were the two worst teams in the league, both without a victory. The Bulls won, 107-97.

Muoneke said the incident confirmed what he and other players have long suspected: that game-fixing is a problem for the Chinese league.

“It’s common knowledge that Chinese teams bribe referees⁴⁴⁸,” he said.

Awvee Storey, a former N.B.A. player with the Liaoning Hunters, said he often sensed his Chinese teammates were going through the motions. “I felt a lot of times we were playing just to play and not to win,” he said.

The league and Storey’s team denied allegations of game-fixing. The Yunnan Bulls contended that their international players did not understand Chinese basketball.

“C.B.A. referees are not very good,” said Wu Li, a team spokesman for the Liaoning Hunters. “Lots of people think referees make bad calls because they are being influenced by teams or coaches, but we don’t know of any proven cases.”

Wu went on to say that the foreign players’ bad attitudes caused many problems.

When asked about game-fixing, Zhang of the C.B.A. said, “There haven’t been any problems like that.”

Giovanni C. Funicello, an agent who has sent players to China for more than eight years, said that although most games are played fairly, betting is a problem.

“Do I think some games to a degree are influenced?” he said. “Yeah, I would say so.”

The accusations have led to a spate⁵¹⁵ of articles in the state-controlled Chinese news media about game-fixing and bribery, and the league vowed to crack down on such cheating.

Although the C.B.A. has denied the accusations, in November it announced harsher penalties for official misconduct. Social interactions between referees and team officials are now prohibited.

“This season we will put a knife to the neck of any referee who is involved in match-fixing or bribery,” Liu Xiaonong, the commissioner of the C.B.A., said last year, according to China Daily. “If a league is frequently linked to rumors of match-fixing, it means it has a big problem.”

Liu recently told Beijing Youth Daily that because of increased expenses from the C.B.A.'s expanded schedule, "the operation of the league and clubs are both in danger."

The N.B.A. is undoubtedly watching these developments with interest. It has created an operation here that involves marketing partnerships, merchandising and events. Companies including Bank of China and ESPN invested \$253 million to acquire a stake in the N.B.A. endeavor. The N.B.A. is also involved with building 12 basketball arenas in China.

"I'm not aware of cheating, but we're not involved with it," said David Stern, the commissioner of the N.B.A. "That's totally 100 percent under control of the C.B.A., and they've made it clear they'd like to keep it that way."

The Chinese league also faces allegations by its players that teams have reneged⁴⁵³ on contracts or failed to pay salaries.

Many former N.B.A. players were lured to China by six-figure salaries, in addition to free meals, lodging and family visits. Local players, by contrast, earn about \$14,000 a season.

Faced with ballooning budgets and bleak championship prospects, some owners chose to throw in the towel, leaving imports unpaid and abandoned.

The story is familiar to players like Muoneke and Edwards, who left the Yunnan Bulls over contract disputes. Edwards played for three months, then the team's general manager told him he would not be paid the rest of his salary. Filing a claim with the league got him nowhere, Edwards said.

His Chinese teammates face a similar plight⁴¹⁴. In May, long after their season ended, they sent a letter to the C.B.A. saying they had yet to receive 70 percent of their salaries and other compensation. The matter remains unresolved.

20 Clinton Speaks of Shielding Mideast From a Nuclear Iran

Stiffening the American line against Iran, Secretary of State Hillary Rodham Clinton said Wednesday that the United States would consider extending a “defense umbrella” over the Middle East if the country continued to defy international demands that it halt work that could lead to nuclear weapons.

While such a defensive shield has long been assumed, administration officials in Washington acknowledged Wednesday that no senior official had ever publicly discussed it. Some of the officials said the timing of Mrs. Clinton’s remarks reflected a growing sense that President Obama needed to signal to Tehran that its nuclear ambitions could be countered militarily, as well as diplomatically.

It also signified increasing concern in Washington that other Middle East states – notably Saudi Arabia and Egypt – might be tempted to pursue their own nuclear programs for fear Iran was growing closer to realizing its presumed nuclear ambitions.

Mrs. Clinton later clarified her comments on Iran, delivered in advance of a regional meeting here, saying her warning that the United States might create such an umbrella shield did not represent any backing away from the Obama administration’s position that it must prevent Tehran from obtaining a bomb capability. But her words suggested that the administration was developing a strategy should all efforts at negotiation fail.

Her statement also came as Iran’s internal divisions and crackdown on post-election protests have complicated Mr. Obama’s pledge to “engage” Iran directly. Iranian officials have hinted that they will present new proposals on the nuclear program, and American officials have said their offers to negotiate stand.

Speaking during a televised town hall meeting in Bangkok, Mrs. Clinton said, “We want Iran to calculate what I think is a fair assessment, that if the U.S. extends a defense umbrella over the region, if we do even more

to support the military capacity of those in the gulf, it's unlikely that Iran will be any stronger or safer, because they won't be able to intimidate and dominate, as they apparently believe they can, once they have a nuclear weapon."

Asked about Mrs. Clinton's comments, Sir Nigel Sheinwald, the British ambassador to the United States, said, "I don't think it should be read as an acceptance of an Iranian nuclear weapon" but rather as a statement intended to "reassure our partners in the gulf."

A senior White House official said he believed that Mrs. Clinton was speaking for herself and that she was, as she insisted, restating existing policy.

Mrs. Clinton's invocation of a defense umbrella is reminiscent of the so-called nuclear umbrella that Washington extends to its Asian allies: implicitly, the promise of an American reprisal if they are attacked by nuclear weapons. But she did not use the term nuclear, and a senior State Department official cautioned that her remarks should not be interpreted to mean that.

After meeting the foreign ministers of China, Russia, Japan and South Korea, Mrs. Clinton also said that the United States would not offer new incentives to North Korea to return to negotiations. She said all of the other nations that had engaged in talks with North Korea in the past five years were united in demanding that North Korea undertake a "complete and irreversible denuclearization" before receiving any economic or political incentives from them.

She did not detail the steps that would be part of such a process, though she confirmed that they could include the disabling of the Yongbyon nuclear complex. Last year, North Korea began to dismantle that complex, where it runs a nuclear reactor and reprocess fuel rods to recover plutonium, but it vowed in June to restart production there.

The United States has had an uncharacteristically visible presence at this gathering of the Association of Southeast Asian Nations, or Asean. It signed a friendship treaty with Asean's 10 members and called on one country, Myanmar, to release the imprisoned pro-democracy leader Daw Aung San Suu Kyi.

Israel's minister of intelligence and atomic energy, Dan Meridor, told Israeli Army radio: "I was not thrilled to hear the American statement from yesterday that they will protect their allies with a nuclear umbrella, as if they have already come to terms with a nuclear Iran. I think that's a mistake."

Mrs. Clinton said she was trying to make even starker the choice Iran faced if it did not agree to abandon its program.

The administration has talked about bolstering the military capacity of Iran's neighbors in the Persian Gulf so they could better meet the threat of a heavily armed Iran. It has also defended the proposed missile defense system in Eastern Europe as a potential shield against Iran.

"It faces the prospect, if it pursues nuclear weapons, of sparking an arms race in the region," Mrs. Clinton said. "That should affect the calculation of what Iran intends to do, and what it believes is in its national security interest."

On North Korea, Mrs. Clinton tried to project a united front, saying that China, Russia, Japan and South Korea had pledged to carry out the United Nations sanctions adopted in June against the North after its recent nuclear and missile tests.

Mrs. Clinton also reiterated⁴⁵¹ concerns that North Korea might be transferring nuclear technology to Myanmar, which American officials refer to by its former name, Burma. She is to deliver a statement on North Korea on Thursday. In an excerpt provided to reporters, the tone remained unyielding, but the United States pledged to give North Korea "significant economic and energy assistance" if it undertook a verifiable denuclearization.

At the ministers meeting, Mrs. Clinton demanded that Myanmar release Mrs. Aung San Suu Kyi, who could face years in prison on charges that she violated her house arrest. "It's so critical that she be released from this persecution that she has been under," she said later at a news conference. "If she were released, that would open up opportunities, at least for my country, to expand our relationship with Burma, including investments in Burma."

Mr. Obama extended a ban on American investments in Myanmar in May, but an official said the president could rescind⁴⁵⁵ it.

21 China Fears Ethnic Strife Could Agitate⁹ Uighur Oasis

Ali the tour guide seemed nice enough and his English flowed with grammatical perfection – a useful attribute in a city where most people speak a Turkic language that sounds nothing like Chinese.

“Sure, I will take you wherever you want to go, but first I have to call my friend and see if he will drive us,” Ali said, turning away. After a quick exchange, he hung up the phone and politely announced that his friend was actually a government minder who would soon be arriving to guide the would-be clients away from any potential trouble.

The destination his “friend” had in mind? The airport, where the reporters, subject to a ban on foreign journalists, would be escorted²⁰³ onto the next flight out of town.

“Sorry,” Ali said as the journalists prepared to flee in a taxi. “But if I didn’t make that call, I would get in big trouble.”

Kashgar, the ancient Silk Road oasis and backpacker lure, has been besieged by fear since ethnic rioting about two weeks ago claimed at least 197 lives in Urumqi, the capital of this northwestern expanse known as the Xinjiang Uighur Autonomous Region. Although the two cities are separated by about 700 miles of punishing desert and snow-draped mountains, the authorities are especially anxious about potential unrest in Kashgar, a city of 3.4 million that is 90 percent Uighur, a Muslim minority that has long had a mercurial³⁵¹ relationship with the Han Chinese who govern Xinjiang.

The authorities have good reason to be skittish⁵⁰⁵. Last August, at least 16 military police officers were killed in an attack here, unnerving the government just as dignitaries¹⁶¹ and athletes were arriving in Beijing for the 2008 Olympics. The police called it a terrorist strike by two Uighur men armed with explosives and machetes, though some witnesses later challenged that version of events.

In the early 1990s, Kashgar was also the scene of bombings and demonstrations; at least 21 people were killed and thousands were arrested during one

particular army crackdown. The city has long been a crucible¹³⁵ for Uighur self-determination, even if nationalist aspirations were never the same after a Chinese warlord vanquished the newborn East Turkestan Republic, a short-lived nation that called Kashgar its capital for a few months in 1933.

Although it is rapidly being bulldozed in the name of modernization, Old Kashgar and its ancient dusty warrens remain the heart of Uighur culture and a beguiling⁵³ draw for tourists. To China's leadership, however, the city is also an incubator²⁹⁰ for those seeking to create a Uighur homeland by the borders of Pakistan, Afghanistan and a handful of other predominantly Muslim countries whose names end with "stan."

This time around, Kashgar has been relatively quiet. During the turmoil in Urumqi, a crowd of 200 people tried to protest outside the city's Id Kah Mosque, the largest in China, and were quickly dispersed by the police, according to Xinhua, the state news agency.

But while journalists in Urumqi can roam with relative freedom, the few foreign reporters who made it to Kashgar were promptly hustled²⁷⁴ out of town.

"The situation may look calm now, but it could change at any second," a local government official told Mark MacKinnon, a writer for The Globe and Mail, a Canadian newspaper, as he and his colleagues were sent to the airport.

The uncertainty and sense of isolation have been only magnified by the blocking of access to the Internet and shutdown of text messaging and international phone service that has severed communications in Kashgar and the entire region. The blackout has been especially challenging for export companies, banks, factory owners and academics, and some of them say they have been told that Internet and phone service will be curtailed¹⁴³ until at least October, when China celebrates the 60th anniversary of the Communist revolution.

"I'm expecting a group of Swiss tourists next week, but I have no way of knowing whether they're still coming," said one beleaguered tour operator.

Like Urumqi, which has been flooded with soldiers since July 5, Kashgar is patrolled by young men in military camouflage, many of whom ride

through the city day and night, their green army trucks draped with ostensibly calming slogans like “National Separatists Are Our Enemy.”

But the government’s most effective weapon against potential trouble is largely unseen: the neighborhood committees made up of appointed Uighur cadres and citizens who, driven by fear or ambition, are ready to do the government’s bidding.

“You have to be careful because informers are everywhere,” said Ismail, a secondary school teacher who used only one name for his own safety. He said his brother had been detained after publicly criticizing plans to tear down the old mud-and-straw homes that, until recently, flanked²²⁷ Kashgar’s historic mosque. “I would not trust anyone if I were you,” he said.

His words were not hyperbole²⁷⁶. By late last week, hotel clerks, tour guides and taxi drivers had been instructed to be on the lookout for pesky⁴⁰² foreign journalists. A woman employed by a state-owned tourism company told of a meeting during which her boss warned that people caught assisting reporters would lose their jobs – as would members of their immediate families.

The campaign appeared to be extremely effective. When his passengers asked to be taken to a rural county known for its unemployed and disaffected residents, one Uighur driver called the police and then warned other drivers against helping the passengers escape.

After several close encounters with the authorities, the foreigners made it to the well-irrigated countryside that forms a lush buffer between Kashgar and the vast Taklimakan Desert stretching 590 miles to the east. In one town, a group of old men hacking at the soil spoke rapturously about the pace of modernization that had made farming, and their lives, much easier.

“We have electricity, fertilizer and motorbikes now,” one of the men said.

Later, after some gentle prodding, the farmers allowed that life was not without difficulties. One man, pointing to a row of unfinished brick houses, said local officials had demolished the villagers’ old homes and promised that the government would pay for the construction of new ones.

“The homes they’re building are half as large, and now we have to pay half their cost,” he said as his neighbors nodded with disgust. “We don’t have that kind of money.”

The men continued on for a while, speaking animatedly as the tour guide’s face registered a kaleidoscope of troubled expressions. Their ranting done, the guide, a graduate student best left unidentified, paused before declining to render their words into English.

“I’m sorry,” he said. “But it’s better for everyone if I just pretend I didn’t hear that.”

22 Concerns on Health Care Reflect Conflicting Goals

As Democratic Congressional leaders try to round up the votes to remake the health care system, they face a range of concerns about the cost and scope of the legislation among centrist lawmakers in each party whose support is vital to a deal.

Representative Charlie Melancon, Democrat of Louisiana, suspects that a proposed government-run health insurance plan will be another unaffordable “entitlement program” that puts a stranglehold on the federal budget and on future generations.

Senator Ben Nelson, Democrat of Nebraska, expressed fears that the health care legislation could inadvertently cause some Americans to lose their existing coverage. And he wants to be sure that any bill includes new “incentives for healthy lifestyles.”

Representative Mike Ross, Democrat of Arkansas, wants to reduce or eliminate the disparities in what Medicare pays for health services in rural areas versus urban centers, a gap that he says has forced hospitals to close and doctors to move away.

Senator Susan Collins, Republican of Maine, worries about requiring employers to provide insurance to workers. Without categorically rejecting

the idea, she said: “My inclination is to oppose an employer mandate. Employers want to provide health insurance and do so if they can afford it.”

Many of the centrists said they shared the same concerns: that the legislation proposed so far is too expensive; does not sufficiently reduce health care costs over the long term; and would raise taxes too much, or in ways they oppose.

If there is one thing centrists in the House and the Senate agree on, it is that they are being pushed way too fast to act on a hugely complex bill with an astronomical price tag of roughly \$1 trillion over 10 years, prompting a loud chorus of demands to slow down.

But aside from taking more time, and missing President Obama’s deadline of having each chamber pass a health care bill before the August recess – a goal that seems impossible to meet – getting to “yes” will require an artful set of compromises.

In many cases, the concerns of centrist lawmakers reflect conflicting goals: to expand health coverage to nearly all Americans while reducing the growth of health spending, cutting the cost of the bill and minimizing new taxes.

In the House, a group of seven Democrats who are members of the fiscally conservative Blue Dog Coalition have stalled the proceedings of the Energy and Commerce Committee, the last of three House panels needed to approve the bill.

The House speaker, Nancy Pelosi, said Wednesday that she shared some of the group’s concerns but also said, “I have no question that we have the votes on the floor of the House to pass this legislation” – a remark that some took as a threat to barrel ahead.

“Why are we rushing it?” asked Mr. Melancon, a Blue Dog on the Energy and Commerce Committee. “Let’s get it right.”

And he effectively dared House leaders to press ahead without fully addressing his group’s concerns, noting that the Blue Dogs potentially had enough votes in Energy and Commerce to stall the bill and that leaders would have to resort to pressure tactics.

“We’re going to need some orthopedists around here to take care of the broken bones and twisted arms,” he said.

The best hope for a bipartisan compromise seems to lie with a small group of lawmakers in the Senate Finance Committee, which continued to meet on Wednesday.

The committee chairman, Senator Max Baucus, Democrat of Montana and a centrist with a long history of collaborating with Republicans, has resisted pressure from Senate leaders and the White House while insisting that a compromise is within reach.

Republicans on that committee, including Senator Charles E. Grassley of Iowa, are insisting that any new taxes to help pay for the legislation come from within the health care arena. They have expressed no interest in the income surtax, on high-earners, proposed by the House that would raise \$544 billion over 10 years and instead are exploring a menu of smaller items including fees on private insurers.

Last week, a bipartisan group of senators, including two on the Finance Committee, sent a letter to the Senate leadership pleading for more time. A number of other senators have said they want the panel to continue working carefully toward a deal.

Ms. Collins, who joined Democrats in supporting the economic stimulus measure this year, said she had several big concerns about the House health care bill and a separate measure approved last week on a party-line vote by the Senate Committee on Health, Education, Labor and Pensions.

She said that she was “very skeptical” of the new government health insurance plan that Democrats want to create, and that she was “not a proponent of an employer mandate,” which would require employers to provide health benefits to workers or pay a fee to the government.

Instead, she said, “I would like to encourage more employer coverage by giving generous tax credits to smaller businesses.”

As for reaching a deal, Ms. Collins said, “we have a long way to go.”

The Senate Finance Committee has been working on a compromise idea that would create private nonprofit health insurance cooperatives instead of a government-run insurance plan to compete with private insurers in an effort to reduce costs.

Mr. Ross, of Arkansas, said the House Blue Dogs were open to considering the co-op idea and any number of other proposals that might reduce the cost of the legislation while still expanding insurance coverage to most Americans.

At a meeting at the White House on Tuesday, the Blue Dogs said, they won agreement from the Energy and Commerce Committee chairman, Representative Henry Waxman of California, to try to curtail Medicare spending by giving the executive branch new power to set annual payment rates for doctors, hospitals and other health care providers, based on recommendations from an independent advisory council.

Rates are now set by statutory formulas, and Congress is besieged by lobbyists pleading for bigger increases each year.

But Mr. Ross said that addressing long-term costs was just one area of concern for the Blue Dogs. They also want to reduce or eliminate the disparity in Medicare payments that result in lower rates for health providers in rural areas.

Mr. Ross said his hometown, Prescott, now has three doctors – down from six – and that private insurers in Arkansas pay 30 percent more than Medicare, making doctors reluctant to accept new Medicare patients.

23 Daring to Dream of a Resurgent AOL

Shortly after Tim Armstrong took over as chief executive of AOL, he asked to see the list of business deals that were being negotiated. He saw 900 of them.

It was too many by far. “If you looked through the deal sheet, would you have been able to see the strategy of the company?” he asked. “I had a hard time.”

The deals were small and incremental. At best, he said, “you would have thought it was a small- to medium-size Internet company.”

Mr. Armstrong wants AOL to think big again. Three months after leaving a senior job as Google’s president of advertising sales, he is formulating his ambitious recovery plan for AOL. He wants to make AOL the biggest creator of premium⁴²³ content on the Web and the largest seller of online display advertising.

Mr. Armstrong plans to outline his five-point strategy on Friday for the company at an all-hands meeting under a large tent on the its half-empty campus near Dulles International Airport outside Washington. Beyond talking about business lines, however, Mr. Armstrong’s primary challenge is to address what he calls AOL’s “crisis of confidence.” He wants the weary and beaten-down company to grow again.

“AOL has a choice to make,” he said. “We either lose slowly or win quickly. We are choosing to win quickly.”

Nine and a half years after Steve Case combined the company with Time Warner, AOL suffers from myriad³⁶⁶ problems. It has long since lost the mantle of king of the Internet to Mr. Armstrong’s former employer, Google. It has suffered through wrenching waves of mass layoffs, management turmoil⁵⁶⁶ and constant bickering⁵⁷ with its corporate parent. Time Warner plans to shed the unit by year end. Meanwhile, AOL struggles with the prospect of fading into irreversible irrelevance, a collection of tired brands for a shrinking core of customers hanging on mainly because they are too lazy to change their AOL.com e-mail addresses.

This year, AOL is expected to post revenue of about \$3.2 billion, down 38 percent in two years. A majority of that revenue is advertising, but AOL’s 6.2 million remaining customers for its dial-up Internet service are highly profitable and the most avid readers of its content. About 200,000 of them cancel service every month.

Mr. Armstrong and a core group of managers brought from Google are trying “to change the DNA of the company,” in the words of Jeffrey A. Levick, a longtime aide to Mr. Armstrong who is now the president of AOL’s advertising unit.

“People put numbers on the board and I say, ‘You are missing a lot of zeros and a lot of commas,’ ” he said. “I don’t think people have talked that way around here since the days of Steve Case.” Investors just see zeros when they think about the potential value of an independent AOL.

“Expectations from myself and Wall Street for AOL are still dire,” said Richard Greenfield, an analyst with Pali Capital. Still, he said the choice of Mr. Armstrong to run the company “is far better than we would have expected.” And if Mr. Armstrong leads even a modest turnaround in AOL, it “could surprise people and lead to substantial upside.”

The market value of AOL after the spinoff to Time Warner shareholders will depend on how much debt Time Warner saddles⁴⁸⁰ it with. Mr. Greenfield said AOL may be worth \$2 billion to \$3 billion, far less than its \$20 billion valuation in 2005, when Google invested \$1 billion in it – a deal Mr. Armstrong helped negotiate.

Mr. Armstrong has long thought big. Mr. Levick worked at an advertising agency in Chicago when he met Mr. Armstrong, who was selling an early form of advertising for a tiny search engine named Google.

“Here was a man standing at a whiteboard drawing the picture of all advertising all coming in through one place, Google,” Mr. Levick said. “I don’t think even anyone saw how big this was going to be, but Tim’s plan was for this to be bigger than anyone’s wildest imagination, even the people at Google.”

Despite having the wealth that comes with being one of Google’s early employees, Mr. Armstrong, 38, said he was lured³³⁶ to AOL create a new kind of media company. “One of the biggest challenges in the media business is also one of the biggest opportunities,” he said. “If you tried to recreate AOL’s assets, it would be incredibly expensive.”

Before Mr. Armstrong can move forward with his strategy, he must stabilize AOL’s ranks. In the last three years, the company has had three chief executives and five heads of ad sales.

Mr. Armstrong’s regular Tuesday product reviews include the people who build and operate each product as well as their bosses. The all-hands meeting on Friday, which will be Webcast to all employees, will be the third such event he has held.

Mr. Armstrong's five-point plan was also determined by a collaborative process in a two-day meeting in New York. The top 100 employees sorted through three dozen current and potential business lines for the company.

Mr. Armstrong asked simply, "What can we win?" Among the hot debates were what AOL's role should be in social networking and in search.

Eventually, the assembled employees voted on their top five ideas. Separately, Mr. Armstrong wrote his top five on a blackboard, turning it so the audience could see it only after the vote. The only difference: Mr. Armstrong wanted to include AOL's Truveo video search company in the top priorities. But he deferred to the group and assigned Truveo instead to a new unit called AOL Ventures, where he is putting noncore businesses, like the Bebo social network, that might eventually be sold.

Mr. Armstrong's plan is to compete directly with Yahoo, Microsoft and Google to become the dominant network for display ads. Mr. Armstrong says the company's technology, with the data it has on millions of consumers accumulated over nearly 25 years, will give it an edge¹⁸⁶.

"Nobody owns the display space today," he said.

Where Mr. Armstrong will find much less competition is content, which most Internet companies find too expensive to produce. AOL already operates more than 70 specialized blogs, including Boombox (on hip-hop music), WalletPop (on personal finance) and Paw Nation (on pets).

Mr. Armstrong wants to cover more topics in more countries with much more video.

The combination of specialized content and display advertising, he said, should make AOL appealing to large consumer products companies with big marketing budgets like Procter & Gamble.

"If you ask P.& G. what companies have the products that make you feel most comfortable, with the best content and the best targeting, AOL is already on the list today," Mr. Armstrong said. "Our aim is to move AOL to the top of the list."

24 Amazon's Expanding With Deal for Zappos

Amazon.com is trying the shoe retailer Zappos.com on for size.

The companies announced on Wednesday that Amazon was acquiring Zappos, based in Henderson, Nev., for 10 million shares of Amazon stock, worth nearly \$900 million at its current level.

Amazon also said it would give Zappos employees an additional \$40 million in cash and stock.

The acquisition is the largest in Amazon's history.

Online shoe sales hit \$4.3 billion last year, up from \$3.3 billion in 2007, according to Forrester Research.

Zappos, a private company founded 10 years ago, has won fans with perks like free shipping and personalized service. It is the largest player in that market.

Amazon has tried without much success to burnish its shoe offerings in the face of competition from Zappos. In 2007, it introduced a separate site, Endless.com, to sell shoes and handbags. But while Zappos received 4.5 million visitors in June, Endless.com got 777,000, according to comScore.

Amazon also sells shoes on its main site and allows outside retailers to sell them there as well.

"I don't think Amazon has gotten much traction" with Endless, said Sucharita Mulpuru, an analyst at Forrester. "People will go to Amazon to purchase a lot of their core media products and consumer electronics. But it is not thought of in the same light when shopping for apparel, accessories and footwear."

Zappos, Ms. Mulpuru said, "is one of the few sites out there that people think of first when they think of footwear."

The companies said that the management team of Zappos would remain intact and that Zappos would continue to operate as an independent division of Amazon from its offices outside Las Vegas. Zappos, whose backers include the venture capital firm Sequoia Capital, also said it planned to maintain its shipping facility in Louisville, Ky.

The companies had held conversations about a deal over the years, but they took on a serious tone a couple of months ago, a person briefed on the matter said. Amazon initially sought to pay cash, but Zappos asked for an all-stock deal, this person said.

The extra cash and restricted stock for employees is meant to keep them on board and preserve the company's culture, the person said. The deal is expected to close in the fall.

On the Zappos blog on Wednesday, Tony Hsieh, Zappos' chief executive, said that the decision to accept Amazon's offer was a difficult one. This was in part because Amazon focuses on low prices and convenience, while Zappos has carved out a favorable reputation among consumers for personalized service, free overnight shipping and a policy allowing buyers to return any pair of shoes free.

"We plan to continue to run Zappos the way we have always run Zappos – continuing to do what we believe is best for our brand, our culture and our business," Mr. Hsieh wrote.

Jeffrey P. Bezos, Amazon's chief executive, said in a video clip about the deal that Zappos "has a customer obsession, which is so easy for me to admire."

He added, "I get all weak-kneed when I see a customer-obsessed company."

Zappos appears to engender friendly feelings even among some of its smaller competitors.

Korey Buzzell, who runs the independent site Shoe-Store.net, said Zappos had been an amicable competitor in the past, sending customers to his site when it could not fulfill their orders.

“They have sent a lot of business our way over the years, and in return I myself refer people to Zappos if I can’t help them,” he said. “Amazon is different. I don’t use Amazon that much for shoes, in fact I try to avoid them. I hope Zappos doesn’t change with an acquisition like this.”

Amazon was advised in the deal by Lazard, and Zappos by Morgan Stanley.

25 Mom-and-Pop Operators Turn to Social Media

Three weeks after Curtis Kimball opened his crème brûlée cart in San Francisco, he noticed a stranger among the friends in line for his desserts. How had the man discovered the cart? He had read about it on Twitter.

For Mr. Kimball, who conceded that he “hadn’t really understood the purpose of Twitter,” the beauty of digital word-of-mouth marketing was immediately clear. He signed up for an account and has more than 5,400 followers who wait for him to post the current location of his itinerant³⁰⁸ cart and list the flavors of the day, like lavender³²¹ and orange creamsicle.

“I would love to say that I just had a really good idea and strategy, but Twitter has been pretty essential to my success,” he said. He has quit his day job as a carpenter to keep up with the demand.

Much has been made of how big companies like Dell, Starbucks and Comcast use Twitter to promote their products and answer customers’ questions. But today, small businesses outnumber the big ones on the free microblogging service, and in many ways, Twitter is an even more useful tool for them.

For many mom-and-pop shops with no ad budget, Twitter has become their sole means of marketing. It is far easier to set up and update a Twitter account than to maintain a Web page. And because small-business owners tend to work at the cash register, not in a cubicle¹³⁸ in the marketing department, Twitter’s intimacy³⁰⁴ suits them well.

“We think of these social media tools as being in the realm of the sophisticated, multiplatform marketers like Coca-Cola and McDonald’s, but a lot of these supersmall businesses are gravitating toward them because they are accessible, free and very simple,” said Greg Sterling, an analyst who studies the Internet’s influence on shopping and local businesses.

Small businesses typically get more than half of their customers through word of mouth, he said, and Twitter is the digital manifestation of that. Twitter users broadcast messages of up to 140 characters in length, and the culture of the service encourages people to spread news to friends in their own network.

Umi, a sushi restaurant in San Francisco, sometimes gets five new customers a night who learned about it on Twitter, said Shamus Booth, a co-owner.

He twitters about the fresh fish of the night – “The O-Toro (bluefin tuna belly) tonight is some of the most rich and buttery tuna I’ve had,” he recently wrote – and offers free seaweed salads to people who mention Twitter.

Twitter is not just for businesses that want to lure customers with mouth-watering descriptions of food. For Cynthia Sutton-Stolle, the co-owner of Silver Barn Antiques in tiny Columbus, Tex., Twitter has been a way to find both suppliers and customers nationwide.

Since she joined Twitter in February, she has connected with people making lamps and candles that she subsequently ordered for her shop and has sold a few thousand dollars of merchandise to people outside Columbus, including to a woman in New Jersey shopping for graduation gifts.

“We don’t even have our Web site done, and we weren’t even trying to start an e-commerce business,” Ms. Sutton-Stolle said. “Twitter has been a real valuable tool because it’s made us national instead of a little-bitty store in a little-bitty town.”

Scott Seaman of Blowing Rock, N.C., also uses Twitter to expand his customer base beyond his town of about 1,500 residents. Mr. Seaman is a

partner at Christopher's Wine and Cheese shop and owns a bed and breakfast in town. He sets up searches on TweetDeck, a Web application that helps people manage their Twitter messages, to start conversations with people talking about his town or the mountain nearby. One person he met on Twitter booked a room at his inn, and a woman in Dallas ordered sake from his shop.

The extra traffic has come despite his rarely pitching his own businesses on Twitter. "To me, that's a turn-off," he said. Instead of marketing to customers, small-business owners should use the same persona they have offline, he advised. "Be the small shopkeeper down the street that everyone knows by name."

Chris Mann, the owner of Woodhouse Day Spa in Cincinnati, twitters about discounts for massages and manicures³⁴² every Tuesday. Twitter beats e-mail promotions because he can send tweets from his phone in a meeting and "every single business sends out an e-mail," he said.

Even if a shop's customers are not on Twitter, the service can be useful for entrepreneurs, said Becky McCray, who runs a liquor store and cattle ranch in Oklahoma and publishes a blog called Small Biz Survival.

In towns like hers, with only 5,000 people, small-business owners can feel isolated, she said. But on Twitter, she has learned business tax tips from an accountant, marketing tips from a consultant in Tennessee and start-up tips from the founder of several tech companies.

Anamitra Banerji, who manages commercial products at Twitter, said that when he joined the company from Yahoo in March, "I thought this was a place where large businesses were. What I'm finding more and more, to my surprise every single day, is business of all kinds."

Twitter, which does not yet make money, is now concentrating on teaching businesses how they can join and use it, Mr. Banerji said, and the company plans to publish case studies. He is also developing products that Twitter can sell to businesses of all sizes this year, including features to verify businesses' accounts and analyze traffic to their Twitter profiles.

According to Mr. Banerji, small-business owners like Twitter because they can talk directly to customers in a way that they were able to do only in person before. "We're finding the emotional distance between businesses and their customers is shortening quite a bit," he said.

26 Chinese Worker Commits Suicide Over Missing iPhone Prototype

Chinese worker Sun Danyong was responsible for handling the prototypes of one of the world's hottest products – the iPhone. When one of the gadgets went missing and his company began investigating him, he jumped off his apartment building and killed himself.

The death – which involves allegations¹³ that security guards roughed up the worker – prompted Apple Inc. on Wednesday to issue a terse⁵⁴⁶ statement, insisting that all the company's contractors must treat workers with respect and dignity.

The 25-year-old Sun started his new job last year after earning a degree in business management. He moved from his native Yunnan province – a poor region sharing a border with Myanmar – to the southern boomtown of Shenzhen, home to the sprawling⁵²⁰ factory complex run by Foxconn Technology Group. The Taiwanese manufacturer has long been one of Apple's key suppliers.

Sun's job involved shipping iPhone prototypes to Apple. It was an extremely sensitive position for a company like Apple, known for shrouding its new product launches in secrecy and suspense – a strategy that's consistently helped whip⁵⁹⁴ up the just-can't-wait-to-buy-it feeling among consumers worldwide.

Although Apple and Foxconn confirmed Sun's suicide, they would not provide much information about the circumstances of his death. Many details have been reported by the state-run Southern Metropolis Daily, one of the region's most popular and aggressive newspapers.

The paper's account, which hasn't been disputed by the companies, said: Sun reported on July 13 that he was missing one of the 16 fourth-generation iPhones in his possession. Foxconn security guards searched his apartment, detained him and beat him. In the early morning of July 16, a distraught Sun jumped from the 12th floor of his apartment building.

Jill Tan, an Apple spokeswoman in Hong Kong, issued only a brief statement about the incident.

“We are saddened by the tragic loss of this young employee, and we are awaiting results of the investigations into his death,” Tan said. “We require our suppliers to treat all workers with dignity and respect.”

Apple’s success amid¹⁹ the recession is due in part to the iPhone. More than 5.2 million of the devices were sold in the third quarter this year – seven times the number sold at the same time last year, the company said Tuesday when announcing its earnings. The sales spike was related to a newly released version of the device, it said.

The Cupertino, Calif.-based company’s earnings jumped 15 percent in the third quarter – growth largely propelled by laptop and iPhone sales.

One of Apple’s most important manufacturing partners has long been Foxconn, owned by Taiwan’s Hon Hai Precision Industry Co. – the world’s biggest contract manufacturer of electronics. The corporate behemoth⁵⁴ has also produced computers for Hewlett-Packard Co., PlayStation game consoles for Sony Corp. and mobile phones for Nokia Corp.

Foxconn executive Li Jinming said in a statement that Sun’s death showed that the company needed to do a better job helping its employees with psychological pressures.

“Sun Danyong graduated from a good school. He joined the company in 2008. He had an extremely bright future. The group and I feel deep pain and regret when a young person dies like this.”

The company also said its security chief has been suspended and turned over to the police.

The police declined to respond to questions from The Associated Press.

Foxconn’s security chief, Gu Qinming, was quoted by the Southern Metropolis Daily as saying he never hit Sun. Gu reportedly said that after three security personnel searched Sun’s apartment and did not find the phone, the employee followed orders to go to Gu’s office on July 15.

“I got a bit agitated. I pointed my finger at him and said that he was trying to shift the blame,” Gu was quoted as saying.

He added, “I was a little angry and I pulled his right shoulder once to get him to tell me what happened. It (the beating) couldn’t have happened,” the paper reported.

27 Clinton Trades Jibes³¹⁰ With North Korea

The United States and North Korea fell into an acrimonious³ exchange on Thursday, with the North Korean government ridiculing Secretary of State Hillary Rodham Clinton as a “schoolgirl” and a “pensioner,” two days after she referred to its leaders as “unruly children.”

At a meeting of Southeast Asian nations here, the war of words competed for attention with Mrs. Clinton’s campaign to marshal worldwide pressure on the North Koreans to dismantle¹⁷⁰ their nuclear weapons program.

On Thursday, the Foreign Ministry in North Korea issued a statement criticizing remarks Mrs. Clinton made this week to ABC News, in which she said the best response to North Korea’s behavior would be to ignore it, as one would a child clamoring for attention.

“We cannot but regard Mrs. Clinton as a funny lady, as she likes to utter such rhetoric⁴⁶⁹, unaware of the elementary etiquette²⁰⁷ in the international community,” the North Korean statement said. “Sometimes she looks like a primary schoolgirl and sometimes a pensioner going shopping.”

North Korea said it would defend its sovereignty⁵¹² against the United States, which it accuses of aiming nuclear weapons at it.

The ill will surfaced vividly during a meeting of the Association of Southeast Asian Nations, or Asean, at this Thai resort when the North Korean delegation turned up on a hotel podium⁴¹⁷ to deliver a scheduled statement.

The officials were told that Mrs. Clinton was due to speak soon, though she was running late, as she has often this week. After huddling, they

stalked away and held a news conference nearby, at which they reiterated that North Korea would never return to multiparty talks with South Korea, Japan, Russia, China and the United States, talks that are aimed at curbing its nuclear ambitions.

For her part, Mrs. Clinton said she was encouraged by the international support for pressuring North Korea. Even Myanmar, she said, responded to requests by China and other countries to track a North Korean freighter this month that American officials suspected was carrying illicit cargo.

“The international community’s response to North Korea’s actions has been unequivocal and nearly unanimous, leading to a new consensus,” Mrs. Clinton said at a news conference, during which she read a lengthy statement restating the American policy on North Korea.

She said there was a commitment to carry out the sanctions called for in a United Nations Security Council resolution adopted in June after North Korea’s recent arms tests. Among its measures, the resolution bans weapons shipments to North Korea and seeks to squeeze the sources of financing for its nuclear and missile programs.

Mrs. Clinton singled out China, an influential neighbor, for asking officials in Myanmar, formerly Burma, to help in dealing with the North Korean freighter, the Kang Nam 1, which was steaming toward Myanmar. The vessel eventually turned around on its own, and she called China’s pressure a “proximate cause.”

She said she would discuss further steps in pressing North Korea with senior Chinese officials during consultations with China next week in Washington. Mrs. Clinton is leading the strategic and economic dialogue jointly with Treasury Secretary Timothy F. Geithner.

The United States has talked to China and other countries about a package of incentives, including economic and energy aid, which could be offered to North Korea in return for dismantling its nuclear program.

But even before Thursday’s vitriolic⁵⁸⁷ statements from North Korea, American officials said they were more focused for now on inflicting pain on North Korea than on luring it back to the bargaining table.

“We are not interested in half measures,” Mrs. Clinton said. “We have no desire to pursue protracted negotiations that will only lead us right back to where we have already been.”

Mrs. Clinton said the North Koreans had been intransigent in their public statements during the conference. Other senior American officials said the tone of the North’s statements was openly hostile.

Still, Mrs. Clinton may have contributed to the chilly atmosphere in her remarks just before the meeting. “Maybe it’s the mother in me,” she said to ABC News, “the experience I’ve had with small children and teenagers and people who are demanding attention: don’t give it to them.”

28 Microsoft Revenue Falls 17%

Microsoft, the once-swaggering giant of the personal computer industry, has been humbled, both by the recession and by problems of its own making.

On Thursday, the world’s largest software company reported its worst fiscal year since it initially sold stock to the public in 1986. Year-over-year revenue and full-year sales of Microsoft’s flagship Windows software dropped for the first time.

“Clearly, Microsoft is not immune to the economic downturn,” said Brendan Barnicle, a software analyst with Pacific Crest Securities.

Many prominent companies tied to the PC industry have watched about one-fourth of their revenue vanish as business customers in particular have scaled back new PC purchases. Microsoft makes more money from versions of Windows tied to business computers than it does on cheaper machines aimed at consumers. If businesses start buying again, Microsoft should benefit from higher overall sales and rising profits.

But the economy’s pinch is not solely to blame for Microsoft’s problems. The company’s Windows Vista software, hailed in 2007 as the most significant product in the company’s history, has failed to attract businesses in any meaningful way because of problems with compatibility and speed.

According to a study by Forrester Research, 86 percent of corporate PCs continue to rely on the eight-year-old Windows XP.

Microsoft's Windows profits have also fallen because of rising interest in the cheap, compact laptops known as netbooks, which rely on the lower-priced Windows XP instead of Vista.

Earlier this month, Google revealed plans to sell a direct competitor to Windows for the netbook market, and major PC makers have backed Google in what is most likely a bid to put even more pricing pressure on Microsoft.

The big question haunting Microsoft is when sales of its old-line products like Windows and Office will come back and fuel the company's aggressive strikes into areas like search, mobile device software and online business applications.

In its fourth quarter, Microsoft's net income fell to \$3.05 billion, or 34 cents a share, for the period ended June 30. The figures represent a 29 percent drop in net income from the \$4.30 billion, or 46 cents a share, that Microsoft reported in the period a year ago.

Excluding charges tied to legal matters, layoffs and investments, Microsoft earned 36 cents a share in the quarter, meeting the forecast of analysts surveyed by Thomson Reuters.

Microsoft's 17 percent drop in quarterly revenue was more troubling to Wall Street, which pushed the company's shares down more than 7 percent, to \$23.70, in after-hours trading. The company took in \$13.10 billion in the quarter, missing analysts' estimate of revenue by \$1.27 billion.

For the full year, Microsoft's revenue declined 3 percent, to \$58.44 billion, while its net income fell 18 percent, to \$14.57 billion.

On a positive note, Microsoft echoed recent comments from Intel, saying that there had been an increase in PC sales and healthier spending in Asia and the United States.

"There are some signs that we have at least seen the worst," said Christopher P. Liddell, the chief financial officer at Microsoft, in a conference call.

In numerous public appearances, Microsoft's chief executive, Steven A. Ballmer, has warned that people should not expect a major bounce-back in technology spending when the economy recovers. Rather, he suggested that a new, low bar had been set and that companies needed to adjust to such a reality.

Microsoft's recent missteps have resulted in a more cautious public stance. In a recent speech, Mr. Ballmer was equivocal about whether the company's new Windows 7 software, to be introduced in October, would prompt a surge in PC and software sales. "Maybe it will. Maybe it won't," he said.

"They want to keep expectations tame⁵⁴³ in front of Windows 7," said Israel Hernandez, director of software research at Barclays Capital. "They want to keep things in check until they have better visibility on the economy."

Mr. Ballmer's most boisterous⁶⁴ recent comments have revolved around Microsoft's staying power. He has vowed that the company will keep pouring money into research and development until it gets search, mobile software and virtualization software right. Microsoft spends close to \$10 billion a year on research – more than any other technology company.

Analysts contend that Microsoft has survived the downturn well enough, posting profits at a time when losses were more expected. They say the company seems destined to capitalize on large-scale PC upgrades, as companies finally give into the pressure of buying new machines.

"They are at a great stage right now," said Mr. Barnicle.

In the recession, Microsoft has laid off thousands of people and sought to cut far deeper than usual into its cost structure. "In my mind, we are a stronger company than we were a year ago," Mr. Liddell said.

If the economy recovers as hoped next year, Microsoft appears poised⁴¹⁸ to find its "mojo," as Mr. Ballmer describes it. The company will have revamped its traditional products and will be releasing a new wave of online business software.

Microsoft already appears confident enough to revisit a search and advertising combination with Yahoo, which Microsoft failed to acquire outright after extensive discussions last year. Talks about a partnership have intensified in recent weeks, and some people at both companies say they believe a deal could be near.

29 Piëch, VW's Chairman, Is Seen as Master Tactician⁵⁴²

The ouster³⁸² of Porsche's chief executive, Wendelin Wiedeking, underlines the tactical skills of Ferdinand Piëch, Volkswagen's chairman, whose ability to outmaneuver rivals and allies has seen him steadily increase his influence at both companies during a 46-year career in the auto industry.

It also marks a crucial step toward adding a 10th brand to an automotive empire built by Mr. Piëch that includes low-end, mass-market and luxury carmakers as well as trucks, among them the VW, Bentley, Bugatti, Skoda, Audi and Scania brands.

Mr. Piëch's career might then eclipse that of his illustrious²⁷⁹ grandfather, Ferdinand Porsche, who founded Porsche and designed the original VW Beetle.

Mr. Piëch has often been underestimated because he tends to keep employees and business partners in the dark, leaving them to guess his next move, say people who have worked for him.

While he was the development chief at Audi, he had different teams work on the aerodynamics of the Audi 100, using wind tunnels in Hamburg, Stuttgart, Wolfsburg and Turin to complete parts of the development. He had the test results sent to Ingolstadt, where Audi is headquartered.

"I was in the middle of it all, putting together the pieces of the puzzle," he said in his autobiography.

Gaining control of Porsche would also mark a return of Mr. Piëch's management influence there, where he spent nine years before quitting as board member for research and production in 1971.

At the time, Porsche's owning families, his relatives, decided they did not want a family member to lead the Stuttgart-based maker of the iconic 911 sports car.

Although Mr. Piëch's aspirations to lead Porsche were dashed in the 1970s, he went on to hold senior positions at Audi and Mercedes-Benz before rising to become Volkswagen's chief executive in 1993, and eventually chairman in 2002.

The soft-spoken Mr. Piëch is unfazed by tension, and often encourages rivalries, people who have worked for him say.

"It's not possible to take a company to the top by focusing on the highest level of harmony," he said in his autobiography.

Because the Piëch clan controls almost half the votes in Porsche, and the owning families need 75 percent approval for major decisions, Mr. Piëch's side of the family retains a veto even at Porsche.

Mr. Piëch also demonstrated Volkswagen's control over Porsche in 2008 by helping to block a cooperation deal that would have given Porsche access to VW technologies. Mr. Piëch later voted in favor of the cooperation, but only after infuriating his cousin, Wolfgang Porsche, the Porsche chairman.

Porsche is heavily dependent on Volkswagen, which delivers or assembles components for a third of all Porsche cars, including the body and engine for the four-door Panamera and Cayenne luxury models.

Mr. Piëch is widely admired for his intimate knowledge of engineering. He helped to revive Volkswagen by developing a modular construction system that reduced costs by allowing several different cars to share the same underpinnings.

But Mr. Piëch clashed¹⁰³ with shareholders and some of his own managers for putting the brakes on cost-cutters and betting instead on quality improvements and technical innovations in the hope that higher profit would follow.

Mr. Piëch has relied on the support of labor leaders to keep his career alive at VW, sometimes even at the expense of executives he had appointed.

Wolfgang Bernhard, a former executive of Daimler and Chrysler who once headed the VW brand, and Bernd Pischetsrieder, once the VW chief executive, both left the company after Mr. Piëch backed union leaders who sought to limit cost-cutting measures at VW.

Under Mr. Piëch's watch, VW acquired the Bentley, Bugatti and Lamborghini brands in a single year.

He also pushed the VW brand into the upscale market by developing the VW Phaeton and the unprofitable Bugatti Veyron, a move that put him on a collision course with Mr. Wiedeking, who thought Mr. Piëch was squandering VW's money on "vanity projects."

30 Porsche Chief Was Biggest Casualty⁸⁸ of His Battle for VW

Comfortably in control of his own company and angling for the much larger Volkswagen, Porsche's chief executive, Wendelin Wiedeking, described the process before him in November 2007 as an intense chess match.

"Even now, none of the players involved knows how many moves will still be required and how long it will take until the game is finally over," Mr. Wiedeking said during an interview at the time.

But Mr. Wiedeking's metaphor proved far too playful for what transpired, as financial markets and feuding families took their toll on his attack plan. He had started a war, and ended up as its biggest casualty.

On Thursday, Porsche's supervisory board fired Mr. Wiedeking and paved the way for a merger with Volkswagen, the company Porsche had dreamed of owning.

The departure of Mr. Wiedeking, 56, marked a tumultuous⁵⁶⁵ end for the best-paid chief executive in Germany, a hyper-aggressive manager who ruffled feathers for years but nonetheless showed considerable industrial prowess.

In an ironic twist, Mr. Wiedeking also anticipated a core problem of car companies worldwide – a lack of economies of scale – but his solution of Porsche taking over Volkswagen became his undoing.

He was constantly in the news in Germany, not the least because he earned €77.4 million, or \$110 million, last year, a princely sum in a country that was skeptical of high pay packages even during good times. But his contract guaranteed him 0.9 percent of the company's profit, and in the past few years it was greater than anyone could have anticipated. The provision was granted in the 1990s, when Porsche's future was in doubt.

Porsche said Thursday that Mr. Wiedeking would walk away with a €50 million severance package, only days after rumors suggested that the figure might be four times that.

Mindful of the austere times, Mr. Wiedeking announced that he would put €25 million into a charitable trust that would promote "socially fair development" at Porsche facilities. He also planned to donate €500,000 each to three organizations that look after infirm journalists.

A mechanical engineer by training, he joined Porsche in 1983 at age 31. He left for an auto-parts maker in 1988 but returned to Porsche as head of production in 1991 and began whipping the nearly bankrupt company back into shape. At one point he made a show of destroying a bin for extra parts along its assembly line to make his point about the need for leaner, Japanese-style production processes.

He became chief executive a year later and transformed the company into one of the world's most profitable automakers, with annual production of around 100,000 vehicles. He dropped the money-losing 928 and 968 models, overhauled the iconic 911 and developed two new models, the Boxster convertible and the Cayenne sport utility vehicle.

Mr. Wiedeking's protégés rose as well. Michael Macht, who will now succeed Mr. Wiedeking, ran the production lines and was the first head of Porsche Consulting, an enterprise that began by evangelizing Porsche suppliers on the need to cut costs.

In 2005, long before the industry's current consolidation drive, Mr. Wiedeking had huddled in Salzburg, with members of the two families that control the sports car maker – the Porsches and the Piëchs – and floated the idea of buying VW, on the theory that only a large company could afford the

huge investments in new technologies that environmental regulations and fuel-saving imperatives would demand.

Initially shocked at his audacity, the families eventually bought in.

But Mr. Wiedeking's strategy looked rash rather than bold after financial market chaos last year transformed the landscape for heavily indebted companies.

Though the automaker that Mr. Wiedeking had so painstakingly rebuilt responded flexibly to the sharp drop-off in sales, a €9 billion debt load proved unbearable. Ferdinand Piëch, a member of Porsche's founding family, a board member, and also chairman of Volkswagen, pounced on the opportunity to reverse the terms of Porsche's audacious bid. But he insisted that Mr. Wiedeking would have to go, and that Porsche would have to bring in an outside investor. Along with his close confidant and chief financial officer, Holger Härter, the once mighty Mr. Wiedeking departed.

Mr. Wiedeking drew lengthy and thunderous applause before he said his farewell to about 5,000 Porsche workers Thursday.

"We should not look back, no matter what happens," he said. "We should now work constructively on our future."

31 Amazon Reports Lower-Than-Expected Sales

Amazon.com posted weaker-than-expected earnings on Thursday, punctuated by a steep decline in its flagship business of selling media products like books, music and DVDs.

Amazon, based in Seattle, said its net profit fell 10 percent, to \$142 million, or 32 cents a share, in its second quarter, from \$158 million, or 37 cents a share, in the quarter a year earlier. Revenue climbed 14 percent, to \$4.65 billion, coming in slightly below Wall Street's expectations.

Analysts polled by Thomson Reuters on average had expected \$4.67 billion in revenue and earnings of 32 cents a share. A charge for a \$51 million legal settlement to Toys "R" Us depressed the company's profit.

Shares of Amazon fell more than \$6, or nearly 7 percent, in after-hours trading. It more than doubled in the last eight months as investors applauded the company's ability to navigate the recession.

"People had looked at their recent performance and assumed that Amazon was, relatively speaking, exempt from the current downturn," said Jeffrey Lindsay, an analyst at Sanford C. Bernstein. Amazon's quarter "was by any measure a good performance, but expectations had gotten ahead of themselves," he said.

For some analysts, the most worrisome indicator was a sharp falloff in Amazon's media sales in North America. The company's original business of selling books, CDs and DVDs showed no growth in the second quarter over the prior year, after posting 15.6 percent growth in all of 2008. Worldwide media sales grew only 1 percent, while worldwide sales of electronics and general merchandise³⁵⁰ grew 35 percent.

In a conference call with analysts, Thomas J. Szkutak, Amazon's chief financial officer, attributed the falloff in media to an industrywide slowdown in video game and console sales and to an unfavorable comparison with the same quarter last year, when popular products like Wii Fit were introduced.

But analysts seemed to worry that the emergence of digital alternatives in Amazon's Video on Demand, MP3 and Kindle stores – which generally have lower prices than their physical counterparts – might be weakening one of the core drivers of Amazon's business.

"I think people are worried that the Kindle and their other digital efforts may be cannibalizing⁸⁵ their real-world sales," Mr. Lindsay said.

Nevertheless, Amazon has been accelerating its shift from physical to digital media formats. This month the company lowered the price of the Kindle reading device to \$299 from \$359 and began selling the Kindle DX, which has a larger screen, for \$489. Amazon's Web site says the DX is sold out, with a two- to three-week wait.

On Wednesday, Amazon announced plans to buy the shoe retailer Zappos.com for stock currently worth more than \$800 million, the largest purchase in its 15-year history. Amazon executives said Thursday that the acquisition was intended to help the company establish a separate outpost in the rapidly growing business of selling shoes and apparel²⁸ online.

Mr. Szkutak said Zappos had roughly \$635 million in revenue last year and made a small profit. He said Amazon intended to let the company function as a “standalone business” and was not considering layoffs or other cost-saving measures once the deal was completed. “This is not about synergies⁵³⁸; this is about growing in categories that we think are very interesting,” he said.

Analysts generally applauded the purchase of Zappos. Marianne Wolk, an analyst at the Susquehanna Financial Group, said buying Zappos “eliminates a competitor in the market, and a competitor that could have been even more powerful if it expanded into more categories.”

Amazon issued only a broad forecast for its current quarter, saying that it expected revenue to rise in a range of 11 percent to 23 percent from a year earlier, and that operating income could fall as much as 22 percent or increase as much as 36 percent.

Amazon’s chief executive, Jeffrey P. Bezos, did not participate in a conference call with analysts; the company said he was traveling. But earlier in the day he did address one matter: the deletion of the George Orwell books “1984” and “Animal Farm” from the Kindle libraries of customers who had bought them from a vendor that lacked the rights to sell them. Angry customers said this was equivalent to the company’s breaking into their houses to take back a conventional book.

In a posting on an Amazon bulletin board, Mr. Bezos wrote an apology, saying the move was “stupid, thoughtless, and painfully out of line with our principles.”

32 Obama Wades Into a Volatile Racial Issue

Americans got a rare glimpse Wednesday night of the perspective that a black president can bring to a racially charged situation.

In response to a question at his prime-time news conference about the arrest of Henry Louis Gates Jr., the black Harvard professor, in his own home

over the weekend, Mr. Obama declared that the Cambridge, Mass., police had “acted stupidly.”

Mr. Obama’s response was his most animated²³ performance of the hour-long news conference, and represented an extraordinary plunge by a president into a local law-enforcement dispute. And it opened a window into a world from which Mr. Obama is now largely shielded, suggesting the incident had struck a raw nerve with the president.

In the public spotlight, Mr. Obama has sought to transcend⁵⁵⁹, if not avoid, the issue of race. As a candidate, he tried to confine his racial references to the difficulty of catching a cab in New York, although he was forced to confront it directly during the Pennsylvania primary when his pastor³⁹⁴, Jeremiah Wright, became an issue. And last week, at the 100th convention of the NAACP in New York, he spoke in uncharacteristically personal terms about his rise to power as a black man, while warning black Americans not to make excuses for their failure to achieve.

Wednesday night’s press conference seemed to be a different deal as the president leaped into a highly charged controversy that has ignited passions across talk radio, the blogosphere and the old-fashioned water cooler.

But in fact, racial profiling was a major issue for Mr. Obama when he was in the Illinois legislature. He was the chief sponsor of a bill, which became law, that requires police to record the race, age and gender of all drivers they stop for traffic violations and for those records to be analyzed for evidence of racial profiling.

And so the substance of his response was not as surprising as the fact that a president so quickly joined the fray²⁴².

The police were called to Professor Gates’s house on July 16 after a report of a burglary⁸⁰ in progress. Professor Gates said he told the police that he lived in the house and that he was jimmying open a damaged front door. Still, the police report said he was arrested for “loud and tumultuous⁵⁶⁵ behavior in a public space.” He was held in police custody¹⁴⁴ for four hours. Professor Gates said he was the victim of racial profiling and has demanded an apology, but the police officer involved, who is white, has said he has nothing to apologize for.

On Tuesday, disorderly conduct charges against Professor Gates were dropped, and the city of Cambridge, its police department, the Middlesex County district attorney's office and Professor Gates issued a joint statement calling the incident "regrettable and unfortunate."

Mr. Obama, asked on Wednesday what the incident said about race relations in America, noted up front that Professor Gates is a friend and that his comments might be biased⁵⁶. He said "words" had been exchanged and added:

"Now, I don't know, not having been there and not seeing all the facts, what role race played in that, but I think it's fair to say, number one, any of us would be pretty angry; number two, that the Cambridge police acted stupidly in arresting somebody when there was already proof that they were in their own home; and, number three, what I think we know, separate and apart from this incident, is that there is a long history in this country of African-Americans and Latinos being stopped by law enforcement disproportionately. And that's just a fact." He added later that the incident was "a sign of how race remains a factor in this society."

He also used biting humor, grinning broadly as he imagined being in Professor Gates's seemingly preposterous⁴²⁴ circumstance of being arrested after trying to get into his own home.

"Here, I'd get shot," Mr. Obama said, referring to his new address of 1600 Pennsylvania Avenue.

The statement was a bit of political jujitsu³¹² that acknowledged the intense security that surrounds any president while letting sink in the image of what would happen to anyone, let alone a black man, who might seem to be breaking into the White House.

Mr. Obama's response lit up the blogosphere immediately after the press conference. The debate developing overnight was whether Mr. Obama had gone too far in his response.

On nytimes.com, one commenter had this to say: "Shouldn't we all be outraged that a black man can somehow be arrested attempting to break into

his own home in 2009? Obama is right on the money on this one. Do we have to be black to get this?”

Another said: “I don’t think the arrest was racially motivated. I believe it was a contest of egos. Mr. Gates lost that battle since he was beyond the ivy walls. I agree with the President that the arrest was stupid, but I think there was plenty of blame to go around.”

It could not be determined how well Mr. Obama knows Professor Gates. But the professor, a widely respected expert in the field of race relations, had very kind words for Mr. Obama’s pivotal⁴¹¹ speech on race relations after the Wright affair threatened to sink his candidacy.

“I think it was brilliant,” Professor Gates said of the speech in an interview with Tavis Smiley at the time. “It is a great speech about race, and race relations, particularly between black people and white people at the beginning of the 21st Century.”

33 Obama Criticizes Arrest of Harvard Professor

President Obama bluntly⁶² accused the police of acting “stupidly” in arresting the Harvard scholar Henry Louis Gates Jr. last week after an officer had established that Mr. Gates had not broken into his own home in Cambridge, Mass.

Mr. Obama stopped short of accusing the police department of racial profiling, as Mr. Gates has done.

But at a prime-time White House news conference that was otherwise largely devoted to health care, Mr. Obama weighed in on the Gates case and suggested that the police should never have arrested him. He added that African-Americans and Hispanics in the United States have long been familiar with racial profiling by law enforcement.

“There’s a long history in this country of African-Americans being stopped disproportionately by the police,” Mr. Obama said. “It’s a sign of how race remains a factor in this society.”

For Mr. Obama, who has rarely talked about race, this was an unusual instance of openly addressing an issue of deep concern to African-Americans.

The Gates arrest came up in the final question of the hourlong news conference in which Mr. Obama largely stuck to familiar talking points about why the country needs to overhaul its health care system right now. Lynn Sweet of The Chicago Sun-Times asked him about the case and what it said about race relations in America.

Mr. Obama paused, then said, “Well, I should say at the outset that Skip Gates is a friend, so I may be a little biased here.”

Then he made his only joke of the evening, as he speculated about what would happen if he were seen trying to force the door of his own home? “I guess this is my house now,” he said, “so it probably wouldn’t happen.” Then, after a beat, he added, “Let’s say my old house in Chicago. Here, I’d get shot.”

The president then became serious, taking up a chronology⁹⁸ of the events last week after the police received a report of a possible break-in at the home of Mr. Gates, a leading authority on African-American history.

“The police are doing what they should,” he said. “There’s a call. They go investigate. What happens?”

“My understanding is that Professor Gates then shows his I.D. to show that this is his house, and at that point he gets arrested for disorderly conduct.”

“I don’t know, not having been there and not seeing all the facts, what role race played in that,” Mr. Obama continued. “But I think it’s fair to say, No. 1, any of us would be pretty angry; No. 2, that the Cambridge police acted stupidly in arresting somebody when there was already proof that they were in their own home; and No. 3, what I think we know separate and apart from this incident is there is a long history in this country of African-Americans and Latinos being stopped by police disproportionately. That’s just a fact.”

The Cambridge police dropped disorderly conduct charges against Professor Gates on Tuesday, but he says he still wants a personal apology. Professor Gates has said he thinks it was because he is black that the officer, Sgt. James Crowley, had not at first believed he lived in the upscale home.

Many of Professor Gates's friends say they believe he may still file charges against the Cambridge Police Department.

On Wednesday the union representing Sergeant Crowley said it was standing behind the officer. The union, the Cambridge Police Superior Officers Association, said in a statement that Sergeant Crowley was a "highly respected veteran supervisor" who had its "full and unqualified support."

Sergeant Crowley told The Associated Press that he had followed proper procedures and would not apologize.

The union's statement said, "His actions at the scene of this matter were consistent with his training, with the informed policies and practices of the department, and with applicable legal standards." The police department did not respond to requests for comment late last night.

34 Chinese-American Children Sent to Live With Kin Abroad Face a Tough Return

Gordon, 3, would not look his parents in the eyes, and refused to call them Mom and Dad. He erupted in tantrums⁵⁴⁴ and sometimes cried nonstop for half an hour.

"We did not know why," said his mother, Winnie Liu, recalling the desperation that sent them to a neurologist to check Gordon for autism⁴⁰, and to a hospital that referred them to Butterflies, a mental health program for very young children on the Lower East Side of Manhattan.

Finally they learned the reason for their child's distress – and the reason social service agencies that help families from China are facing a sharp rise in such developmental problems.

Like thousands of other Chinese immigrants responding to financial and cultural pressures, Ms. Liu and her husband, Tim Fang, had sent Gordon to live with his grandparents, thousands of miles away in Fujian Province, a few months after his birth in New York. Working long hours in the restaurant business, they had not brought him back to the United States until he was old enough to attend all-day public preschool.

And now he saw them as strangers who had stolen him away to a strange land.

“The children that have that experience come back with tremendous needs,” said Nina Piros, director of early childhood programs at University Settlement, a nonprofit agency that estimates that 400 of the 1,000 children served by its Butterflies program are returnees from China. “They come here and they’re totally traumatized.”

Some act out in frightening and confusing ways, she said, banging their heads on walls, refusing to speak, or wandering aimlessly in the classroom. These signs of extreme trauma have often been misunderstood as symptoms of autism. But they are the marks of the emotional dislocations these young children have endured.

Less severely affected youngsters are helped through supportive workshops for their teachers and parents. But about two dozen in the Butterflies program need the kind of intensive therapy that eventually helped Gordon and his parents bond, said Andrea D. Bennett, director of Butterflies, which was started three years ago with money from the City Council.

The phenomenon of American-born children who spend their infancy in China has been known for years to social workers, who say it is widespread and worrying. About 8,000 Chinese-born women gave birth in New York last year, so the number of children at risk is substantial, according to the Chinese-American Planning Council, a social service agency that hopes to get a grant to educate parents about the pitfalls of the practice and help them find alternatives.

But no one tracks the numbers, and the issue has only recently seized the attention of early-childhood researchers like Yvonne Bohr, a clinical psychologist at York University in Toronto, who calls such children “satellite babies.”

Their repeatedly disrupted attachments to family members “could potentially add up to a mental health crisis for some immigrant communities,” Dr. Bohr wrote in an article in May in *The Infant Mental Health Journal*. She cited classic research like the work of Anna Freud, who found that young children evacuated during the London blitz were so damaged by separation from their parents that they would have been better off at home, in danger of falling bombs.

Dr. Bohr, who is undertaking a longitudinal study of families with satellite babies, cautions that the older research was shaped by Western values and expectations. Chinese parents, including university-educated professionals she has studied, are often influenced by cultural traditions: an emphasis on self-sacrifice for the good of the family, a belief that grandparents are the best caretakers, and a desire to ground children in their heritage.

Sending babies back to grandparents is also done in some South Asian communities, she said.

But Amanda Peck, a spokeswoman for University Settlement, which has been serving newcomers to the Lower East Side since 1886, said that while family separations are a feature of migration in many ethnic groups, the satellite-baby phenomenon seems rare outside the Chinese community.

Some children are better able to adapt, whether because of natural resilience, more supportive parenting or the age at which disruptions occurred. Even in severe cases like Gordon’s, the Butterflies program has had success in overcoming the worst consequences of separation with therapeutic play and support for parent and child, said Victoria Chiu, its bilingual therapist.

But for many children, new separations are in store even after they return to the United States. In one typical case, parents migrated to work in a Chinese restaurant in South Carolina, taking a school-age child along, but leaving a baby in China and a 3-year-old with grandparents in New York.

“The 3-year-old, he wouldn’t even smile,” Ms. Chiu said. “When he sat in circle time, his whole little body was just slumped.”

Gordon, now 7, keeps up with his second-grade classmates and has learned to control his temper, said his parents, who own Wild Ginger, a restaurant

on Broome Street. In imperfect but fluent English, his mother recounted the hard climb to that happy resolution, and revisited the scene of major turning points: a tiny playroom under the eaves of the old settlement house, where a dollhouse and a big plush dog played a role in healing her son.

Dressed as a superhero, Gordon would often rescue the dog from a pretend fire in the dollhouse, saving him from “the bad guys,” as Ms. Chiu and his mother played along.

“I was the bad lady,” Gordon’s mother, 31, recalled ruefully. “Then the play changed, and he tried to save Mom from the bad guy.”

The therapist explained: “He was trying to find mastery over things he had no control over. We started introducing scenarios to help him develop trust in his parents’ authority over his life.”

Ms. Liu, who was 17 when she immigrated to New York on a green card sponsored by her father, pressed a hand to her heart. “This wonderful therapist, this program, help us read the child’s mind,” she said. “Now he hug me, and he say ‘Mommy’ sometimes.”

Still, Gordon remains more withdrawn than typical 7-year-olds. Ms. Liu said she struggles with guilt and regret.

“I advise all Chinese families, do not send your kids away, no matter how hard, because that loss cannot be made up,” she said. “Money is not so important. Nothing can make up for the sensation of love between parents and children.”

The shuttling of babies first caught public attention in New York a decade ago, when women workers from Fujian Province, deep in debt to the “snake-heads” who had smuggled them into the country, had little choice but to send their infants back to their extended families.

Typically, such children returned at school age. Their tough adjustment to the change in language, customs and parental discipline was generally likened to the problems of other immigrant children, who must often cope with long-delayed reunions after being left behind for years.

Now, however, because of the expansion of free full-day preschool in recent years, satellite babies return and start classes as young as 2 years, 9 months.

Their parents, including many lawful permanent residents and citizens like Gordon's mother, assume that the children will adjust more easily because they are so young. But early childhood is the crucial time for learning to form attachments and feel empathy, and serious disruptions carry lifelong consequences, psychologists say, including higher rates of depression and dysfunction.

Many families are unaware of the potential psychological damage, said Hong Shing Lee, chief operating officer of the Asian-American Federation of New York.

That was the case for the family of Alisa Chen, now 4. Alisa was 6 months old when her mother, Qiao Yuni Chen, a waitress unable to afford day care, took her to her grandmother in China. When Mrs. Chen returned more than a year later to visit – and to leave Alisa's baby sister, Angie – she was heartbroken by Alisa's rejection. Only in the last two weeks of a three-month stay was Alisa willing to sleep at her mother's side.

Alisa started preschool at University Settlement in August, only a week after arriving in New York; two months later, teachers referred her to Butterflies.

"She seemed kind of lost, not picking up English, withdrawing from her peers," Ms. Chiu recalled. "She seemed anxious that her mom wouldn't pick her up." Another problem was the mother's expectations: The only toy in their home was a letter board more appropriate for a 6-year-old than for a child turning 4.

Mrs. Chen, whose husband is now in the Army in South Carolina, threw herself into becoming a more supportive parent, Ms. Chiu said. Though she spoke little English, she phonetically memorized songs like "Itsy Bitsy Spider." At a 99-cent store, the therapist helped her pick playthings that would allow her daughter to express herself.

The payoff was obvious when the preschooler returned from a class trip to the Bronx Zoo one recent afternoon. Pigtales bouncing, her smile electric with joy, Alisa threw herself into her mother's arms. Ms. Chiu beamed.

Next month, Alisa's little sister arrives from China to begin Head Start.

35 Ruling May Bolster⁶⁵ Claim to I.B.M. Fortune

The Maine Supreme Court on Thursday upheld an adult same-sex adoption by a descendant of the founder of I.B.M., with a share of the multimillion-dollar fortune at stake.

The ruling may bolster the standing of the adoptee as she pursues her claim in Connecticut to what she says is her share of the family fortune.

But the case may have fairly limited implications for other adult adoptees, said Michael P. Koskoff, a lawyer in Bridgeport, Conn., who represents the adoptee, Patricia Ann Spado. Ms. Spado was adopted by Olive F. Watson, a granddaughter of the I.B.M. founder, Thomas J. Watson Sr., in 1991. They became involved in 1979.

The purpose of adult adoptions was often to establish financial security and inheritance rights for same-sex partners, long before any states had legalized same-sex marriage.

“Now that same-sex couples can get married, adoption would not be the method of choice to establish a legally binding relationship,” Mr. Koskoff said.

Maine is one of the few states that allowed adult adoptions when Ms. Watson, who was 43 and owned a home in Maine, adopted Ms. Spado, then 44.

They broke up less than a year after the adoption. But Ms. Spado has claimed she is a legal grandchild of Mr. Watson and a beneficiary of his trusts because she is Ms. Watson’s daughter.

In 2005, two trustees of the Watson trusts challenged the adoption. They said that Ms. Spado had fraudulently claimed to be living in Maine and that the adoption violated state policy prohibiting adoptions involving same-sex couples. A probate court ruled in 2008 in favor of the trustees, annulling the adoption.

But on Thursday, the State Supreme Court vacated that order, saying that there was “insufficient evidence of fraud” and that the trustees had not proved a violation of policy. Moreover, the court noted, Ms. Watson herself opposed the annulment.

36 For Public, Obama Didn't Fill in Health Blanks

As Craig Brown watched President Obama's news conference on Wednesday night on his TiVo-equipped television, he kept hitting the pause button so he could throw questions at the image frozen on the screen.

How much will this health care plan really cost, he asked. How can we cover nearly everybody without higher taxes or debt? Who is going to decide which treatments are allowed? Why cannot they just get rid of the waste without changing the whole system?

Like many in the country, Mr. Brown, a 36-year-old father of four who lives in an Atlanta suburb, has grown increasingly anxious about Washington's efforts to reconfigure health care and what it may mean for his middle-class family. Although he and his wife, Judith, supported John McCain in the presidential race, they find Mr. Obama an earnest¹⁸⁵ and compelling pitchman⁴¹⁰. But they remain frustrated by the lack of available detail about his plan's contours¹²⁴ and cost.

They say they feel they are being asked to buy on spec from a government they do not trust. And they have lots of questions.

"The bottom line is there are so many unknowns," said Ms. Brown, 35, who works part time at her church and cares for her young children. "What we do know is there is going to be more government control, and with more control you're going to have fewer choices. It's an innate²⁹⁹ part of being American to have those choices."

A similar unease was apparent in three other living rooms where families gathered to watch the news conference. An affluent small-business owner from near Chicago, a middle-class manager from Denver, and an uninsured worker from Cleveland each expressed skepticism that change would improve their lots.

Although she may well benefit from Mr. Obama's plan to subsidize health insurance for the working poor, Rowena Ventura, the uninsured worker

from Cleveland, wondered whether she could afford it. “I’m worried because they’re talking about forcing people to buy insurance,” said Ms. Ventura, a registered Democrat and part-time health care worker. “You just can’t ask any more of me. You just can’t.”

Ms. Ventura, 44, who also attends community college, has moved her ailing mother into the living room of the house she shares with her disabled husband. She said she recently discovered a lump³³⁵ on her left foot but cannot afford to see a doctor about it. Yet she is cynical¹⁴⁵ about Mr. Obama’s prescription.

“You see,” she said, gesturing at Mr. Obama on the television, “he’s saying he wants to continue private insurance, but then he says they’re part of the problem. Well, which is it? It’s just ridiculous.”

Dean Raschke, a McCain voter who owns two Chicago-area businesses, one providing roadside assistance and the other making debit cards, said he worried that Washington would end up taxing the health benefits he provides to his 50 employees. He said he also feared that Congress would raise his income taxes to pay for the plan, although his earnings are well below the \$1-million-a-year threshold now being considered.

“I have very conflicted emotions because I do want to help people who aren’t as fortunate as we are,” said Mr. Raschke, 38, watching the news conference with his wife, Jill. “But I have a big issue about what this health care plan would do to small businesses like mine that already have a health care plan. I’m afraid that people could be unintentionally harmed.”

Recent polls have detected a modest slippage in public support for the kinds of changes being considered in Congress, and in Mr. Obama’s handling of health care. The president has made the case for his plan at scripted events each day this week, including at a town-hall-style meeting in Cleveland on Thursday.

Mr. Obama acknowledged the spectrum⁵¹⁶ of concerns during Wednesday’s news conference.

“I understand that people are feeling uncertain about this,” he said. “They feel anxious, partly because we’ve just become so cynical about what government can accomplish.” He said he understood that people might prefer the devil they know.

But the president's expression of empathy¹⁹² provided scant comfort to the Browns. They still did not feel they were getting straight talk, as when Mr. Obama responded to a question about what Americans would have to sacrifice.

"He said they're going to have to give up paying for things they don't need, and that was an awesome answer for a politician," Mr. Brown said sardonically. "You mean I don't have to give up anything I already have?"

The Browns are Jamaican immigrants who met in college in Florida. Mr. Brown gained citizenship in 1999; his wife expects to do so next year. The family is insured through his job at a family-owned trophy⁵⁶² shop, where he earns about \$38,000 a year.

Mr. Brown said he realized that his escalating²⁰⁰ insurance premiums, which have doubled since 2006, had suppressed his wages. He noted that he and his wife were still struggling to pay off \$3,000 in uncovered medical expenses from the birth of their youngest child.

But the Browns said Mr. Obama and the Democrats had not convinced them of the need for radical change. They said the notion of establishing a new government health plan to compete against private insurers seemed un-American. They questioned the wisdom and fairness of taxing the rich. And they said individuals should bear more responsibility for staying healthy.

"I know the system is not perfect, but I'm not completely convinced it's broken," Mr. Brown said. "And even if it's broken, I'm not sure the government is the solution."

Unlike the Browns, Liz Wessen, 32, a manager for a market research firm in Denver, supported Mr. Obama in November. But that good will does not negate her nervousness about the money being spent in Washington.

"My only concern is that this comes on the heels of the stimulus package," Ms. Wessen said from her home in the Highlands neighborhood. "Where is this money supposed to be coming from? I'm not sure if this is the best time to fix another enormous problem."

Watching the president, she said she was pleased to hear that the Democrats wanted to prevent insurers from denying coverage to those with pre-existing

conditions and to allow those who change jobs to hold on to their coverage. But she said she wanted more specifics and wished that Mr. Obama would dictate terms to Congress rather than merely prod lawmakers to act.

“I think the press conference was more convincing people of his motives than it was to actually explain the program,” Ms. Wessen said. “I expected it to be more.”

37 Studios Bring Another Dimension to Comic-Con

“

How many of you have ever wanted to go to another planet?” shouted the filmmaker James Cameron, addressing 6,500 fans here on Thursday.

With those words, the future came to Comic-Con – and it was wearing funny glasses.

For the first time, the giant annual convention for fans of comics, movies, superheroes, science fiction and video games that has become a major event on Hollywood’s calendar – now in its 40th year – devoted almost an entire day to presenting films in 3-D, culminating with a 25-minute glimpse of “Avatar,” the eagerly anticipated science-fiction thriller due in December from Mr. Cameron and 20th Century Fox.

“I’m not going to waste your time, because I know you’re here to see stuff,” said Mr. Cameron, who spoke only a few words before showing pieces of his film.

The scenes portrayed the adventures of a human experiencing a new world, the planet Pandora, through the body of an alien. And they were delivered with a startling verisimilitude that seemed to plant flying insects and waving ferns on the heads of people in the next row – and had Comic-Con fans roaring with approval.

The “Avatar” presentation cleared a crucial test for Fox, which has invested more than \$200 million in the movie, the most conspicuous example of a recent spate of expensive 3-D efforts from the major studios that will roll out over the next few years.

Mr. Cameron’s devotion to next-generation 3-D methods has raised enormous expectations around a film made with technology that some people predict could have an impact on movies comparable to the introduction of sound.

It was a measure of the movie’s importance that Tom Rothman, co-chief of Fox Filmed Entertainment, personally introduced Mr. Cameron.

“Moments like these are rare in the life of a movie company,” Mr. Rothman said. Mr. Cameron’s last feature film was the box-office juggernaut “Titanic,” well over a decade ago.

Actually, it had been Disney executives who led the push to use 3-D promotions at Comic-Con, where projection technology had previously been unequal to such large-scale presentations.

No small problem was the distribution of Dolby 3-D glasses by the thousands, with repeated pleas that they eventually be returned, though many were left broken on the floor.

Even as the first trailers were screened, hours before Mr. Cameron’s presentation, doubts lingered about whether the big 3-D day would work.

“Some of the 3-D effects aren’t going to look absolutely perfect,” said Patton Oswalt, the comedian and voice actor who moderated a presentation of Disney’s forthcoming “A Christmas Carol,” “Alice in Wonderland” and “Tron: Legacy.” Mr. Oswalt asked attendees not to blog about effects being “quite subpar.”

But the fans “oohed” and “aaahed” over the displays of technical virtuosity, starting with motion-capture film from Robert Zemeckis’s “A Christmas Carol,” featuring Jim Carrey.

Sony Pictures followed with its “Cloudy with a Chance of Meatballs,” and New Line weighed in with a 3-D sequel to the horror film “Final Destination.”

But if technology ruled the day, it took flesh-and-blood movie stars to bring down the house. A surprise appearance by Johnny Depp – who showed up beside the director Tim Burton in support of his Mad Hatter’s role in “Alice” – caused a near riot, with fans rushing the stage for pictures.

A couple of hours later, the cast of Summit Entertainment’s “The Twilight Saga: New Moon” provided the day’s emotional pop. Teenage girls started lining up on the street to see snippets from the second movie in the series. Many wore cardboard Burger King crowns emblazoned with “Team Edward,” referring to Edward, the nonbloodsucking vampire at the franchise’s center.

Media attention on the Summit Entertainment franchise is so enormous that the studio opted to hold a news conference at the nearby Hilton Hotel on Thursday in place of the normal press panels after the big Hall H presentation. (“It is for the personal safety of our stars,” said a Summit staff member.)

The “New Moon” trio – Robert Pattinson, Kristen Stewart and Taylor Lautner – took the stage in the Hilton ballroom looking as if the intense scrutiny was starting to wear on them. A disheveled-looking Ms. Stewart nervously took questions in front of about 30 television and video cameras. She described the greatly anticipated film as “seriously emotional” and coming from an “empty, completely dark place.”

In a lighter moment, a television news reporter asked the young stars what questions they were tired of being asked, and Mr. Lautner said, “Fans ask me to growl for them and I really don’t enjoy doing that.” Ms. Stewart said people could ask her anything they liked. But a Summit executive cut off a question about off-screen chemistry between cast members.

The trade-show floor and the streets surrounding the convention center presented the usual array of Comic-Con curiosities. Two men in “Star Wars” Stormtrooper uniforms mingled with women dressed as Alice in Wonderland. Vampires and grim reapers were in abundance. The cable network

A&E staged a mock funeral to promote “Chris Angel Mindfreak” – complete with coffins carried by men wearing black lipstick – in the middle of a main walkway. Women on roller skates zigzagged through the crowds, apparently to promote Drew Barrymore’s roller-derby movie, “Whip It.”

Only a couple of months ago, those who run the convention said they doubted that 3-D could be properly displayed in the huge hall where Hollywood studios have become accustomed to introducing prospective blockbusters like “Watchmen” and “X-Men Origins: Wolverine. “We’re about to find out,” David Glanzer, the convention’s director of marketing, said just before the day’s session began.

Two years ago, Paramount Pictures screened a piece of “Beowulf” in 3-D here. But that occurred only in a small, preconvention preview.

This time, 3-D was the main event. Asked if he intended ever again to make a conventional, two-dimensional live action film, Mr. Zemeckis could only muster a maybe.

“Never say never,” he said.

But, he added: “Right now, I’m dedicated to sending these forms into the world. I love the control these art forms give the director.”

38 Asia Trip Propels Clinton Back Into Limelight

At every stop during her visit to Southeast Asia this week, Secretary of State Hillary Rodham Clinton delivered the same message: “The United States is back.” She was talking about America’s role in a region where its visibility had dimmed during the Bush years, but she might as well have been talking about herself.

After being sidelined at home in recent weeks by a broken elbow, Mrs. Clinton thrust herself back into the limelight, making headlines with unexpected statements about Iran, North Korea and Myanmar – at least one

of which her aides felt obliged to clarify. And she reaffirmed that overseas, at least, she is not just the nation's chief diplomat but one of its most reliable celebrities, trailing perhaps only President Obama in star power.

In India, Mrs. Clinton was a ubiquitous⁵⁶⁹ presence on the three main news channels, giving interviews, sipping coffee with tycoons in Mumbai, marveling over climate-friendly buildings and dining at a New Delhi restaurant where one of the menus is named after her husband, former President Bill Clinton.

In Bangkok, she bantered⁴⁷ with two Thai journalists in a televised town hall meeting, which, like previous public events with Mrs. Clinton in Turkey, Japan and South Korea, ended up being a cross between a Council on Foreign Relations panel and an episode of "Dr. Phil."

What, the secretary of state was asked, does she talk about with her husband? "We talk about our dog, who got sick and had to go to the vet," she said.

And what does she make of the beleaguered American economy? Mrs. Clinton invoked the name of Ben S. Bernanke, the Federal Reserve chairman, and his recent Congressional testimony before lamenting that unemployment was still high in many parts of the country. "We're not out of the woods," she said, in a guarded tone. "I guess that's the best way to say it."

Mrs. Clinton batted away suggestions that she had been marginalized. That, she said, was a canard⁸³ propagated by the news media, which jumped on the fact that her recovery from the elbow injury forced her to cancel two foreign trips, including one with Mr. Obama to Russia.

"I'm not with the president on the trip and all of a sudden everybody goes, 'Oh, where is she? She's gone, disappeared,' " Mrs. Clinton said in a tone of mock horror, as the audience giggled.

Certainly, she seemed determined to continue her breakneck schedule back home. On Friday, after flying from Thailand, she scheduled a full day of meetings, including one with the Iraqi prime minister, Nuri Kamal al-Maliki. On Sunday, Mrs. Clinton is to appear live on "Meet the Press." And next

week, she will be co-chairwoman of a high-level meeting with Chinese officials, along with Treasury Secretary Timothy F. Geithner.

Mrs. Clinton stayed in the news, even from unlikely places like Phuket, a lush³³⁷ beach resort that played host this week to a meeting of the Association of Southeast Asian Nations.

She warned about nuclear links between North Korea and Myanmar. And she offered a rare glimpse into what the United States might do if Iran did not respond to its diplomatic overture. Her comments about the possibility of extending a “defense umbrella” over the Middle East ricocheted around foreign-policy circles.

Mrs. Clinton’s aides did their best to convince reporters traveling with her that she was not signaling any change in administration policy. But when a secretary of state muses³⁶⁴ publicly about one of the world’s most sensitive diplomatic problems, the story quickly takes on a life of its own.

In India, Mrs. Clinton encountered a different problem: a savvy environment minister, Jairam Ramesh, who seized on a visit by her to a “green building” outside New Delhi to repeat India’s rejection of American demands that it accept binding cuts in its greenhouse gas emissions.

Fortunately for her, most of the audiences seemed to care less about greenhouse gases and security umbrellas than about hearing dish from her about her life, her ambitions and, particularly, her relationship with Mr. Obama.

On the inevitable question of how she felt working for the man she had fought in the primary campaign, she said, “The president is the president; I tried to be the president and was not successful.”

Nor did she bite at questions about whether she would ever run for the White House again. “That’s not anything I’m at all thinking about,” she said. Mrs. Clinton did offer some morsels³⁵⁸ about Mr. Obama’s courtship of her to be the secretary. She said she resisted his initial job offer and gave him names of people she thought would be suitable candidates. Mr. Obama told her he needed her, however, and his persistence wore her down.

“He gave me an enormous amount of authority as secretary of state, and really everything I asked for so that I could the job that he wanted me to do,” she said, “and I was running out of excuses.”

39 1 Plus 1: Shanghai Tweaks Child Rules

Thirty years after China began enforcing a one-child policy, this city is actively encouraging young couples to have a second child.

City officials are planning to visit homes, slip leaflets under doors and offer emotional counseling and financial incentives.

The world's most populous country, it seems, wants to be a little bigger.

The new push, which aims to tackle growing worries about the country's shrinking work force and aging population, is the most public effort yet to counter a policy that is considered both a tremendous success and a terrible failure. While it has kept population growth under control, it has also led to forced abortions.

China is not doing away with the one-child policy, which still largely applies to urban residents, but is allowing more exceptions to the rule. Shanghai, with 20 million residents one of China's biggest cities, is leading the effort.

"We advocate eligible couples to have two kids because it can help reduce the proportion of the aging people and alleviate¹⁴ a work force shortage in the future," Xie Lingli, director of the Shanghai Population and Family Planning Commission, was quoted as saying in the Friday issue of China Daily, the country's largest English-language newspaper.

Already, ethnic minorities are allowed to have more than one child, and many rural residents can have a second child if the first child is a girl, because many families still follow tradition and favor male heirs.

But over the decades, China's urban residents have faced greater restrictions, enforced with a variety of incentives and fines.

Now, those restrictions are being lifted. A couple made up of two parents who have no siblings themselves can now have a second child.

That is the demographic Shanghai is appealing to in the hope of rebalancing a population that is aging fast, with about 22 percent of its residents already over the age of 60.

The country as a whole is facing a similar problem. In 2006, about 8 percent of China's population was over the age of 65. But that proportion is expected to triple to about 322 million people, or nearly a quarter of the country's population, by 2050, according to the United Nations.

40 Store From Middle America Opens an Outlet³⁸³ in Midtown

J. C. Penney, the middle American department store, is suddenly in the middle of Manhattan. This week, the value-priced chain quietly opened its first store in the city, in Midtown – a mere falafel cart or two away from its rival Macy’s. The grand opening is July 31.

“We always knew we wanted a presence in Manhattan,” said Michael J. Boylson, executive vice president and chief marketing officer for J. C. Penney, which is based in Plano, Tex. “It’s only been within the last four to five years it was even financially feasible.”

Feasibility may not mean success, of course. Near term, Penney’s, like retailers of all stripes, is still trying to claw its way out of the recession. And the horizontal sprawl of the typical Penney’s store does not translate readily to Manhattan real estate.

“It’s not so easy to hit a home run,” said Marshal Cohen, chief industry analyst for NPD Group.

Yet like the ingénue in the musical “42nd Street,” nearly every big-box retailer dreams of someday coming to Manhattan. This year, Costco will open its first Manhattan store in East Harlem. Next spring, the upscale outlet chain Nordstrom Rack will open its first Manhattan store in Union Square. Home Depot and Best Buy have opened several stores in the city in the last decade.

The daunting¹⁴⁷ prospect of adapting the big-box business to the Big Apple has limited Target to the city’s outer boroughs, while Wal-Mart has not ventured in from the suburbs.

The retailers that do set up shop in Manhattan come for the exposure, the cachet and the pipeline to some of the nation’s wealthiest consumers, even in a recession.

Although Penney’s has stores in the Bronx, Queens and Staten Island, Manhattan represents its own geographic and psychographic space.

“It is the center of media in the United States,” said Mr. Boylson, who added that being in Midtown would enable his company to introduce itself to Manhattan residents (and news media) who may have “an outdated perception” of Penney’s. The company has been using the tag line “We’re stepping up our style” in its advertising, and highlighting its clothing by the likes of Charlotte Ronson and Nicole Miller.

Penney’s, which will occupy two lower levels of the Manhattan Mall, on the Avenue of the Americas near 33rd Street, also contends it can make money in Manhattan.

“We think now, more than ever, the value that we bring to the table is going to play very, very well,” Mr. Boylson said.

Most of the borough’s boutiques and department stores cater to upscale consumers, he said, so Penney’s prices “are going to fill a void.” Executives have said the chain tends to do well in ethnically diverse markets and is among the most popular clothing stores for Hispanic consumers.

By opening in a major traffic hub and aiming at households earning about \$65,000 a year, J. C. Penney hopes to attract new customers and take its national retail battle with Macy’s to its rival’s home turf. Advertisements for the new store zing Macy’s with barbs like, “the real miracle is now on 33rd Street,” referring of course to the film “Miracle on 34th Street,” about a Macy’s Santa Claus.

Penney’s is tackling Manhattan even as June comparable sales fell 8.2 percent from June 2008. The heady days of 2006 when the company was reporting robust sales increases seem a dim memory. The relatively good news, however, is that while Penney’s is still reporting declines with other retailers, the double-digit drops of last year have not been repeated since January.

At 153,000 square feet, Penney’s Manhattan store (which includes a Sephora cosmetics shop) is about the same size as its other locations. But the ceilings are significantly lower – eight feet high instead of the usual 11. To create the illusion of height, the company installed white panels that float slightly below a black ceiling. Also, directional signs that hang from the ceiling are daintier than usual.

Like all out-of-towners, retailers go to great lengths to make it in Manhattan. They overhaul their typical big-box store designs, rethink how they manage inventory, hire more employees and even offer different merchandise. And they must contend with local concerns – the survival of nearby small businesses, traffic patterns, noise and labor practices.

Even after years of planning, they still must do a lot of on-the-job learning. Home Depot, for instance, learned from customers that, in a borough⁶⁷ of tiny kitchens, diminutive ranges, not usually stocked by the chain, are a must.

“That was one of those baptisms⁴⁸ by fire,” said Steve Lieberman, a regional merchandising manager for Atlanta-based Home Depot. And the chain’s popular free do-it-yourself workshops had to be tailored to Manhattan residents. Instead of clinics on lawn care, the Manhattan Home Depot offers seminars on how to pot a plant. Another class that has been popular in Manhattan is how to install your own toilet.

“We sell a boatload of toilet seats and toilets” in Manhattan, Mr. Lieberman said. And delivery is much more important than in the suburbs; customers cannot lug³³⁴ a toilet home on the F Train. (Penney’s is offering same-day delivery in Manhattan for \$15 for up to 70 pounds of merchandise.)

Then there is the special character of New Yorkers. Executives have estimated that a city customer’s “wait tolerance” will be no more than 90 seconds.

To hurry things along in its Manhattan shoe department – which will offer more shoes (some 41,000 pairs) than any other Penney’s – the retailer hired shoe runners. When a customer wants to try on a pair, a sales associate will use an electronic hand scanner to send the shoe’s size and type to the runners in the stockrooms. The runners will fetch the shoes and then place them on dumbwaiters that zoom up to the sales floors.

Other New-York-minute amenities¹⁸ include an electronic queuing system that directs customers to cash registers and estimates wait times – almost as if the checkout line were a Walt Disney World ride.

A machine called the FindMore has a touch screen to enable shoppers to view every item in the store and on Penney's Web site. Even if the store is out of an item, customers can still buy it using the machine.

Among the trickier challenges Manhattan poses to retailers is figuring out how to distribute a big-box store model over multiple floors.

James Damian, senior vice president of the enterprise design group for Minneapolis-based Best Buy, said chains had to determine whether their brand could survive vertically.

"Most big-box retailers fail because they've never kicked the tires on that," he said.

One consideration is how well each floor will accommodate throngs of shoppers. "The traffic is ferocious," Mr. Damian said.

That and the scarcity of storage space in Manhattan means big-box chains typically must house their inventory outside the borough, and use small trucks to bring it into their stores. Mr. Boylson said Penney's was storing inventory in a distribution center in Manchester, Conn., and expected to be "running smaller trucks to New York almost around the clock."

The chains also have to increase the number of employees, cash registers and fitting room stalls.

The Manhattan Penney's has 500 employees, making it the company's largest store staff. It has 100 cash registers; most Penney's have 58. The fitting rooms have twice the number of stalls, 61, of the average Penney's.

Elbow room is tight, even for dummies. The Manhattan store has more mannequins³⁴³ than any other J. C. Penney outlet, to fill the myriad³⁶⁶ display cases near the escalators and entrances.

The company is also using technology to help manage potential crowds: if an hour goes by and the bathrooms have not been cleaned, a buzzer automatically goes off, alerting store staff.

Heavy customer traffic is among the reasons the company likes Manhattan Mall. Consumers can enter from the street, or from the 34th Street Herald Square subway station and the 33rd Street PATH train station.

Company executives declined to say whether the recession had enabled them to get a break on the rent, but Mr. Boylson said the mall owner, Vornado Realty Trust, allowed Penney's to design the space as it desired.

The Manhattan store merchandise³⁵⁰ is essentially the same as that in other Penney's, though during a recent tour, Pete Sadler, a district manager, said the store planned to take market share from Macy's by offering more plus- and petite-size clothing.

A lot of merchandise is already on sale, like 40 percent off cultured pearl jewelry, and 50 percent off clothing brands like St. John's Bay.

Walking the aisles, Mr. Sadler squeezed \$3.99 pillows and stacks of white bath towels, also \$3.99.

"We think the people in Manhattan are going to love these prices."

41 New Factory Seen as Boon⁶⁶ for Upstate

A decade ago, it was 200 acres of pine trees near Saratoga Lake. A decade from now, it could be the booming heart of a new high-tech corridor, filled with some of the most sophisticated labs and plants in the country.

After years of haggling and setbacks, officials finally broke ground Friday on a \$4.2 billion plant that will manufacture advanced microprocessors and would be the most advanced facility of its kind in the world. The plant, to be built on a 222-acre site, will be bigger than the Jacob K. Javits Convention Center in Manhattan.

Elected officials are counting on the expected completion of the factory in 2011 to provide a major boost to the ailing upstate region, where for years they have promised, and mostly failed, to deliver an economic resurgence.

The plant, which will manufacture chips for California-based Advanced Micro Devices and other chip design firms, will generate 1,400 new manufacturing jobs, officials say.

With the new factory as an anchor, they say, they can attract more investment to the area, building a cluster of businesses and academic centers that could ultimately rival Route 128 outside of Boston or North Carolina's Research Triangle.

"You've got everything in place here to make the whole upstate region a leader in chip fab manufacture and high technology generally," said Charles V. Wait, president of Adirondack Trust Corporation, a bank that helped finance early efforts to bring tech companies to the area. "When I grew up, you couldn't find a job here in Saratoga, and everyone left after college."

The plant will receive \$1.37 billion in state aid over 15 years, making it one of the most heavily subsidized projects in state history. About half that money is capital aid that was appropriated in this year's budget, a considerable gamble at a time of severe economic crisis.

"I was concerned about the value of taxpayer dollars versus the number of jobs that would be created," said Gov. David A. Paterson, speaking at a news conference after the groundbreaking. "But when I started to see that we would move to global leadership in semiconductor development, I then realized that these are where the jobs of the next decade can come from."

The new factory is also a gamble for Advanced Micro Devices, the world's second-largest producer of computer chips.

Since January, the company has posted hundreds of millions of dollars in losses, and it expects sales to continue declining. In March, it partnered with the Advanced Technology Investment Company, created by the Abu Dhabi government, to spin off GlobalFoundries, which will build and own the New York plant. The Abu Dhabi backing will provide a hedge against any threats to the project posed by the continued recession in the United States.

While chip design is a big business in the United States, most chips are manufactured in China, Taiwan and Singapore. The factory here, some

experts say, will help make the country globally competitive in chip manufacture for the first time in years.

“The grants and tax support level the playing field on a global basis,” said Douglas A. Grose, the chief executive of Global Foundries. “We looked all over the world for the next site. Every country that wanted a facility like this stepped forward.”

For state economic development officials, the groundbreaking was the culmination of more than a decade of planning that began during the administration of Gov. George E. Pataki.

Before state officials could entice an advanced chip factory to the region, they had to build an entire infrastructure to support it. That included not only a network of new roads and utility upgrades, but the creation of local academic centers, including an institute for nanotechnological engineering at the State University at Albany.

“There were times when we had some doubt along the way,” said Mr. Grose.

Even after Advanced Micro Devices settled on the project site, in 2006, there were hurdles, including zoning issues, the company’s financial difficulties and the need for more state financing. To smooth the way for timely construction, Mr. Paterson – once a skeptic about the project – jumped in to negotiate a labor agreement under which the factory would be built mostly by New York workers.

At Friday’s ceremony, a mound of dirt was piled in an air-conditioned tent with seven shovels ready for the groundbreaking ceremony, one for each of the speakers. Champagne awaited in an adjoining tent. The lineup of elected officials included Mr. Paterson, Mr. Pataki, United States Senator Charles E. Schumer and Joseph L. Bruno, the former State Senate leader who retired last year and who regards the factory as part of his legacy.

Mr. Bruno said he was so eager to see the project through final approval that he had put off retiring.

“I knew it was going to happen,” he said.

42 Microsoft Offers Europe a Choice of Browsers

Microsoft has offered to give European computer users a choice of Web browsers, an unprecedented move that the company, the world's largest software maker, hopes will avert another antitrust conviction and big fine.

Microsoft said users of new computers running Windows 7 in Europe would get a ballot⁴⁶ screen that would let them easily download other browsers from the Internet and turn off Microsoft's default Internet Explorer.

If European officials approve the proposal and drop their antitrust case against Microsoft, the version of Windows 7 with the ballot screen could be available in Europe shortly after the official release of the software on Oct. 22, the company's general counsel, Bradford L. Smith, said in an interview.

The European Commission, the European Union's executive body, said in a statement released in Brussels that it "welcomes this proposal and will now investigate the practical effectiveness in terms of ensuring genuine consumer choice."

The offer by Microsoft, which a decade earlier had fought attempts to open Windows to another competing browser, Netscape, represents an unprecedented concession in its latest antitrust clash with European regulators.

Mr. Smith said the concessions had the potential to settle the latest European antitrust case. "This is an important step forward and follows extensive and lengthy discussion between Microsoft and the commission. But until the commission approves something, nothing is really done. Given the state of the economy, we believed it was very important to move forward quickly," he said.

"This would mark a big step forward in addressing a decade of legal issues and would be good news for European consumers and our partners in the industry," the company said in its statement.

The ballot⁴⁶ screen would not be an option for buyers of PCs using Windows 7 software in the United States or in other markets outside of the

European Union. But Microsoft said it also planned to release confidential technical information worldwide that would help competitors design software that worked more smoothly with Windows, Windows Server, Exchange, Office and SharePoint.

Its rivals were taking a wait-and-see attitude. “It is, of course, a good development that Microsoft will make changes to allow users to choose their own default Web browser,” said John Lilly, the chief executive of Mozilla, which makes Firefox, the second-most-used browser after Internet Explorer. But Mr. Lilly said he reserved judgment on the proposal until seeing details, including which browsers would be able to participate in the ballot and under what terms, and whether Microsoft would use automatic updates to offer a browser choice to existing Windows users. Google, which makes the Chrome browser, had no comment.

John Briggs, a partner at Axinn, Veltrop & Harkrider, a Washington law firm specializing in antitrust litigation, called the development a breakthrough for Microsoft and the commission.

“I think it is very significant that Microsoft is willing to provide access to other browsers,” he said. “It’s also significant that the commission and Microsoft are negotiating without having proceedings go all the way.”

Microsoft and European regulators had clashed for almost a decade in the first antitrust case, as the software maker tried to rebuff charges of abusing its dominance in operating systems to aid its media players and servers. The legal wrangling⁵⁹⁶ eventually cost Microsoft more than \$1 billion in fines, and reams of negative publicity.

Microsoft abandoned the case in October 2007 after losing an important appeal before the European Court of First Instance in Brussels, which upheld the commission’s 2004 judgment.

The commission’s browser case – which has drawn support from Microsoft’s rivals like Google, Sun Microsystems, Nokia and others – appeared to be on a similar, acrimonious track.

Mr. Briggs said Microsoft had learned a costly lesson in the first antitrust case. “They got their lunch handed to them in the first case and I think they probably realized it may be easier to give up a little than to lose a lot again.”

43 NBC Benches a Heavy Hitter for Fall

Despite noise about a 12-month schedule, summer retains most of its minor-league trappings for network television: new shows, like “Survivor,” “American Idol” and “Dancing With the Stars” have often been introduced between June and August, and if they prove they have the goods, they get a call up to the big leagues in September.

That has not happened in a few summers, mainly because nothing the networks have introduced has resembled a young Mickey Mantle.

But there is one current summer show that is putting up some power numbers this year. NBC’s “America’s Got Talent,” a somewhat old-fashioned variety show competition featuring singers, dancers, jugglers and ventriloquists, is the undisputed ratings champ of the summer. It dominates every hour it is on, posting viewer totals – more than 13 million – that would rank it among the top shows at any time of the year. Tuesday’s edition, with 13.7 million, had more viewers than any nonsports show since the “Idol” finale last May.

So surely the time has come for NBC to elevate its summer hit to television’s top rung of competition. Yet NBC remains hesitant to take the show to the big time of regular season television competition.

“We program year-round,” said Ben Silverman, the co-chairman of NBC Entertainment, arguing for keeping the show as a summer powerhouse.

The decision puzzles Brad Adgate, senior vice president of Horizon Media, who noted that NBC has had a long struggle in prime time with no certain hits on the immediate horizon.

“Every network could use another hit show,” Mr. Adgate said. “And this is certainly a proven hit.”

NBC is already facing some questions about its fall schedule. A planned new drama, “Parenthood,” had to be delayed, forcing the network’s only backup, a series called “Mercy,” onto the air sooner than expected.

NBC's plan, Mr. Silverman said, is to push "America's Got Talent" through until the second week of September when its two-night finale will provide an initial lead-in for NBC's biggest programming gamble of the fall: the new Jay Leno prime-time hour, scheduled to run every weeknight at 10.

"We can keep looking at the number of hours" for the show, Mr. Silverman said, suggesting the series could run deeper into the fall in the future.

Paul Telegdy, the executive in charge of reality programs for NBC, underscored the argument, citing the opportunity to promote NBC's coming series while competitors are pulling in only a fraction of the number of viewers. "We're really quite happy ruling the roost in the summer," Mr. Telegdy said.

Fox's talent competition series, "So You Think You Can Dance," has already been ticketed for a new fall address. In head-to-head contests this summer, "America's Got Talent" has crushed the dance series, both in total viewers and among the young adult viewers that many advertisers prefer.

There are other issues with moving the show into the teeth of television's regular season. The first is the complicated logistics involved in setting up a season.

"The audition process is arduous," Mr. Telegdy said. "It takes about eight months." That would mean a plan would have to be in place near the start of the calendar year to get the show ready for a fall run.

But the major factor in NBC's decision may be Simon Cowell, the show's creator and executive producer, who also happens to be the biggest star reality television has created, thanks to his judging job on "Idol."

Mr. Cowell's value to "Idol" is so great that his new contract with Fox will almost surely shatter records. Though he does not appear on "America's Got Talent" (his deal with Fox makes his on-air work exclusive to that network), he is so closely associated with it that Mr. Silverman said that he would not consider running the show from January on, when "Idol" is on the air.

This is not a strict contractual limitation, Mr. Silverman conceded, but "there are a lot of relationships involved," he said.

Mr. Cowell would welcome moving the show to the fall. “I’ve said for some time that we’ll end up with an audience of 20 million viewers,” Mr. Cowell said in a telephone interview (from a yacht in the south of France, where he is vacationing). “It’s a good show; it can work any time of year.” He’d particularly like to see it compete with ABC’s “Dancing with the Stars” in the fall.

“We crushed that show with the ‘Britain’s Got Talent’ in the U.K. this year,” he said.

Mr. Cowell said the next few weeks should tell a lot and perhaps force NBC’s hand. The show will end its audition phase after this week, moving on to live shows involving the top 40 finalists.

“We’ll see how the live shows go,” Mr. Cowell said. “If we can get the live shows up to 14 million or 15 million viewers, then I think we’d have a serious conversation with NBC.”

44 Gates Faults U.S. on Data Privacy and Immigration

In a far-ranging speech on Friday, Bill Gates criticized the American government’s policy on immigration and data privacy, predicted giant leaps in technology in the near future and explained why he had to shut down his Facebook page.

“Over the next decade, the entire way we interact” with computers will change, Mr. Gates, the chairman of Microsoft, told hundreds of government officials and information technology executives in New Delhi. Mr. Gates spoke of cellphones that would recognize people around them or be used to test for diseases, computers equipped with voice recognition and an Internet that was used for much more than Web pages.

While the recession has been a “big deal,” it has not slowed innovation, he said, in part because countries like India and companies like Microsoft

are investing in education and research for a new generation of computer scientists.

Microsoft is angling to work on India's national identity card project, Mr. Gates said, and he will be meeting with Nandan Nilekani, the minister in charge. Like Mr. Gates, Mr. Nilekani stopped running the technology company he helped to start, Infosys, after expanding it into one of the biggest players in the business. He is now tasked with providing identity cards for India's 1.2 billion citizens starting in 2011. Right now in India, many records like births, deaths, immunizations and driving violations are kept on paper in local offices.

Mr. Gates was also critical of the United States government's unwillingness to adopt a national identity card, or allow some businesses, like health care, to centralize data-keeping on individuals.

"It has always come back to the idea that 'The computer knows too much about you,' " he said.

The United States "got off to a bad start" when it comes to using computers to keep data about its citizens, he said. Doctors are not allowed to share records about an individual patient, and virtual doctor visits are banned, he said, which "wastes a lot of money." The United States "had better come up with a better model" for health care, he said.

He was also critical of Congress's stance on immigration, and said he would like to see immigration exceptions for "smart people." Canadian laws are more favorable, he said, because they allow immigrants to work if they are offered a high-paying job. Microsoft has created "a lot of jobs in Canada for that reason," he said.

Asked whether he ever "unplugs," abandoning e-mail messages, computers and his cellphone entirely, Mr. Gates laughed and said "I'm not a 24-hour technology person." He said he read a lot "and sometimes not on a screen." He added that he was not big on text messaging. "All these tools of technology let us waste our time if we're not careful," he said.

Mr. Gates said the buzzwords "social networking" applied to something that had been around for a long time – a way to communicate with numerous people at the same time.

He acknowledged that he once had a Facebook page, but every day “ten thousand people tried to be my friend.” He said he spent too much time trying to decide “Do I know them? Don’t I know them?” Ultimately, he said, “I had to give it up.”

45 Obama Shifts Tone on Gates After Mulling Scale of Debate

President Obama tried Friday to defuse a volatile national debate over the arrest of a black Harvard University professor as he acknowledged that his own comments had inflamed tensions and insisted he had not meant to malign the arresting officer.

Mr. Obama placed calls to both the professor, Henry Louis Gates Jr., and the man who arrested him, Sgt. James Crowley, two days after saying the police had “acted stupidly” last week in hauling Professor Gates from his home in handcuffs. Mr. Obama said he still considered the arrest “an over-reaction,” but added that “Professor Gates probably overreacted as well.”

“I obviously helped to contribute ratcheting it up,” the president said in an appearance in the White House briefing room. “I want to make clear that in my choice of words, I think I unfortunately gave an impression that I was maligning the Cambridge Police Department or Sergeant Crowley specifically, and I could have calibrated those words differently.”

Mr. Obama’s unusual personal intervention and public statement came just four hours after the White House said he had no more to say on the matter. But after talking with Michelle Obama and some of his closest friends amid unrelenting publicity, his advisers said, the president reversed course in hopes of quashing a dispute that had set off strong reactions and made it harder for the White House to focus attention on his efforts to pass health care legislation.

The Gates case has become the first significant racial controversy Mr. Obama has confronted since being sworn in as the nation’s first African-American

president. The improvisational handling of it underscored the delicate challenges for a leader who has tried to govern by crossing old lines and emphasizing commonalities over differences.

Advisers said both his sharp statement, which was made at Wednesday night's news conference, and his toned-down remarks on Friday reflected strains of his experiences. He was personally outraged by the arrest and wanted to speak bluntly about it, aides said. And they said he was distressed that his words proved polarizing and contrary to his instincts for conciliation.

Whether he succeeded in tamping down the emotions of the case remained to be seen. In their telephone conversation, Mr. Obama said, Sergeant Crowley suggested that he and Professor Gates come to the White House to share a beer with the president. Mr. Obama then conveyed that idea in his phone call with Professor Gates.

Professor Gates said in an e-mail message afterward that he was "pleased to accept his invitation" to come to the White House and meet Sergeant Crowley. "After all, I first made the offer to meet with Sgt. Crowley myself, last Monday," he wrote. "I told the president that my entire career as an educator has been devoted to racial healing and improved race relations in this country. I am determined that this be a teaching moment."

Sergeant Crowley made no public comments after his conversation with the president. He has denied doing anything wrong and has declined to apologize to Professor Gates.

The episode stemmed from a misunderstanding when Professor Gates returned to his Cambridge home on July 16 and found his door stuck. A woman reported seeing someone trying to break into the house and the police responded. Although the arresting police officer became aware that Professor Gates was in his own home, the police said he was belligerent and arrested him for disorderly conduct. The charge was later dropped.

Mr. Obama defended his decision to weigh in. "The fact that this has become such a big issue I think is indicative of the fact that, you know, race is still a troubling aspect of our society," he said. "Whether I were black or white," he said, commenting "is part of my portfolio."

Mr. Obama first discussed with aides how to address the arrest during a meeting before his Wednesday news conference. Aides said Mr. Obama, a Harvard-trained lawyer, zeroed in on the fact that the arrest came after police confirmed that Professor Gates was in his own home.

But his use of the word “stupidly” at the news conference that evening generated angry responses from Cambridge police, and some of his aides privately rued the word choice. Mr. Obama, who said he was surprised at the response, discussed the issue over dinner with friends at his home in Chicago on Thursday during a quick trip there for a fund-raiser, according to people close to the family. On Friday morning, they said, he also talked it through with Mrs. Obama.

By then, the controversy had dominated White House staff meetings. Robert Gibbs, the press secretary, had told reporters at 10 a.m. that Mr. Obama had nothing more to say. Some advisers had concluded the furor would not dissipate unless Mr. Obama made another statement, while others were wary of him revisiting the episode and particularly did not want him to apologize, they said.

During the morning, police union members held a news conference in Cambridge calling on Mr. Obama to apologize for demeaning Sergeant Crowley and suggesting it was Professor Gates who had made it a racial incident.

“The facts of this case suggest that the president used the right adjective but directed it to the wrong party,” said Sgt. Dennis O’Connor, president of the Cambridge Police Superior Officers Association.

Sgt. Leon Lashley, an African-American officer at the Gates house that day, separately told The Associated Press that he supported Sergeant Crowley’s actions “100 percent.”

The police event contributed to what one White House aide called a “critical mass,” but aides said it was not the deciding factor, noting that Mr. Obama had not watched. Shortly after noon, Mr. Obama called his senior adviser, David Axelrod. “I’m going to call Sergeant Crowley and then I think I ought to step into the press room and address it,” Mr. Axelrod said he said.

The president dictated some thoughts intended to avoid directly blaming either the professor or the officer, and speechwriters had less than two

hours to craft remarks. Mr. Obama called Sergeant Crowley about 2:15 p.m. and they spoke for five minutes. He went to the briefing room to make his statement, then called Professor Gates about 3:15 p.m.

Mr. Obama said the issue was making it harder for him to focus attention on health care. “I don’t know if you’ve noticed, but nobody has been paying much attention to health care,” he said.

He did not apologize but softened his language. “I continue to believe, based on what I have heard, that there was an overreaction in pulling Professor Gates out of his home to the station,” he said. “I also continue to believe, based on what I heard, that Professor Gates probably overreacted as well.”

Mr. Obama described Sergeant Crowley as an “outstanding police officer and a good man” who has “a fine track record on racial sensitivity.” But he said the incident showed that “because of the difficulties of the past, you know, African-Americans are sensitive to these issues.”

John Payton, president of the NAACP Legal Defense Fund, said that unlike white presidents who could dance around racial issues, Mr. Obama had to be direct. “That’s the whole difference. Bush could punt. Obama can’t punt,” he said. “This issue resonates with him.”

Christopher Edley Jr., a former adviser to President Bill Clinton on race issues and now law school dean at the University of California, Berkeley, said the episode dispelled the “rosy hopefulness” stemming from Mr. Obama’s election “in case anybody needed more evidence that we’re not beyond race.”

46 A Dispute Over Obama’s Birth Lives on in the Media

The conspiracy theorists who have claimed for more than a year that President Obama is not a United States citizen have found receptive ears among some mainstream media figures in recent weeks.

Despite ample evidence to the contrary, the country's most popular talk radio host, Rush Limbaugh, told his listeners on Tuesday that Mr. Obama "has yet to have to prove that he's a citizen." Lou Dobbs of CNN said that Mr. Obama should do more to dispel the claims. Larry King, also of CNN, asked guests about it. Chris Matthews debated it with guests on MSNBC, and "NBC Nightly News" even did a segment debunking the theory.

Cable news is often stretched for news in the summer, but the birth certificate case has been fueled by the combustible combination of luck, compelling video, media-savvy doubters – and an outlandish topic.

The theory that Mr. Obama was born in Kenya, his father's homeland, first took root among some staunchly conservative elements. In response, the Obama campaign scanned the candidate's "certification of live birth" from Hawaii's department of health and published it on the Internet. Numerous third parties have examined and confirmed the birth certificate and concluded that it met the requirements for citizenship.

"This smear was thoroughly debunked during the election," said Eric Burns, the president of Media Matters for America, a liberal media monitoring organization.

But advocates of the issue, who are sometimes termed birthers, called attention to themselves through frequent calls to talk radio shows, e-mail messages to news organizations and a videotaped question at a Congressional town hall. Since mid-July, Mr. Dobbs has discussed it repeatedly on his radio show and on TV, emphasizing that he believes Mr. Obama is a citizen, while wondering in particular why Mr. Obama has not provided a fuller copy of his birth certificate so that "all of this nonsense goes away." Mr. Dobbs's coverage has been criticized by Media Matters and other organizations.

In an e-mail message to Mr. Dobbs's producers on Thursday, Jon Klein, the president of CNN's domestic networks, wrote that "it seems this story is dead – because anyone who still is not convinced doesn't really have a legitimate beef."

In an interview Friday, Mr. Klein said the e-mail message should not be interpreted as an order to stop debating the subject. He defended Mr. Dobbs's

broadcast, saying that “what we do here all the time is dig into the truth about all kinds of controversial issues.”

The claims about Mr. Obama’s citizenship have percolated on the Internet and on right-leaning radio talk shows for months. But from more mainstream outlets, “the coverage has been minuscule” until this month, said Philip J. Berg, a lawyer who has challenged Mr. Obama’s citizenship in a number of lawsuits, unsuccessfully to date.

Mr. Berg added: “If I could file a lawsuit against the national media, including The New York Times, I would do that, because I think you’ve all done an injustice by not covering Obama.”

Phil Griffin, the president of MSNBC, said the week’s recurrent cable news coverage was set off by two back-to-back events: the introduction of a bill that would require presidential candidates to provide a copy of their original birth certificate (it has nine sponsors in the House and one in the Senate), and the video of a town hall held by a Republican representative that turned into a hearing on Mr. Obama’s citizenship.

At the town hall in late June, the representative, Michael N. Castle of Delaware, was angrily questioned by a woman who said of Obama, “he is not an American citizen, he is a citizen of Kenya.” Members of the crowd applauded, and Mr. Castle was heckled when he said Mr. Obama was indeed an American citizen.

It took more than a week for the incident to receive widespread attention but since then, “there’s been a vast uptick,” in mainstream coverage, Mr. Berg said. One notable exception is the Fox News Channel, which has hardly addressed the controversy this week.

A number of MSNBC shows, mostly in mocking tones, have covered the birthers’ claims in recent days. On “Hardball” Thursday evening, the radio talk show host G. Gordon Liddy asserted that Mr. Obama may be an “illegal alien,” leading the host Mr. Matthews to hand Mr. Liddy a photocopy of the birth certificate.

Mr. Griffin said the claims were legitimate to cover “in that there’s a segment of our population that believes this and keeps bringing it up.”

“It’s racist,” Mr. Griffin said. “Just call it for what it is.”

A lot of journalists “live with this issue; we get e-mails, we get asked about it,” Brian Williams, the anchor of the “NBC Nightly News,” said on Wednesday’s broadcast.

He showed an excerpt from the YouTube video in a segment about the birthers that he said were “spreading lies” about Mr. Obama.

“So many conspiracy theories, so little time,” he concluded.

47 Amazon Faces a Fight Over Its E-Books

Last week, Jeffrey P. Bezos, chief executive of Amazon, offered an apparently heartfelt and anguished²¹ mea culpa³⁴⁷ to customers whose digital editions of George Orwell’s “1984” were remotely deleted from their Kindle reading devices.

Though copies of the books were sold by a bookseller that did not have legal rights to the novel, Mr. Bezos wrote on a company forum that Amazon’s “’solution’ to the problem was stupid, thoughtless and painfully out of line with our principles.”

An apology was not enough for many people.

A growing number of civil libertarians and customer advocates wants Amazon to fundamentally alter its method for selling Kindle books, lest it be forced to one day change or recall books, perhaps by a judge ruling in a defamation¹⁴⁸ case – or by a government deciding a particular work is politically damaging or embarrassing.

“As long as Amazon maintains control of the device it will have this ability to remove books and that means they will be tempted to use it or they will be forced to it,” said Holmes Wilson, campaigns manager of the Free Software Foundation.

The foundation, based in Boston, is soliciting⁵¹¹ signatures from librarians, publishers and major authors and public intellectuals. This week it plans to present a petition⁴⁰⁵ to Amazon asking it to give up control over the books people load on their Kindles, and to reconsider its use of the software called digital rights management, or D.R.M. The software allows the company to maintain strict control over the copies of electronic books on its reader and also prevents other companies from selling material for the device.

Two years after Amazon first introduced the Kindle and lighted a fire under the e-books market, there is increasing awareness of how traditional libraries of paper and ink differ from those made of bits and bytes. The D.R.M. in Amazon's Kindle books, backed up by license agreements with copyright holders, prevents customers from copying or reselling Kindle books – the legal right of “first sale” that is guaranteed to owners of regular books.

D.R.M. has created a new dynamic between consumers and the vendors of digital media like books and movies. People do not so much own, but rent this media. And the rental agreement can be breached by the manufacturer at any time, sometime with little or no notice.

People are also worried that the very architecture of network-connected devices like the Kindle, TiVo or iPod give tech companies unprecedented control over digital media and by extension, the free exchange of ideas.

Once upon a time, retailers sold customers a product and then walked away after the transaction. Today's specialized devices often keep an umbilical⁵⁷⁰ cord to their vendor, loading updates and offering convenient ways to make purchases. These devices also limit the extent to which people can load independent software and customize their experiences.

Such tethered⁵⁴⁷ systems provide significant advantages to the consumer. Companies can keep their own records of what people buy and restore the content if it is inadvertently lost. Device software can be kept up to date, and vendors can track what people buy and make personalized recommendations for new material they might like.

Randal C. Picker, a law professor at the University of Chicago, says he thinks Amazon was right to delete the improperly sold versions of “1984”

and argues such systems can also allow companies to better enforce copyright laws. He notes that the harm to the Orwell book buyers was minimal, since their money was refunded after copies were deleted from their Kindles.

“Because copyright infringement²⁹⁷ was poor and lax in the offline world, it should also be that way in the online world? I don’t understand that logic,” Mr. Picker said. “The whole point of moving online is that it creates new opportunities.”

But critics say that any device capable of interfering with how its owner uses media is potentially dangerous. “I worry that systems like these tethered appliances are gifts to regulators,” said Jonathan Zittrain, a professor at Harvard Law School and author of the book, “The Future of the Internet – and How to Stop It.” Mr. Zittrain predicts that governments in some parts of the world will want to use it “like a line item veto for content,” removing objectionable sentences or chapters in some books.

“It could happen first in jurisdictions³¹⁵ like the United Kingdom, where there isn’t as rich a First Amendment tradition and where libel³²⁷ suits happen much more frequently,” he said.

Whether or not people are bothered by these possibilities may in part be a function of their age, as a new generation grows up with an implicit understanding of the rules around these networked devices and learns to live with them.

“I’d like to live in a perfect world where I own this content and can do whatever I want with it,” said Justin Gawronski, a high school student whose copy of “1984” was erased by Amazon, but who recently declined when a lawyer asked him to join a class-action lawsuit over the incident. Mr. Gawronski said, “This is probably going to happen again and we just have to learn to live with it.”

48 Final Frontier for Wireless Hard to Break Through

With a vast, unserved population, Africa used to be a no-lose proposition for mobile phone operators looking for new customers. But after a wave of investment, the wireless industry's final frontier is showing signs of age.

In Egypt, France Télécom has been sparring⁵¹³ for two years with its junior partner, Orascom, for control of MobiNil, the leading Egyptian mobile operator and France Télécom's largest African holding.

In Johannesburg, Bharti Airtel, the largest mobile operator in India, is in the second year of on-again, off-again negotiations to merge with MTN, the largest mobile African operator, with 91 million customers in 21 countries. The companies have set a deadline of Friday to reach an agreement or cut off talks.

And last Monday, Vivendi, the French media company that owns a majority stake in SFR, broke off talks with Zain, the Bahraini group that is looking to sell its 16 sub-Saharan African phone businesses serving 40 million people.

Clinching¹⁰⁴ deals for African mobile phone business, once a relatively low-risk proposition for growth-starved mobile operators, is not as easy as it was. That is especially true in sub-Saharan Africa, where rising competition and the cost of providing service to remote areas has eaten into profits.

"What we are seeing is an evolution in the valuation of African mobile phone companies," said Kristoff Puelinckx, managing partner in Dubai at Delta Partners, an industry consultant that advises Middle Eastern and African operators. "Operators are investing heavily in their networks, but it is not as clear as it was that the financial returns will be there in the end."

The more sanguine⁴⁸³ view of those returns has contributed to the intense haggling over acquisition prices that has dragged out the Bharti-MTN merger in Johannesburg and the sale of Zain's African operations, the second-largest on the continent after MTN. The hard bargaining is a change from five years ago, when most African markets were underserved and the use of mobile devices was a fraction of what it was in Europe and North America.

Investors have long since filled the vacuum, and many sub-Saharan markets have up to seven operators competing for consumers who spend less than \$5 a month on service. In Botswana, cellphone penetration exceeds 80 percent, and in South Africa, it has topped 100 percent.

But the growth is slowing in some markets. In Kenya, where competition has led to lower prices, there has been little increase in cellphone use, said Andre Wills, an analyst at Africa Analysis, a business consultancy in Johannesburg.

“We are still bullish⁷⁷ on the African telecom sector,” Mr. Wills said. “But some markets are showing signs of maturity. The outlook isn’t as rosy⁴⁷⁶ as it was.”

The challenge of making a profit in sub-Saharan Africa is one reason Zain, which also has 25 million customers in six Middle Eastern countries, may be looking to sell, said Mr. Puelinckx.

Zain’s biggest investors, the Kuwaiti sovereign wealth fund and the Kharafi family of Kuwait, which together own 40 percent of Zain, are hoping to profit from a sale of Zain’s African businesses, Mr. Puelinckx said.

“But their perceptions of the value of Zain’s African businesses are far beyond what the market is willing to pay at the moment,” he added.

Antoine Abou Khalil, a Zain spokesman, said the company declined to comment on the sales talks. Representatives for Orascom, France Télécom and Vivendi also declined to comment.

Zain’s sub-Saharan businesses generated 55 percent of its \$7.4 billion in 2008 sales, but only 7.3 percent of its \$1.2 billion profit, according to its financial report.

In the first quarter of this year, seven of Zain’s sub-Saharan businesses reported a loss as the company struggled to make money in very low-cost markets, said Nicholas Jotischky, an analyst at Informa Telecoms & Media in London.

“It’s increasingly an issue as operators expand into rural areas, where most of the remaining unpenetrated areas lie,” Mr. Jotischky said.

MobiNil, the Egyptian operator that started in 1998, has been consistently profitable and even sells advanced services that are rare in Africa, like wireless broadband. That is why the two shareholders, Orascom, owned by the Sawiris family, and France Télécom are fighting to push each other out.

The fight began in 2007, when Orascom objected to spending plans by MobiNil, triggering a series of countervailing buyout offers that both sides have rejected. France Télécom, which owns 72.1 percent of MobiNil, has offered to pay €528 million, or \$750 million, to Orascom for its 27.9 percent stake in the holding company.

But France Télécom's attempt to gain control has foundered on compensation to minority shareholders of MobiNil's listed operating company, ECMS, based in Cairo. The largest is Orascom, with 20 percent. France Télécom has offered to pay €1.47 billion to the shareholders, representing an additional €600 million for Orascom.

But Orascom, and the Egyptian stock market regulator, have rejected the offer as too low. In March, the International Arbitration Court in Geneva, which was asked by Orascom to decide the dispute, sided with France Télécom.

An adviser to France Télécom who was not authorized to speak publicly described the situation as a stalemate.

Frank Oehler, the head of business development for new markets including Africa at Nokia Siemens Networks, a maker of wireless network gear, said negotiations like those taking place in Egypt are a sign of the new wave of foreign investment changing the landscape of the African mobile industry.

At the same time, Mr. Oehler said, all operators are under new pressure to justify the purchase of new network equipment, given the slim profit margins that are a reality in sub-Saharan Africa.

"Investors have woken up to the costs of doing business in Africa," Mr. Oehler said. "The pressure to control costs, which was always there, is now much greater than it was."

49 Ericsson Wins Auction³⁷ for Nortel Assets

Nortel Networks announced during the weekend that Ericsson of Sweden had won an auction of the bankrupt Canadian telecommunications company's wireless technologies unit with an offer of \$1.13 billion, thwarting⁵⁴⁹ a bid by the rival Nokia Siemens Networks.

Last month, Nortel signed a deal to sell the profitable division to Nokia Siemens for \$650 million. A Canadian government-owned bank also agreed to provide \$300 million in financing for the transaction. But other companies were invited to submit bids to a court overseeing Nortel's bankruptcy protection process.

The final days of the auction had produced considerable controversy in Canada, where the sale was front-page news. The maker of the BlackBerry, Research In Motion, which replaced Nortel as the leading Canadian technology company, said earlier this week that it had been effectively, and unfairly, shut out of the bidding. R.I.M. said that it had been prepared to offer about \$1.1 billion.

MatlinPatterson Global Advisors, a private equity firm and Nortel creditor based in New York, also condemned the apparent piecemeal liquidation of Nortel and entered a bid in an attempt to keep the company intact³⁰³. That breakup accelerated last week when Nortel announced a deal to sell a division that makes communications systems for governments and large corporations to Avaya for \$475 million.

After R.I.M. called on the Canadian government to investigate the sale of what was widely seen as Nortel's most valuable operation, some Canadians argued that because Nortel had benefited extensively from government assistance, those assets should remain under Canadian control.

It was not apparent if enough of the wireless unit's assets remain in Canada to trigger a mandatory review of the sale under Canada's foreign investment laws. The Canadian government, citing privacy laws, does not comment on that process. The sale must be approved by courts in Canada and the United States.

In February, Verizon Wireless picked Ericsson and Alcatel-Lucent to provide equipment to increase the speed of its data networks beginning next year. While Nortel has long been a major equipment supplier to Verizon, that company was shut out.

Nortel's profitable wireless business, which provides a steady stream of revenues from contracts and royalty payments from patents, is based on a declining technology known as CDMA. Once dominate in North America, and largely ignored by Ericsson, that technology is being replaced by LTE. Nortel has developed its own LTE systems which Ericsson, which is the world's leading producer of wireless network infrastructure, will now be able to exploit that or at least prevent their use by competitors.

Ericsson will rename the Nortel operation Ericsson CDMA and said that it would offer jobs to at least 2,500 of its workers, about a third of whom are based in Canada.

50 For Mozilla and Google, Group Hugs Get Tricky

Boxes lined the cubicles and hallways in the offices of Mozilla on a recent afternoon, and its chief executive, John Lilly, seemed a bit disoriented as he looked for a place to sit. Mozilla, which makes the Firefox Web browser, had just moved from one end of this city to the other, mainly to gain more space for its growing work force.

Yet it was hard not to read symbolism into the move. Mozilla's old offices were next door to Google's sprawling headquarters. For several years, Google has been Mozilla's biggest ally and patron³⁹⁶. But in September, it also became Mozilla's competitor when it unveiled its own Web browser, Chrome.

So it seemed only natural for Mozilla to move out from under Google's shadow.

"We've learned how to compete with Microsoft and Apple," says Mr. Lilly, a soft-spoken, earnest 38-year-old. "Google is a giant, of course, and competing with them means we are competing with another giant, which is a little tiring."

Those big companies weren't giving much thought to browsers when Firefox was released in 2004, and neither were most ordinary Web users. A browser was just a window onto the Web, and people used whatever was already installed on a computer. Usually that meant Microsoft's Internet Explorer.

Since then, Firefox has captured nearly a quarter of the browser market by focusing on speed, security and innovation. Its success is all the more remarkable because it was built and marketed by a far-flung community of programmers, testers and fans – mostly volunteers – coordinated by a nonprofit foundation. It is a shining example of the potential of open-source software, which anyone can modify and improve, and its ascent is one of Silicon Valley's most unusual success stories.

In short, Mozilla showed the world that browsers matter. Now the challenge is to keep proving that Mozilla matters.

The rise of Firefox unleashed a new wave of innovation and competition among browser makers. Microsoft and Apple, which makes the Safari browser, have narrowed the gap with recent upgrades. That makes it less likely that people will take the trouble to seek out and install Firefox.

At the same time, the Web has been migrating from PCs to powerful mobile phones like the iPhone. Firefox won't have a mobile version ready until later this year.

And then there is Google. After introducing Chrome, a lightning-fast browser designed to run increasingly complex Web applications, Google upped the ante. This month it said it would put Chrome at the center of a new operating system – the software that handles the most basic functions of a PC.

“Google, Apple and Microsoft can all throw a lot of resources toward improving their browsers. Mozilla, not so much,” says Rob Enderle, principal analyst at the Enderle Group. “When it was them against Microsoft, it wasn't such a big problem. Now that there are other alternatives, it becomes harder for them to retain relevance.”

Despite Mozilla's mighty and increasingly competitive rivals, the spread of Firefox has continued unabated. Nearly 300 million people around the

world use it, making Firefox not only the most successful open-source consumer product, but also one of the most successful software programs ever.

To a large extent, that success sprang from a disparate community that coalesced around Firefox and was harnessed by Mitchell Baker, Mr. Lilly's predecessor. Ms. Baker, whom Mr. Lilly calls the "conscience" of Mozilla, remains its chairwoman and is actively involved in managing it.

Ms. Baker, 52, seems to embody Mozilla's anticorporate ethos²⁰⁶. Unlike the clean-cut Mr. Lilly, Ms. Baker has a decidedly counterculture look. Her hair, dyed a reddish color, is closely cropped on one side only, and she is prone to wearing sandals with hiking socks.

She organized a recent meeting of nonprofit groups at Mozilla that ended with what she called a "psychic group hug" – not a literal embrace, but a chance for everyone there to describe in one word how they were feeling.

For Mozilla and its millions of fans, Firefox is not just cool software but also a cause: to ensure that no company, whether Microsoft, Google or anyone else, can tilt the Web to its advantage by tweaking its browser to favor its products or applications. Microsoft appeared ready to use that tactic after its browser vanquished Netscape's.

Ms. Baker envisioned Firefox as a counterweight to that possibility, and a way to make browsing safer. In the years after Netscape's demise, Microsoft essentially stopped improving Internet Explorer, and the browser quickly became vulnerable to security threats, an explosion of pop-up ads and other annoyances.

Firefox was faster, safer and blocked pop-ups. It also offered some compelling innovations, like tabs, which allowed users to have multiple pages open inside a single browser window. Word of its virtues spread quickly, first in the tech world, then through a rapidly expanding fan base.

Today the model remains the same. Only a small fraction of the people involved in building Firefox are paid employees at Mozilla, which has about 250 workers. An additional 1,000 or so programmers contributed code for the most recent Firefox release. There are also tens of thousands of

other volunteers who help test and promote Firefox, write add-ons and help translate it into more than 70 languages.

“We succeeded because more people got engaged, helped us build a better product and helped us get the product into the hands of people,” Ms. Baker says. “We succeeded because of the mission.”

That community’s fervor was heard in a recent weekly conference call for engineers who build Firefox. The call, moderated but open to anyone, had 30 participants, some in Mozilla offices and others scattered worldwide.

The conversation bounced from one technical topic to another: user interfaces, bug tracking, security. Then someone interrupted to announce that in just a few hours, one million people had downloaded the new Firefox 3.5. The group erupted in cheers. (By the next afternoon, the number had topped six million.)

“Mozilla is about a community coming together and saying it can compete with the largest software company in the world,” says Sandeep Krishnamurthy, director of the business administration program at the University of Washington at Bothell, who recently wrote a paper on Firefox’s success. “There really is nothing like it.”

Across the globe, Vineel Reddy, 21, an engineering student in Hyderabad, India, basks in the satisfaction of having contributed to that success. Drawn to the Firefox mission, but not particularly good at programming, he decided to work on promoting Firefox. He rallied some friends who were skilled at video editing, rented a camera and produced a flashy clip that compares Firefox to a slick sports car.

The video has been seen more than 33,000 times, and Mr. Reddy says he gets daily e-mail messages thanking him. “This is the best experience I have had,” he says.

Mr. Lilly says it was that kind of dedication from volunteers that enticed him to move from a career in venture capital and to join Mozilla in 2005.

“As Americans we’ve lost the sort of civic engagement, the participation in making the world what we want and what we think it should be,” says

Mr. Lilly, who became chief executive last year. “That, as a mission and as a product ethos, resonated⁴⁵⁸ with me.”

MR. LILLY readily acknowledges that Google’s entrance into the browser market rocked the Mozilla boat. “Life was simpler before they did this,” he says.

That said, Chrome’s release does not signal a return to the browser wars of the 1990s, when Microsoft poured resources into crushing the upstart Netscape.

For starters, Mozilla and Google have long had an agreement that makes Google the standard home page when people start Firefox, and sends them to Google when they type something into the search box at the top of the browser.

Google pays Mozilla hefty fees in return.

The deal accounted for 88 percent of Mozilla’s \$75 million in revenue in 2007, according to its most recent tax filings, and it was recently renewed through 2011. (The gusher of income from Google prompted the nonprofit Mozilla Foundation to set up a taxpaying subsidiary, the Mozilla Corporation, in 2005.)

The deal has helped Google gain market share in search. But Google has also been among the biggest beneficiaries of Firefox’s success in other ways.

Google’s fortunes are tied to the advancement of the Web. As browsers become faster, more standardized, more secure and more capable of running complex Web applications, Google’s services, like search, Gmail, maps and office software, become easier to use and more popular, and Google earns more money. Firefox’s innovations have helped with this.

“Mozilla has done an amazing job,” says Sundar Pichai, a vice president of engineering at Google who heads the development of Chrome.

Mr. Pichai says that because of Mozilla’s vital role, the company thought long and hard about the impact Chrome would have on Firefox. Google eventually came to believe that it could help spur even more innovation in

browsers by building its own, he says. And it made Chrome open-source, so any advances it makes could be adopted by others, including Mozilla.

“We were all very clear that if the outcome was that somehow Mozilla lost share to Google, and everything else remained the same, internally, we would have been seen as having failed,” Mr. Pichai says.

So far, Chrome doesn’t appear to have hurt Firefox. Chrome has grabbed just under 2 percent of the browser market, according to Net Applications, a company that tracks browser use. During the same period, Firefox’s share has kept growing, to 22.5 percent from 19.5 percent. Microsoft’s has continued to decline, to 66 percent from 72, though it argues that most of that loss has been on computers that don’t readily support Internet Explorer, like those from Apple.

In many ways, Google and Mozilla are fighting the same battle, albeit not with the same objectives. They both contend that the Web should be open and based on common standards – Mozilla because it is its mission, Google because it is good for its business.

“Most days we are aligned with them,” Mr. Lilly says. “Their focus on the open Web is pretty amazing.”

But he says financial pressures may someday push Google to start using Chrome to favor its own services. That danger, he says, “clarifies for me how important it is for independent organizations like Mozilla to exist.”

Few at Mozilla fear that Google will pull its financial support. And even if it did, Mozilla says that it could find another company willing to cut a similar deal. The real challenge for Firefox is that over time, as Google and others invest in developing and marketing their browsers, the mission that drove Firefox’s success will lose urgency.

“Mozilla performed a really good service, but you have to wonder what their relevance is going to be going forward,” says Matt Rosoff, an analyst at Directions on Microsoft, an independent firm that tracks the company. “They keep Microsoft honest. But if Google is pushing innovation in its own browser, it can play that role.”

Mr. Lilly acknowledges that with the intense competition, it will be harder for Firefox to stand out. Firefox and its supporters will have to work harder to find areas of browser technology where they want to focus their efforts, he says, and let Google, Apple and Microsoft push innovation in other areas.

But he says the renewed competition is a testament to the success of Firefox and of the Mozilla mission.

“This is the world we wanted, and the world we made,” he says. “We wanted a world where people – normal human beings – could make meaningful choices about the browser technology that they use. That’s what we have today.”

51 Files Vanished, Young Chinese Lose the Future

For much of his education, Xue Longlong was silently accompanied from grade to grade, school to school, by a sealed Manila envelope stamped top secret. Stuffed inside were grades, test results, evaluations by fellow students and teachers, his Communist Party application and – most important for his job prospects – proof of his 2006 college degree.

Everyone in China who has been to high school has such a file. The files are irreplaceable histories of achievement and failure, the starting point for potential employers, government officials and others judging an individual’s worth. Often keys to the future, they are locked tight in government, school or workplace cabinets to eliminate any chance they might vanish.

But two years ago, Mr. Xue’s file did vanish. So did the files of at least 10 others, all 2006 college graduates with exemplary²¹⁴ records, all from poor families living near this gritty north-central town on the wide banks of the Yellow River.

With the Manila folders went their futures, they say.

Local officials said the files were lost when state workers moved them from the first to the second floor of a government building. But the graduates say they believe officials stole the files and sold them to underachievers seeking new identities and better job prospects – a claim bolstered by a string of similar cases across China.

Today, Mr. Xue, who had hoped to work at a state-owned oil company, sells real estate door to door, a step up from past jobs passing out leaflets and serving drinks at an Internet cafe. Wang Yong, who aspired to be a teacher or a bank officer, works odd jobs. Wang Jindong, who had a shot at a job at a state chemical firm, is a construction day laborer, earning less than \$10 a day.

“If you don’t have it, just forget it!” Wang Jindong, now 27, said of his file. “No matter how capable you are, they will not hire you. Their first reaction is that you are a crook¹³⁴.”

Perhaps no group here is more vilified⁵⁸⁵ and mistrusted than China’s local officials, who shoulder much of the blame for corruption within the Communist Party. The party constantly vows to rein them in; in October, President Hu Jintao said a clean party was “a matter of life and death.”

Critics contend that China’s one-party system breeds graft that only democratic reforms can check. But China’s leaders say the solution is not grass-roots checks on power, but smarter oversight and crime-fighting.

Public policy specialists say China is shifting its emphasis from headline-grabbing corruption cases to more systematic⁵³⁹ ways to hold officials accountable. The government opened an anticorruption hot line last month to encourage whistle-blowers. A few localities require that officials disclose their family assets to the party.

But in Wubu, a struggling town of 80,000 banked by steep hills and coal mines, citizens say that local officials answer to no one, and that anyone who dares challenge them is punished.

“When the central government talks about the economy and development, it sounds so great,” said Mr. Wang, the day laborer. “But at the local level, corrupt officials make all their money off of local people.”

Student files are a proven moneymaker for corrupt state workers. Four years ago, teachers in Jilin Province were caught selling two students' files for \$2,500 and \$3,600; the police suspected that they intended to sell a dozen more. In May, the former head of a township government in Hunan Province admitted that he had paid more than \$7,000 to steal the identity of a classmate of his daughter, so his daughter could attend college using the classmate's records.

While not quite as important as in Communist China's early days, when it was a powerful tool of social control, the file, called a *dangan*, is an absolute requirement for state employment and a means to bolster⁶⁵ a candidate's chances for some private-sector jobs, labor experts say. Because documents are collected over several years and signed by many people, they are virtually impossible to replicate.

So in September 2007, when one Wubu graduate sought work at a local bank and discovered that his file was gone, word spread fast. For the next two years, his parents and a group of other parents in similar straits said, they sought help at every level of the bureaucracy.

The government's answer, they said, was to reject any inquiry, place the graduates' parents under police surveillance and repeatedly detain them. Last February, they said, five parents trying to petition the national government were locked in an unofficial jail in Beijing for nine days.

"We are so exhausted," said one tearful mother, Song Heping. "Our nerves are about to snap from this torture. The officials who were responsible not only have not been punished, they have been promoted."

Wubu officials did not respond to repeated inquiries. One Chinese television journalist said they told him they had resolved the matter simply by creating new folders. But families say the folders held nothing but brief, error-riddled résumés that employers reflexively reject as fake.

The parents are uniformly poor: one father drives a three-wheel taxi, earning just 15 cents per passenger.

Mr. Xue's parents sacrificed even more than most, in the belief that education would lead their children out of poverty. They earn just \$450 a year

growing dates, and live near a dirt mountain path, drinking well water and cooking over a wood fire.

Mr. Xue, the oldest child, wore secondhand clothes and skipped meals throughout high school. When he won admission to a university in Xian, 400 miles away, his parents borrowed to cover the \$1,500 in annual expenses. Initially, it seemed the bet would pay off: he said he had had a chance to work at an oil company with a monthly salary of \$735.

But the job evaporated²⁰⁸ with his dangan. “It was a catastrophe⁸⁹,” he said. Now he earns a base salary of \$90 a month as a door-to-door salesman and lives in a tiny, dingy room in a Xian slum.

The woman he hoped to marry left him because her parents said he would never have a stable job. His mother suffered a nervous breakdown, and the family debt ballooned. his father, Xue Ruzhan, said he owed more than \$10,000 – more than twice what his property is worth.

“What is the point of continuing to live?” the father said. “Sometimes I want to commit suicide. These corrupt officials destroyed all our hopes.”

Including, it seems, the hopes of Longlong’s younger sister, Xiaomei, an 11th grader who once thought she would follow him to a university degree.

No more. “I want to quit,” she said during a school lunch break. “My brother graduated from college. What good did it do him?”

52 China Steel Executive Killed as Workers and Police Clash

China’s state-run press confirmed Monday that a riot broke out at a steel mill in north China Friday evening, leaving the executive of another steel mill dead.

The report, in the English-language China Daily, provided few details on the mayhem³⁴⁶, but a report on Saturday by a Hong Kong-based group,

the Information Center for Human Rights and Democracy, which broke the story on the riot, said that at least 30,000 workers were involved and that about 100 people were wounded.

The riot, at the Tonghua Iron and Steel Works in Jilin Province in northern China, broke out after a visiting steel executive from a related company threatened mass layoffs at the Tonghua steel mills as part of a major restructuring of the state-owned company, China Daily said.

The riot followed a pattern of massive demonstrations that have taken place in various parts of the country over the past few years, many involving citizens outraged over government corruption or threatened with layoffs or orders to relocate.

The China Daily report said Chen Guojun, the steel executive who was beaten to death, had threatened 3,000 Tonghua steelworkers with layoffs, which he had said could take place within three days. He also had signaled that larger jobs cuts were likely at the struggling steel mill.

The report said the rioters blocked the police, ambulances and government officials from reaching Mr. Chen before he died.

Mr. Chen was general manager at Jianlong Steel, a large, privately owned company based in Beijing. Jianlong had acquired a large stake in Tonghua, a state-owned company with as many as 50,000 employees, and Jianlong was working to restructure it.

The China Daily report quoted a police officer identified only as Wang as saying, "Chen disillusioned workers and provoked them by saying most of them would be laid off in three days."

The officer also said that Mr. Chen's warning that 30,000 jobs would eventually be cut to 5,000 "infuriated the crowd."

China's steel industry, the world's largest, is just beginning to recover from a sharp downturn that took place in the second half of last year, forcing many smaller mills to halt production.

The government has been trying to restructure and consolidate the steel industry, which is seen as inefficient and plagued by corruption.

53 iPhone Maker in China Is Under Fire After a Suicide

When a closely guarded prototype of a new Apple iPhone went missing at a huge factory here two weeks ago, an internal investigation focused on a shy, 25-year-old employee named Sun Danyong.

Mr. Sun, a college graduate working in the logistics department, denied stealing the iPhone. But he later complained to friends that he had been beaten and humiliated by the factory's security team. On the night he was questioned, he sent an anguished²¹ text message to his girlfriend.

"Dear, I'm sorry. Go back home tomorrow," he wrote, according to a message she later posted online. "I ran into some problems. Don't tell my family. Don't contact me. I'm begging you for the first time. Please do it! I'm sorry."

Soon after, in the early-morning hours of July 16, Mr. Sun apparently jumped to his death from the 12th floor of an apartment building in what his employer, Foxconn Technology, says was a suicide.

Apple and Foxconn, one of the world's biggest manufacturers of consumer electronics and a major Apple supplier, issued statements last week expressing sorrow for the death. Foxconn said it suspended one security officer, pending a police investigation, and that the company was now considering counseling services for its employees.

The Apple statement said: "We are saddened by the tragic loss of this young employee, and we are awaiting results of the investigations into his death. We require that our suppliers treat all workers with dignity and respect." The company would not comment further.

The local police bureau declined to answer questions about the case. But reports of the apparent suicide have set off a firestorm of criticism of Foxconn's treatment of Mr. Sun, labor conditions at its factories and the pressures Apple places on suppliers to abide by the culture of secrecy that surrounds its development of new products.

The case also underscores the challenges that global companies face in trying to safeguard their designs and intellectual property in the hotly contested smartphone market, particularly here in the southern Chinese city of Shenzhen, an electronics manufacturing center known for piracy and counterfeiting¹³⁰.

Apple's popular iPhone is already widely imitated and counterfeited in China. And there are regular rumors on Chinese Web sites about new Apple prototypes leaking out of Chinese factories.

"When you outsource to a third party, you lose some control," says Dane Chamorro, general manager in China at Control Risks, a global consulting firm. "And if you're outsourcing to China, it's going to be even more challenging. There's going to be a bounty⁶⁸ on every design."

Labor rights groups say the worker's death should compel Apple to improve conditions at its supplier factories in China and prevent worker abuse.

Foxconn, part of Taiwan's Hon Hai group, has also been sharply criticized because of suspicions about unduly harsh treatment of the worker.

Foxconn, which produces electronics for some of the world's best-known brands, like Sony and Hewlett-Packard, operates a cluster of sprawling factories in southern China. One of its Shenzhen campuses has nearly 300,000 workers.

But some labor rights activists say the company treats employees harshly, routinely violating labor laws.

In an e-mail message on Thursday, China Labor Watch, which monitors Chinese factories and is based in New York, blamed Mr. Sun's death on "Foxconn's inhumane and militant management system, which lacks fundamental respect for human rights." The group said it published an in-depth study of Foxconn last year, detailing its abuses.

James Lee, general manager of China operations at Foxconn, defended the company's labor practices in a lengthy interview on Friday, and also said the company would strive to improve management of its facilities.

“It’s very difficult for the company to defend itself against such charges,” Mr. Lee said of complaints from labor rights groups. “You’re welcome to look at how employees are treated here.”

A reporter toured two of the company’s campuses in Shenzhen on Friday, including the one where Mr. Sun worked. The campuses were so large they contained retail stores, banks, post offices and high-rise dormitories with outdoor swimming pools.

The reporter was not allowed to see manufacturing lines because the company said it had to protect trade secrets.

Outside the gates of one campus, most workers interviewed independently of the company said they were well treated. One of about 15 workers questioned admitted to being forced to work overtime above the legal limit.

In his interview, Mr. Lee, the Foxconn manager, said the company also had a duty to protect the intellectual property of its customers, and that it was honestly seeking answers to what happened to the product.

Foxconn said it still does not know what happened to the missing iPhone. The company said Mr. Sun was given 16 prototypes on July 9 or 10 to deliver to research and development, and failed to report one missing until three days later.

The company says his explanation for the missing phone did not seem credible and that he had had problems before.

“Several times he had some products missing, then he got them back,” Mr. Lee said. “We don’t know who took the product, but it was at his stop.”

In an interview with Southern Metropolis Daily newspaper last week, the security officer suspended by Foxconn denied beating Mr. Sun, saying only that he “became a little angry” and grabbed Mr. Sun’s right shoulder.

Even so, the company paid compensation to Mr. Sun’s family. It declined to say how much, but Mr. Sun’s brother cited a figure of 300,000 renminbi, or more than \$44,000, and said Mr. Sun’s girlfriend was also given an Apple laptop computer.

Mr. Sun's brother doubts he stole the prototype.

"He was honest and modest. He would never steal anything," said Sun Danxiong, 28, his brother.

Mr. Sun grew up in a small, impoverished village in southwest Yunnan province and ranked first in his high school, his family says. He graduated from the Harbin Institute of Technology, one of the nation's top schools, before joining Foxconn about a year ago.

On Thursday, with his son Danxiong standing nearby, holding a box with Sun Danyong's ashes, the father, Sun Yangdong, said Foxconn had treated the family well. But he said he was still in shock that his son could leap from a building because he was so gentle and tender.

Soon after, a security guard, who was joined by two men wearing Foxconn shirts, threatened to "beat up" a journalist's translator if she persisted in asking the family questions. Foxconn officials later said the guard was not on their staff and might have been with the police bureau.

Back in Yunnan, Mr. Sun said that on the night of his brother's death, he had e-mailed friends, angry about Foxconn's questioning of him. In one message, Mr. Sun said he was locked up and beaten. "A Fortune 500 company even has these things," he wrote.

On Sunday, Danxiong said some of his brother's friends told him Mr. Sun killed himself out of anger at Foxconn. His brother said: "They told me he was extremely angry at Foxconn; they humiliated him and he wanted to resist the company, and planned to do something big."

54 'Nightline' Is Thriving in Late Night

In the heavyweight battle being waged in late-night television, an awful lot of rounds lately have been going to a third man in the ring, the one not slugging it out with punch lines.

While most of the attention, starting in June, has focused on the fight between the new host of NBC's "Tonight Show," Conan O'Brien, and his CBS rival, David Letterman, ABC's venerable news program "Nightline" has managed mostly to fly under the radar – in an upward trajectory⁵⁵⁸.

Viewership for the news show is up 14 percent in the last six weeks compared with the same week a year ago, and, in the most recent two weeks, the program has frequently grabbed the most viewers of the three shows.

"'Nightline' is a rare example of the broadcast networks' counterprogramming; it almost never happens outside of prime time," said Brad Adgate, senior vice president for research at Horizon Media.

Ted Koppel, the longtime, widely celebrated anchor, left "Nightline" in November 2005, and predictions of the show's imminent²⁸¹ demise¹⁵⁵ were prevalent⁴²⁹.

Instead the show thrived, by revamping its format to report three topics a night instead of one and, most critically, by going back to producing editions live each weeknight.

"We do feel good," said James Goldston, the executive producer. "This is kind of the culmination¹⁴⁰ of a process that has gone on for a long time, since we relaunched the show."

But, as Mr. Goldston acknowledged, "Nightline" was never really a contender for most-watched status in late night until Jay Leno left "Tonight." "I think there's another big shift happening in late night," Mr. Goldston said. David Westin, the president of ABC News, said, "When Jay left, some people were freed up to consider other alternatives."

Everyone who works on "Nightline" knows it has been a marked show inside some quarters of ABC. A desire to have an entertainment show, and the big profits that one could bring, has led to some suggestions that "Nightline" might have to give up its 11:35 p.m. time slot. (These rumblings were loud when ABC pursued Mr. Letterman in 2002, and recurred, more quietly, recently when the network recently weighed moving its own late-night star, Jimmy Kimmel, up a half-hour.)

In interviews, Mr. Westin, Mr. Goldston and Cynthia McFadden, one of the three “Nightline” anchors, all acknowledged an awareness that the program’s performance remained under constant appraisal. As Ms. McFadden put it, “We know we have to earn it every day.”

Mr. Westin said, “There are no guarantees, but we feel very good about where we are. The network is very pleased with what they are getting with ‘Nightline.’ ”

(One factor not often mentioned is that “Nightline” has the advantage of being rated for just a half-hour, while the other two shows run for a full hour at a time of night when many viewers are drifting away to bed as the minutes roll by. The ABC program would win less often if its ratings were compared to the first, much higher-rated half-hours of the entertainment shows.)

However the audience is parsed, “Nightline” is a real player in this high-stakes competition – and it has every reason to want to get that story out. One way the show has been doing that lately is with lots of Michael Jackson coverage.

The program offered reports related to Mr. Jackson’s death on 12 of 16 nights at one point, 10 times as its lead story.

But as Mr. Goldston pointed out, “We’ve won on nights when we covered health care and Afghanistan as well.” (One health care night was big because of a potent guest, President Obama.)

“I think it’s been helped by a heightened interest in news this summer from notable deaths, confirmation hearings, the economy, health care,” Mr. Adgate said, “but it’s unusual it would increase versus 2008 since it was such an interesting political year.”

Mr. Goldston defended the extent of the Jackson coverage as justified by the intense interest in what he called “a cultural touchstone.” One reason the show was able to pursue the Jackson story so often was the connection another of its anchors, Martin Bashir, had with Mr. Jackson. Mr. Bashir conducted one of the most memorable interviews with the singer.

Mr. Goldston called Mr. Bashir “a formidable weapon” during the Jackson coverage.

Ms. McFadden said the Jackson story was “of interest and importance” to the public. And though each addressed the Jackson issue separately, Mr. Goldston, Mr. Westin and Ms. McFadden all made a point of saying they would not apologize in any way for covering the Jackson story as much as “Nightline” did.

“It’s wrong-headed and myopic to think our success is Michael Jackson-driven,” Ms. McFadden said. “The notion that we’re only benefiting because of Michael Jackson is laughable. We won’t be No. 1 for long if that’s the case.”

What has really made the recent success possible, Mr. Goldston said, is a combination of increased news interest from viewers, the opportunities afforded by the change at NBC and technological changes in newsgathering.

“Everyone who works here is capable of shooting stories themselves and editing them,” Mr. Goldston said. Ms. McFadden said that she and one producer went to Afghanistan and did all the camerawork.

Mr. Goldston said “Nightline” also “got onto Twitter early on” and used the service to get out the message of what it was covering. Now more than 800,000 people follow the show on Twitter.

But mainly, he said, the show is succeeding because of “a relentless focus on the news.” Coming on after local newscasts has always been to the show’s advantage, though, before the transition to the new format, “Nightline” was retaining only about 39 percent of the local news audience, Mr. Goldston said. Now the figure is up to 54 percent.

That is good enough for the show to be profitable, although ABC declined to offer any specific figures.

“It’s a profitable show,” Mr. Goldston said. “We’re not at the point of a Leno on the ‘Tonight Show’ – not even close. But it does make money – and we can make more.”

55 Clown of 'Morning Joe' Gets a Show of His Own

Willie Geist, who starts a predawn shift on MSNBC on Monday, likes to joke that his viewers will be insomniacs³⁰¹, drug dealers and drunks.

But more people are awake at 5:30 a.m. than he might think. His new program, "Way Too Early," is opening another front in the fierce competition between cable news channels.

Mr. Geist is a member of the ensemble on the three-hour "Morning Joe," the laid-back morning show with a concentration of fans in the Northeast Corridor from Washington to New York. On that show, when he is not asking questions of guests like the White House press secretary, Robert Gibbs, he plays the humorist with a news sensibility.

"I don't think anybody's quite accurately branded me. I'm not sure I could do it myself," he said.

It will become easier on Monday when the 34-year-old becomes host of his own TV show for the first time.

"Way Too Early" is envisioned as "a pregame show to 'Morning Joe,'" said Chris Licht, the executive producer of both programs. It will be live at 5:30, while competitors like CNN, HLN (formerly Headline News) and Fox News are running taped shows.

Although Mr. Geist jokingly calls the time period "obscene," Nielsen estimates that almost 17 percent of the American households with televisions, 19 million total, are tuned in at that time.

As a lead-in for "Morning Joe," the show will try to build the early-morning audience for MSNBC. From 5:30 to 9 a.m., the channel is currently ranked in fourth place among cable news channels for the 25- to 54-year-old group, the most desirable to advertisers.

Mr. Geist, the son of the CBS correspondent Bill Geist, is the rare producer to leap to an on-camera position. He started in TV as an editor and a producer at CNN Sports Illustrated, the largely forgotten cable sports news

venture that was closed in 2002, and continued to work for CNN's sports unit. Having harbored an interest in reporting on-camera, he said he decided to give it a try one day while producing a segment in Dearborn, Mich.

"I realized that at some point, I just had to force their hand," he said.

In 2004 he moved to Fox Sports Net, where he helped write and produce a sports commentary show. The program ended after just nine months, but nevertheless caught the eye of Rick Kaplan, who was the president of MSNBC, a unit of NBC Universal, at the time.

When Mr. Kaplan hired the conservative commentator Tucker Carlson for an 11 p.m. talk show, he asked Mr. Geist and three laid-off colleagues to imagine what the show could look like. Their ideas stuck, and before long Mr. Geist had found another opportunity for on-camera practice: he would dash out of the control room at 11:55 p.m. for a pop-culture-detritus segment called "The Cutting Room Floor."

Mr. Geist outlived Mr. Carlson's show; he was sought by Joe Scarborough, the leader of the "Morning Joe" troupe, as a sidekick character and he quickly grew into a full co-host.

On "Morning Joe," where he will continue to appear, he manages to mix straight news and humor every morning. On Thursday, he presented an over-the-top tribute to Gidget, the Chihuahua who had starred in Taco Bell commercials and died last week at the age of 15. At the end of the three-hour show, he tried to say "good night sweet, sweet Gidget," prompting gales of laughter from the show's co-hosts.

Mr. Geist is perhaps best known for such segments, deemed "News You Can't Use" on "Morning Joe," which good-naturedly mock the conventions of TV news. "I always like overplaying something," he said in an interview.

But the 5:30 a.m. show, he said, will be "a news show at its core." Because of the early hour he will be calling guests at home; the first guest will be Mr. Gibbs.

Phil Griffin, the president of MSNBC, said he would like "Way Too Early" to be a fast-paced "SportsCenter of news," something for "an aggressive

businessperson who is on the treadmill, who wants a download of information.”

The before-dawn hour may be a testing ground for the type of show Mr. Geist wants to do in the future. But he rebuffed speculation about a shot at prime time. Mr. Griffin said only that “I want to give Willie a platform.”

56 Site Wins Fashion Fans by Letting Them Design

The fashion magazines Vogue, InStyle and Lucky may rule the newsstand racks. But online, they are also-rans, overlooked by the fashion-conscious in favor of Polyvore, an upstart Web site far from Fifth Avenue.

Polyvore is a user-generated fashion magazine filled with user-generated ads. The people who go to it play fashion editor and create collages featuring pictures of clothes, accessories and models from across the Web. Readers view the collages, which the site calls “sets,” and if they click on a dress or necklace, they are taken to the Web site that sells it.

Founded by three ex-Yahoo engineers, Polyvore has been focused on getting people to visit the site. It seems to be working. Polyvore had more than 835,000 unique visitors in June, almost 25 percent more than the traffic to Style.com, run by Vogue, and InStyle.com, according to Compete, a Web analytics firm. It is also far bigger than the Web sites of Lucky and Harper’s Bazaar. While other fashion magazine sites have been struggling to hold an online audience, Polyvore has tripled its traffic in the last year.

Now it is shifting its focus to making money. It runs ads, like the magazine sites do. But it also earns a commission when users click on or purchase clothes from certain e-commerce sites, though only about a quarter of outbound clicks make money for Polyvore. The company is now trying to forge relationships with clothing and accessories sites in return for uploading their product catalogues to the site.

“To compete with the Vogues and InStyles, it’s not just about transacting and maximizing the dollars per page view,” said Peter Fenton, a partner at

Benchmark Capital, which invested \$2.5 million in Polyvore. “There’s this aspirational side and entertainment side, which none of the sites up until now have done a good job at tapping into.”

At the same time, Polyvore is giving stale e-commerce sites a much-needed jolt of inspiration. “Online retail started around digital cameras. Now, sites are using the same engines to sell shirts, but that’s not the way they should be sold,” said Pasha Sadri, co-founder and chief executive of Polyvore. “Clothing is much more visual.” And unlike cameras or books, clothes and accessories are bought as part of a whole outfit, though many sites still show pieces of clothing individually.

Mr. Sadri, a corduroy-wearer who is not particularly fashion-forward himself, conceived the idea for Polyvore in 2007, while working at Yahoo. He was the software engineer behind Yahoo Pipes, a tool that allows people to pull together content from across the Web, similar to what Polyvore does.

When Polyvore users surf the Web, they use a tool called the Clipper, downloaded and saved on the toolbar, to select images and save them to Polyvore, where anyone can use them in a collage.

Brands and e-commerce sites can also upload their items to Polyvore, though today 95 percent of the images come from users. Polyvore attributes images with a hyperlink to the original site. (It gets about five requests a week, usually from photographers or painters, to remove images.)

To create a set, users drag and drop images and manipulate them. Polyvore also offers fonts for text, and audio clips from Amazon. Its 928,000 registered users create 28,000 new sets a day. A set inspired by Blake Lively, the “Gossip Girl” actress, includes a picture of her with a leather jacket similar to the one she is wearing, available on the Zadig & Voltaire Web site for \$840. It also features accessories for the outfit, like Coach boots, Ray-Ban aviator sunglasses and a T-Mobile Sidekick.

On a blog called Boutonnieres & Bow Ties, brides-to-be submit photos of their wedding dresses. Samantha Shih, owner of a menswear company called 9Tailor, uses Polyvore to create the groom’s outfit, complete with tie and cuff links, and uploads it to her blog.

To increase revenue, Polyvore is engaging fashion companies to sponsor content on the site. Tory Burch promoted its summer collection, which was inspired by Venice, by running a contest on Polyvore that asked users to create Venetian-themed sets using the new Tory Burch pieces.

Lori's Shoes, a boutique in Chicago and online, recently noticed a surge of traffic coming from Polyvore, which John Coyle Steinbrunner, the company's creative director, had not heard of.

Now Lori's Shoes wants to advertise on Polyvore. "It just gets us a better customer than banner ads or cost-per-click ads, they're just instantly more loyal," Mr. Steinbrunner said. "As opposed to just being a customer, they get to help determine what the look and aesthetic of the shoe is."

Some online retailers, including Charlotte Russe and Torrid, license Polyvore's technology to use on their own sites. Sucharita Mulpuru, an e-commerce analyst at Forrester Research, says she thinks licensing is the most promising use for Polyvore and competitors like Kaboodle.

"On the retail sites themselves, people are looking to be inspired and are down the funnel of the purchase process," she said. But while using Polyvore's site, "people are in a different mind-set, they're looking to browse, they might not be looking to buy."

Polyvore also plans to sell data on customer preferences it compiles on the site. It could potentially tell a retailer that a type of shoe is more popular in Manhattan than Los Angeles, so it would know where to stock the shoe. Or designers could upload images of new items before deciding to produce them to get input from fashion-savvy users.

It could also give buyers information about trends in real-time, faster than monthly magazines, said Jess Lee, Polyvore's product manager. This fall, for example, watch for recent trends bubbling up on the site: exposed zippers, fingerless gloves and butterfly prints.

57 Recession Shadowing Chicago Bid for Games

On a recent afternoon, Mayor Richard M. Daley delivered his annual speech on the condition of the city he has run for 20 years. Revenues may fall \$250 million short. Some city workers must take 15 unpaid days this year, including Mr. Daley. More than 400 workers were laid off that very afternoon, after talks with two unions collapsed.

In the same address, Mr. Daley pressed forward with the city's efforts to host the 2016 Summer Olympics, which carry an expected \$3.3 billion price tag. A decision by the International Olympics Committee is due in October, and Chicago is considered a favorite among the four finalists.

Polls here suggest broad support for bringing the Olympic Games to the city. But increasingly, the economic downturn is taking a central role in the local debate over the bid as more residents raise concerns that Chicago taxpayers, already struggling, could be left paying the bills despite assertions from organizers that no city dollars will be needed.

"How do we know?" a resident, Douglas Brown, demanded of leaders of the Olympics bid during a recent neighborhood meeting on the South Side.

"We can't take your word for it," Mr. Brown said, adding, "When do we get our guarantees to make us sleep at night?"

At the same time, Mr. Daley and other supporters of the Games argue that the Olympics would be a force – perhaps the force – to lift Chicago from this financial gloom, with seven years of new construction, jobs and tourism.

Asked about the difficulties of lobbying for an Olympics bid during a recession, Lori Healey, the president of Chicago 2016, the bid committee here, said: "I think it makes it easy. People are hungry for jobs and opportunities."

Earlier events that placed Chicago on an international stage, Ms. Healey said, also came during periods of financial gloom: a World's Fair in 1893 and again in 1933.

To hear Ms. Healey and other bid leaders tell it, there is no downside. If the International Olympics Committee were to choose Chicago over Madrid, Rio de Janeiro and Tokyo on Oct. 2, advocates predict the Games would not only break even but would also make money (as have, they say, earlier Olympics in the United States), generate more than \$22 billion in indirect economic impact on the city and create \$1 billion in new tax revenue. Many of the sites needed for the events would not require construction because they already exist.

Organizers say private financial support is mounting, with \$60 million raised so far for the bid, and no city dollars are expected to be needed for either the bid or the Games.

On that last point, however, residents of Chicago seem skeptical. They have heard promises before.

This spring, a \$1.15 billion deal to privatize the city's parking meter system turned into a fiasco after City Hall's inspector general called it a dubious financial deal and after motorists said they poured money into fancy new meters that, in turn, spat out error messages. A few years ago, Millennium Park, a downtown centerpiece, opened behind schedule and millions of dollars over budget.

"You all are projecting we're going to make a lot of money," a resident, Robin Kaufman, told Olympics planners at a neighborhood meeting, one in a series intended to shore up support. "But the bankers were projecting they were going to make a lot of money. Bernie Madoff was predicting he was going to make a lot of money."

Ms. Kaufman lifted a sign that read, "No Blank Checks."

At a high school auditorium on the West Side, where the bid leaders showed glossy Olympics schematics and stood beside toned former Olympians, Stephanie Patton asked, "Why should we trust you?"

Even without a city having been picked for the 2016 event, Chicago agreed this summer to spend \$86 million on land for an Olympics village. Bid leaders say private developers will ultimately foot the bill for a project that is to create permanent housing regardless of the Olympics.

Bid leaders say the Games themselves are expected to make \$450 million in profits. In case of a shortfall, though, a “safety net” package for the Games will include an expected \$1 billion in private insurance, according to bid leaders, as well as pledges from the State of Illinois of \$250 million and the City of Chicago of \$500 million.

Then last month, Mr. Daley indicated that he would sign a host contract required by international Olympics officials, including a standard blanket provision offering the city’s backing – one that Chicago leaders had earlier said they hoped to modify.

The notion that the city could then be responsible beyond \$500 million “set off some alarm bells” for aldermen, one of them, Joe Moore, said. Mr. Moore added that the City Council was seeking more details before it signed off on it. And a group here opposed to the event, No Games Chicago, said the prospect seemed to have suddenly stirred an outpouring of interest from people who had been silent on the Olympics.

“The levee broke around that issue,” said a founder of the group, Bob Quellos.

What strikes some residents as particularly puzzling is the bid committee’s refrain that, as a private nonprofit entity, it is separate from city government and public money. Technically, that may be, but skeptics note the committee and City Hall share goals and often seem intricately intertwined; Ms. Healey, for instance, stepped down as the mayor’s chief of staff to lead the committee.

Crucial to maintaining residents’ support for the Games, polls suggest, is convincing them that their dollars will not be spent. In February, a poll by The Chicago Tribune found that 64 percent of residents of Chicago and its suburbs favored having an Olympics but that 75 percent were against the use of tax money to cover shortfalls.

At one of the community forums, a city official likened the efforts of those planning the Olympics Games to Jean Baptiste Pointe DuSable, who is believed to have been the first non-Indian settler of Chicago, and Daniel H. Burnham, whose 1909 Plan of Chicago largely designed the city with the long strip of lakefront parkland that defines it.

Then the bid leaders brought out their big guns for these crowds: a videotape of Barack Obama, then a candidate for president, in Chicago, his hometown, smiling and shaking hands with Mr. Daley during a rally last summer for the bid and declaring his wish that an Olympics reveal Chicago as “not just a city that works, but a city that inspires.”

Patrick G. Ryan, the founder of the Aon Corporation and the chairman of the bid committee, told one crowd that the thought that private money being raised for the Games might otherwise pay for schools, garbage collection or city workers’ salaries was wrong.

“To say we could spend the money either hosting the Games or on something else is really a false choice,” Mr. Ryan said. “This money only comes in if we win.”

58 Internship Is Secured, but a Seat? That’s Tricky

Susan Cho’s internship at the Kings County district attorney’s office this summer has presented some different challenges than her previous stint working alongside prosecutors in Rochester. “There’s sometimes trouble finding a seat,” Ms. Cho, 26, who is soon to be a second-year student at Villanova University School of Law, said of her spell at 350 Jay Street in Downtown Brooklyn.

Last summer, 135 law students toiled as unpaid interns with the Brooklyn district attorney. This year there are 195 – a number that Carol L. Moran, the director of legal hiring, believes is a record.

The bumper crop of interns, whose placements end July 31, is the result of an increase in both applications and the percentage of students who accepted offers, most likely a fallout of the recession, as many corporate law firms have cut back on their summer programs. In addition to the intensified competition to score a full-time – and paid – job after graduation, the intern glut has put a premium on office chairs, desk space and meaty assignments.

“It’s much harder for them to find stuff for us to do,” said one intern who spoke on the condition of anonymity for fear of alienating his bosses. “Definitely some people feel they haven’t done anything.”

Ms. Moran, the hiring director, said the Brooklyn office received about 500 applications for this summer’s positions, up from 400 in 2008. “We made close to 200 offers last year, and ended up with 135,” she said. “This year we made slightly more offers – close to 250. I was looking for 150 interns, and ended up with 195.”

Jerry Schmetterer, a spokesman for the district attorney’s office, said the glut “appears to be economy related,” saying that fewer students this year asked to defer the decision to accept an unpaid internship – which many did in the past while waiting to see if they had snared lucrative employment.

The Queens district attorney has also seen an uptick in interns, with 83 (from 60 last year); but Manhattan (about 50) and the Bronx (20) have their usual number this summer. A spokesman for the Staten Island district attorney said the office had seen more interest, but kept hiring stable, at 27, to ensure proper supervision and space.

The popular internships come amid a brutal legal job market: according to the National Association for Legal Career Professionals, the employment rate for 2008 graduates – 90 percent as of February 2009 – represented the first decrease since 2003.

“We know law firms hired smaller groups of summer associates,” said James G. Leipold, the group’s executive director. “There’s a lot of competition for a smaller number of opportunities.”

Meg Reuter, assistant dean for career planning at New York Law School, said that while students are considering the public sector as an alternative to scarce corporate work, such jobs are not immune to economic conditions.

“The federal government can deficit spend, so they can hire even when they don’t have the tax revenue, but state and local government cannot,” she said.

In Brooklyn, Ms. Moran said that although about 75 percent of the lawyers on Jay Street had once been interns, only a few of this summer's cohort would get job offers. She said the office was now hiring about 7 to 8 percent of applicants, down from 10 to 12 percent in previous years.

Those who supervise interns, and some of the interns themselves, said there has been enough work to go around. "I do research, draft motions, call witnesses," said Venice Choi, 22, who is working in the homicide bureau.

But other interns pass the hours doing crossword puzzles or playing games on the computer; some have taken to observing random court proceedings to fill their days.

Surviving an unpaid summer in New York is another challenge. Some interns received grants from their schools – typically about \$5,000 – intended to support students with an interest in public interest law. Others are living with relatives or working at paid jobs in May and August to make ends meet.

"I'm receiving credit," said Stephanie Mishler, an intern in the homicide bureau who will start her second year at Seton Hall University School of Law this fall. "It'll pay off in the long run."

The swell of interns has helped in at least one area: On Wednesday evening, the rackets division took on the green zone trial bureau in a softball game at Prospect Park, and each team fielded a brace of students.

Before the game, John Rudikoff, an assistant district attorney, said that one of the rackets interns, Evan Gidez, 24, soon to be a third-year student at Brooklyn Law School, had already proved his worth on the field.

"In the first game Evan made an amazing catch; he's an excellent ballplayer," Mr. Rudikoff said. "We didn't know that, but it would have given us even more reason to hire him."

59 With Jobs Scarce in Japan, Women Clamber¹⁰⁰ to Become Professional Flirts

The women who pour drinks in Japan's sleek⁵⁰⁶ gentlemen's clubs were once shunned⁵⁰⁰ because their duties were considered immodest: lavishing³²² adoring (albeit¹¹ nonsexual) attention on men for a hefty²⁶⁸ fee.

But with that line of work, called hostessing, among the most lucrative³³³ jobs available to women and with the country neck-deep in a recession, hostess positions are increasingly coveted¹³¹, and hostesses themselves are gaining respectability and even acclaim. Japan's worst recession since World War II is changing mores.

"More women from a diversity of backgrounds are looking for hostess work," said Kentaro Miura, who helps manage seven clubs in Kabuki-cho, Tokyo's glittering red-light district. "There is less resistance to becoming a hostess. In fact, it's seen as a glamorous job."

But behind this trend is a less-than-glamorous reality. Employment opportunities for young women, especially those with no college education, are often limited to low-paying, dead-end jobs or temp positions.

Even before the economic downturn, almost 70 percent of women ages 20 to 24 worked jobs with few benefits and little job security, according to a government labor survey. The situation has worsened in the recession.

For that reason, a growing number of Japanese women seem to believe that work as a hostess, which can easily pay \$100,000 a year, and as much as \$300,000 for the biggest stars, makes economic sense.

Even part-time hostesses and those at the low end of the pay scale earn at least \$20 an hour, almost twice the rate of most temp positions.

In a 2009 survey of 1,154 high school girls, by the Culture Studies Institute in Tokyo, hostessing ranked No. 12 out of the 40 most popular professions, ahead of public servant (18) and nurse (22).

“It’s only when you’re young that you can earn money just by drinking with men,” said Mari Hamada, 17.

Many of the cabaret⁸² clubs, or kyabakura, are swank⁵³⁶ establishments of dark wood and plush cushions, where waiters in bow ties and hostesses in evening gowns flit²³¹ about guests sipping fantastically expensive wine.

Some hostesses work to pay their way through college or toward a vocational degree, or to save up to start their own businesses.

Hostessing does not involve prostitution, though religious and women’s groups point out that hostesses can be pressured into having sex with clients, and that hostessing can be an entry point into Japan’s sprawling underground sex industry.

Hostesses say that those are rare occurrences, and that exhaustion from a life of partying is a more common hazard in their profession.

Young women are drawn nonetheless to Cinderella stories like that of Eri Momoka, a single mother who became a hostess and worked her way out of penury³⁹⁹ to start a TV career and her own line of clothing and accessories.

“I often get fan mail from young girls in elementary school who say they want to be like me,” said Ms. Momoka, 27, interviewed in her trademark seven-inch heels. “To a little girl, a hostess is like a modern-day princess.”

Even one member of the Japanese Parliament, Kazumi Ota, was a hostess. That revelation once would have ignited a huge scandal, but it has not. She will run for re-election on the leading opposition party ticket, the Democratic Party of Japan, in the national election next month, and the ticket is expected to unseat the ruling party.

It is unclear how many hostesses work in Japan. In Tokyo alone, about 13,000 establishments offer late-night entertainment by hostesses (and some male hosts), including members-only clubs frequented by politicians and company executives, as well as cheaper cabaret clubs.

Hostesses tend to drink, offer attentive conversation and accompany men on dates off premises, but do not generally have sex for money. (Men who seek that can go to prostitutes, though prostitution is illegal.)

Hostesses are often ranked according to popularity among clients, with the No. 1 of each club assuming the status of a star.

Mineri Hayashi has made it to the top of her club, Celux, six years after coming to Tokyo from northern Japan. One recent evening, she readied herself for an elaborate birthday event her club was throwing in her honor.

Outside the club, bigger-than-life posters of Ms. Hayashi adorned the street. At the club, a dozen men put up balloons and lined up Champagne bottles.

The club's clientele is diverse, including workaday salarymen, business owners and other men unwinding after work.

Celux hopes to make more than \$60,000 on Ms. Hayashi's birthday party, which will be attended by scores of regulars.

"Life has been fun, and I want to keep on having fun," Ms. Hayashi said, placing a tiara⁵⁵⁰ in her hair. She talks of plans to retire next year and travel abroad.

Her 17-year-old sister, who also wants to be a hostess, may succeed her. Ms. Hayashi is supportive. "I just want her to be happy," she said.

Popular culture is also fueling hostessing's popularity. TV sitcoms are starting to depict¹⁵⁷ cabaret hostesses, or kyabakura, as women building successful careers. Hostesses are also writing best-selling books, be they on money management or the art of conversation.

A magazine that features hostess fashion has become wildly popular with women outside the trade, who mimic³⁵³ the heavily made-up eyes and big, coiffed hair.

But Serina Hoshino, 24, another Tokyo hostess, is exhausted from the late nights and heavy drinking.

Slumped in her chair at the M.A.C. hair salon, she talked about endless after-hours dates with clients. Stumbling back home at dawn, she sleeps the rest of the day. On her days off, she hardly leaves her apartment.

Her reward is about \$16,000 a month, almost 10 times the salary of most women her age.

“It’s nice to be independent, but it’s very stressful,” Ms. Hoshino said, speaking through a cloud of hair spray and cigarette smoke.

In recent months, clubs have also started to feel the squeeze of the bad economy. Hostess wages are starting to fall to as little as \$16 an hour. Still, that rate remains above many daytime jobs here.

So, the young women keep coming. The Kabuki-cho district is lined with dark-suited scouts recruiting women. One club recruiter said some women turn up to interviews with their mothers in tow, which never would have happened when the job was less respectable.

“Women are being laid off from daytime jobs and so look for work with us,” said Hana Nakagawa, who runs a placement agency for higher-end clubs in Tokyo.

She gets about 40 inquiries a week from women looking for hostess jobs, twice as many as before the downturn.

Atsushi Miura, an expert on the issue, says hostessing will be popular among Japanese women as long as other well-paying jobs are scarce.

“Some people still say hostesses are wasting their life away,” he said. “But rather than criticizing them, Japan should create more jobs for young women.”

60 To Create Jobs, Tennessee Looks to New Deal Model

Critics elsewhere may be questioning how many jobs the stimulus program has created, but here in central Tennessee, hundreds of workers are again drawing paychecks after many months out of work, thanks to a novel use of federal stimulus money by state officials. Here in one of Tennessee’s hardest-hit areas, some workers were cutting down pine trees

with chainsaws and clearing undergrowth on a recent morning, just past the auto parts factory that laid them off last year when it moved to Mexico. Others were taking applications for unemployment benefits at the very center where they themselves had applied not long ago. A few were making turnovers at the Armstrong Pie Company (“The South’s Finest Since 1946”).

The state decided to spend some of its money to try to reduce unemployment by up to 40 percent here in Perry County, a rural county of 7,600 people, 90 miles southwest of Nashville where the unemployment rate had risen to above 25 percent after its biggest plant, the auto parts factory, closed.

Rather than waiting for big projects to be planned and awarded to construction companies, or for tax cuts to trickle through the economy, state officials hit upon a New Deal model of trying to put people directly to work as quickly as possible.

They are using welfare money from the stimulus package to subsidize⁵³³ 300 new jobs across Perry County, with employers ranging from the state Transportation Department to the milkshake place near the high school.

As a result, the June unemployment rate, which does not yet include all the new jobs, dropped to 22.1 percent.

“If I could have done a W.P.A. out there, I would have done a W.P.A. out there,” said Gov. Phil Bredesen of Tennessee, a Democrat, referring to the Works Progress Administration, which employed millions during the Great Depression.

“I really think the president is trying to do the right thing with the stimulus,” Mr. Bredesen said, “but so much of that stuff is kind of stratospheric⁵³⁰. When you’ve got 27 percent unemployment, that is a full-fledged depression down in Perry County, and let’s just see if we can’t figure out how to do something that’s just much more on the ground and direct, that actually gets people jobs.”

Tennessee is planning to pay for most of the new jobs, which it expects will cost \$3 million to \$5 million, with part of its share of \$5 billion that was

included in the stimulus for the Temporary Assistance for Needy Families program, the main cash welfare program for families with children. The state did not wait for the federal paperwork to clear before putting residents of Perry County back to work.

Other states are still drawing up plans for spending the welfare money, which is typically used for items like cash grants for families and job training. Some are likely to use part of it to subsidize employment, as Tennessee is doing, but it is hard to imagine many other places where the creation of so few jobs could have such an immediate and outsize impact as it did in this bucolic⁷⁵ county.

A stimulus job came just in time for Frank Smith, 41, whose family was facing eviction²¹⁰ after he lost his job as a long-haul truck driver. Then he landed a job with the Transportation Department.

“The day I came from my interview here, I was sitting in the court up here where I was being evicted,” Mr. Smith said after a sweaty morning clearing trees under a hot sun to make room for new electric poles. “Luckily I’m still in the same place. There’s a lot of people that were totally displaced.”

Scott and Allison Kimble married after meeting on the assembly line at the Fisher & Company auto parts plant. When the factory closed last year and relocated to Mexico, the Kimbles, along with many of their friends and neighbors, found themselves out of work. Now Mr. Kimble has a stimulus job working for the Transportation Department, and Ms. Kimble has one in what has become a growth industry, taking telephone applications for unemployment benefits.

“I know what they feel like,” she said between calls. “I’ve been in their position.”

Michael B. Smith, 53, who drove a forklift at the plant for 31 years, now drives a Caterpillar to clear land for a developer. Robert Mackin, 55, who lost his job, his health insurance and his home, now has a job with the Transportation Department, a rental home, health insurance and an added benefit: the state employee discount when his daughter goes to a state college.

“With a degree, she can always go somewhere,” Mr. Mackin said.

The impact has been enormous, all across the county. Even the look of the place is changing, following the old W.P.A. model. In addition to the jobs for adults, there are 150 summer jobs for young people, some of whom have been working with resident artists to paint murals depicting local history on the buildings along Main Street in Linden, the county seat.

Over all, two-thirds of the new jobs are in private sector businesses, which are reimbursed⁴⁴⁹ by the state for the salaries of eligible¹⁸⁷ stimulus workers. Some, in retail, might be hard to sustain when the stimulus money runs out in September 2010. Other businesses say the free labor will help them expand, hopefully enough to keep a bigger work force.

The Commodore Hotel Linden, a newly restored 1939 hotel that has brought new life to downtown, has seen an increase in its bookings since it has expanded its staff thanks to the stimulus. And the Armstrong Pie Company expects to be able to keep on the new bakery assistants and drivers it hired with stimulus money, saying the new workers have helped the company triple its pie production and expand its reach through central Tennessee.

The county mayor, John Carroll, has been working to lure new industry to the area. Walking through the cavernous⁹¹, empty Fisher plant, Mr. Carroll pointed to a forgotten display case filled with dozens of awards for safety and manufacturing excellence. “What we can offer,” he said, “is a great work force.”

Mr. Kimble said the new jobs had given him and his wife paychecks, health insurance and a reason to get up each morning. But he said he hoped that a big, long-term employer would move in soon.

“This job here is not a permanent fix,” he said. “We still need some kind of industry to look and come into Perry County. But for right now we’ve got hope, and when you’ve got hope, you’ve got a way.”

61 Business-Class Bargains for Overseas Travelers

From the airlines' point of view, these are tough times for premium⁴²³ overseas travel. In May, according to the International Air Transport Association, global demand for business- and first-class seats was down over 26 percent from May 2008. It was the 12th consecutive¹¹⁷ month of year-on-year declines in demand for those premium seats, which at one time were a gold mine for airlines.

But a crisis for airlines has also created opportunities for business travelers bound overseas and determined to make the trip in productive comfort (lots of space to work in and those cushy lie-flat beds to rest in, for example) – without buying a ticket that can cost as much as a good used car.

With a degree of flexibility in travel plans, you can now fly overseas in business class for a fraction of what it used to cost. Airlines started introducing spot fare sales for international premium seats last fall when demand fell in a deteriorating economy. Now, as conditions have worsened, airlines seem to be settling into a basic restructuring of international premium-class fares that resembles the way airlines have long priced leisure fares in the back of the plane.

“I don’t know even what counts as a sale anymore,” said Joe Brancatelli, who publishes Joesentme.com, a subscription Web site for business travelers. “Airlines are now yield-managing fares up front like they do in the back. It’s looking like a permanent sale environment.”

Airlines adopted yield-management strategies in the 1980s to sell coach seats efficiently. Yield management assumes that airline seats are perishable and can be marked at fluctuating²³⁴ prices based on calculations for demand, starting months in advance and continuing until the time the plane takes off.

Because of reductions in corporate spending, business travelers have begun behaving more and more like leisure travelers, eschewing immediate convenience for lower prices – even in the international premium niche.

I can't begin to summarize the current discount fare environment. But here are a few current and arbitrarily chosen examples. Contemplating a business trip to Shanghai? With a little flexibility, you can travel in luxury and sleep in a lie-flat bed. Air Canada has a sale in which a first-class ticket between Los Angeles and Shanghai is available for less than \$3,500. A year ago, a traveler could have easily paid over \$15,000 on various airlines for that ticket.

Business class from New York to London? For the British Airways swanky Club World cabin, that will be about \$2,544 round trip for late summer travel, with an advance purchase. The walk-up fare for Club World on that route used to be about \$11,000 and is still about \$7,500.

New York to Amsterdam? On the mostly business-class planes operated by OpenSkies, a British Airways subsidiary, the summer fare is about \$1,300, round trip.

As always, you need to check individual airline Web sites for the fine print on advance purchase restrictions and fees.

Or, given the current free-for-all in high-end fares, you may even want to consult with a real live travel agent. That's because finding the right premium fares at the right time has become cumbersome¹⁴² even for business travelers who used to book travel themselves in a less frantic environment.

"We all know the airlines are reducing capacity, but that's going to take time," said Fran Kramer, who specializes in international bookings for De-Prez Travel, a big agency in Rochester with clients all over the country. "While they do that and figure out what works," she added, "there are certainly a lot of opportunities" for finding major fare discounts on international premium travel.

Ms. Kramer said that airlines, desperate for whatever revenue they can get, sometimes reach out to agents with last-minute offers for premium seats that are unsold, even at promotional fares, just before a flight. "Yesterday, we got a call 24 hours in advance offering my client the option to go to Europe in business class for \$500 extra," she said.

Airlines can't continue losing money indefinitely, but they're still flying those fancy cabins overseas. So big discounts on premium travel will continue until supply can be brought into some profitable relationship with demand. Even then, those stunning \$11,000 round-trip business-class fares between, say, New York and London may be a thing of the past.

Airline executives have been looking ahead with reduced expectations.

62 In First Class, but Treated Otherwise

I HATE flying. But I like to see different places. So I usually just try to make the best of the situation.

I'm an entrepreneur, so I do watch my travel budget and I generally fly coach or business class. Like a lot of people, I fantasize about traveling first class. Just the name alone – first class – conjures up a fantasy of perfection.

I am so incredibly naïve.

My husband and I had to go to Mumbai for business. Although we were flying into London, with a connection to Mumbai, we thought we should take the opportunity to get to Dubai, too. We knew that some of the Hindi-language film people, or Bollywood types, were in Dubai so it would be smart for us to do the same thing.

When we landed in London, we were very out of sorts and very hungry. But we had to make arrangements to go to Dubai and then run to another terminal to catch our connection.

As we were checking in, the agent overheard my husband and me talking about the meeting we had with the musical artist 50 Cent. He was a huge fan.

I made a joke that I would give him some 50 Cent gear that I had in my carry-on if he would upgrade our tickets.

The next thing I knew we had two first-class boarding passes.

When we got on the plane we were ushered into first class, and I was excited.

But I don't think the attendant was too thrilled. Our ticket stubs showed that we were "upgrades," not people who actually paid for the amenities¹⁸.

The attendants were paying a lot of attention to everyone, bringing extra pillows, fluffing blankets and doing everything in their power to make these other travelers comfortable. People were getting refills for their wine glasses. I couldn't get a glass of water.

My husband and I were starved. I'm not a picky⁴⁰⁸ eater, and I figured I couldn't go wrong with ordering risotto when it was time to get some food. Unfortunately, the risotto came smothered in cheese. I can't eat cheese; I get sick.

I told the attendant, and she looked at me like I was crazy. I couldn't get another meal. So I asked for a snack, only to be told that snacks were served only in business or coach class.

At this point, I really didn't know what to do. So I just sat there like a good little passenger.

Once we were set for landing, the attendant did come up to me to chat. I thought she was going to apologize or try to make nice. Instead, she said she wanted to know why the airline was trying to be so nice to us by upgrading our seating arrangements. Apparently, the airline never gives upgrades, so it must have done something really horrible to us if it gave us an upgrade.

I was no longer going to be the good little passenger. So I said the first thing that came into my head. I told her my best friend was married to the airline's chairman, and we always get upgraded.

It was a complete lie, but it was worth seeing the look of fright on the attendant's face. I thought she was going to faint. She scurried⁴⁹¹ away to talk to another attendant, who was her boss.

The next thing I know, my husband and I are surrounded by attendants offering us wine, food, fluffy pillows and blankets. It was almost comical, especially since the flight was set to land in about 10 minutes.

I still want to believe that first class is, well, first class. So I would take an upgrade again. Maybe next time, my first-class fantasy will come true.

63 Friendly Skies, Revisited

There was a time when airlines mimicked the hotel business, sending out their own version of concierges in airport lobbies. But lately, the airport terminal has seemed more like a test kitchen of ways to eliminate all human contact with customers.

Labor, after all, has traditionally been the airlines' largest expense, and the frontline airport staff is especially endangered by innovations like online check-in and self-service kiosks. Since 2001, American carriers have shed 154,000 full-time jobs, according to the Air Transport Association.

But some airlines, stung by a wave of negative publicity about their treatment of customers, are reversing course. One is Delta Air Lines, now the world's largest carrier after its merger with Northwest. It is reviving a service program known as the "Red Coats," for the crimson-jacketed airport service people who assist passengers in need.

Delta has already brought the agents back to Kennedy Airport, and last month it added more than 100 at its biggest airport hub, Atlanta. As of Aug. 1, about 500 of these agents will be in circulation at more than a dozen airports, including terminals in Washington, Los Angeles, Boston, Cincinnati, Memphis, Newark and New York.

The Red Coats program, which dates back to the 1960s, "was one of our better-known services," Gil West, Delta's senior vice president of airport customer service, said in an interview. The decision to disband the program in 2005, while the airline reorganized under Chapter 11 bankruptcy, was viewed as a mistake by some employees, he said. He said the new agents were being drawn from within Delta's ranks but that they would be selected through a "highly competitive" process and would be paid more than other airport agents. The new Red Coats will be able to use hand-held devices to print boarding passes and issue vouchers to airport clubs.

Other airlines have recently taken steps to improve their relations with customers. The chief executive of AMR's American Airlines, Gerard J. Arpey, said recently that the company was giving out bonuses of \$100 to \$200 to customer service workers who met customer satisfaction goals in major

categories, ranging from baggage handling to “gate interactions and boarding experience.”

At the same time, however, airlines are finding more ways to reduce contact with customers at airports. Nearly half of all domestic travelers check in online or via a self-service kiosk at airports, according to surveys by Airport Interviewing and Research Inc., an industry consultant in White Plains. Checking in via mobile phone is another variation that is catching on in the United States.

Some foreign airlines have gone further. Ryanair is simply eliminating airport counter agents, and by next year will require all customers to check in online. Lufthansa now has “self-boarding” turnstiles at some of its gates at Frankfurt and Munich airports. Lufthansa also plans to test a new type of kiosk that will print out meal vouchers and other documents for travelers delayed at major connecting hubs. But Lufthansa also took note when customers complained about difficulties in using an earlier version of its self-service kiosks, and the airline went back to the drawing board. “You have to be careful to pay attention to what is valued by your customer,” said Jan-Wilhelm Breithaupt, director of global passenger services for Lufthansa.

However welcome these advances are from an efficiency standpoint, consumer advocates point out they can be a source of frustration when flights are canceled. “Kiosks cannot solve complex travel issues or emergency situations,” said Kate Hanni, director of FlyersRights.org, which is pushing for passage of a federal airline passengers’ bill of rights that has recently gained momentum in Congress.

Airports, aware their reputation is at stake as well, are also taking steps to improve their image with consumers. “The airport more than ever is becoming a caregiver,” said Ira Weinstein, president of Airport Interviewing and Research. “If something goes wrong, the airport gets a black eye.” Several larger airports have initiated new programs in the last few years. Houston, for example, started something called “Houston-friendly” that rewards airport agents for good service.

And a “customer care” program run by the Port Authority of New York and New Jersey, the operator of New York’s airports, has recently stepped up training to help its workers deal with increasingly frustrated fliers. Among

other things, these aides are instructed in the “seven elements of customer care,” including “smile, be friendly and approachable” and “initiate positive contact.”

But there are limits to what airport employees can do. They do not have access to airline computers and are not empowered to handle requests like overnight accommodations for stranded passengers or an upgrade to first class on an overbooked flight.

So Delta’s decision to revive the Red Coat has been the topic of some lively discussion in business-traveler message boards on Web sites like flyertalk.com, where some recent postings focused on what one person described as the “big question – will they be able to make ‘battlefield decisions’ employing logic” and cut through the red tape?

Mr. West of Delta said that they would. He gave as an example the case of a business traveler flying from New York to Latin America who missed his connection in Atlanta.

“The Red Coat would meet the inbound flight at the gate, they’d rebook the person on the next available flight and scan the person’s boarding pass right there and issue a new one,” and if no flight was available until the next day, the agent could dispense ¹⁷² vouchers ⁵⁹¹ or offer other assistance, all without having to go to a supervisor for permission – a common source of annoyance to frequent fliers who often have to wait for a resolution.

“They are able to make those decisions on a case-by-case basis,” he said.

64 Silverman Quits NBC Universal; Cable Executive Succeeds Him

The deal maker is gone. Now it’s the cable guy’s turn.

Ben Silverman, who called himself a “rock-star television executive” and tried to turn around NBC’s struggling prime-time schedule with reality shows and advertising-driven programs like “The Celebrity Apprentice” and “Knight

Rider,” announced on Monday that he would leave as co-chairman of NBC Universal Entertainment to start a new venture with the media and Internet mogul³⁵⁶ Barry Diller.

At the same time, NBC said that it would promote Jeff Gaspin, a longtime executive who oversees NBC’s lineup of cable channels, like USA, Bravo, CNBC and MSNBC; its syndication⁵³⁷ business; and the Spanish-language network Telemundo, to chairman of NBC Universal Television Entertainment. Mr. Gaspin will run the entertainment operation of the NBC network, including its prime-time schedule.

By awarding Mr. Gaspin supervision of the flagship broadcast channel as well as the cable channels, NBC Universal is acknowledging a shift that viewers and advertisers already recognize: that the distinction between broadcast and cable is evaporating²⁰⁸.

“The distinction is definitely waning,” said David Joyce, an analyst with Miller Tabak & Company. “It makes NBC seem more like a cable network company.”

NBC, with its long tradition as the “Must See TV” network, may now be considered just another part of Mr. Gaspin’s large portfolio. The scripted shows on USA now rival those on NBC, especially in the summertime months, when NBC’s only hit is the reality show “America’s Got Talent.” Last Thursday, when NBC struggled to draw three million viewers to its sitcom repeats, a new episode of USA’s most popular show, “Burn Notice,” attracted 6.8 million viewers.

“USA has been putting on better original dramas than most broadcast networks,” said Steve Sternberg, a prominent TV analyst and a former executive vice president at the media agency MAGNA Global.

Jeff Zucker, the president of NBC Universal, has said that NBC is now primarily a cable company. But he tried to dismiss the notion that Mr. Gaspin’s arrival was a takeover by the cable side. “Jeff has a lot of experience on the broadcast side,” he said. Many of the primary programming decisions will be made by Angela Bromstad, who is president of prime-time programming.

In an interview, Mr. Gaspin acknowledged the change in television fortunes. “You can’t dismiss the fact that cable is just much more profitable than broadcast television. I don’t see that changing. Cable is a much superior business model.” Without tipping his hand about particular shows, he added that he would need to re-evaluate NBC’s schedule if the network were to attract higher advertising rates.

“Clearly we are going to have to re-message NBC’s brand,” he said. “We have to make shows that are successful enough to charge a premium to advertisers. It’s the only way to do well in network television.”

The transition comes at a trying time for both NBC Universal and its parent company, General Electric, which has been hit hard by the recession and is paring³⁹¹ back selectively in a strategy to rely more on its strong industrial businesses.

NBC has often been mentioned by analysts as a business outside the company’s core of expertise that could be a candidate for sale.

The unit’s financial performance has lagged³¹⁷ recently. In the second quarter, NBC Universal’s revenue fell 8 percent, to \$3.57 billion, and profits fell 41 percent, to \$539 million, weighed down by weakness in advertising and a disappointing performance by the movie unit.

“Silverman was brought in to add firepower to the creative side of NBC Universal, and clearly they’ve been disappointed,” said Steven Winoker, an analyst at Bernstein Research. “But I do not think this is a signal that G. E. is reducing its commitment to NBC.”

Mr. Silverman ran Reveille, an independent production company behind hits like “The Office,” “The Biggest Loser” and “Ugly Betty” when he was hired by NBC two years ago, but with the network stuck in fourth place, his departure was not a surprise.

Even two months ago, Mr. Silverman insisted in an interview that he was “a happy worker at NBC” but the network didn’t renew his contract, clearly signaling that he had no future there without formally firing him. Mr. Silverman said that two weeks ago he began serious talks about a new role with Mr. Diller, who had been his partner in two previous ventures.

From the start, Mr. Silverman was an awkward fit for NBC, which went after him aggressively to help turn around their prime-time lineup. Under an unusual arrangement, Mr. Silverman was allowed to keep his stake in Reveille, although not a hand in its day-to-day operations, even as the company was selling programs to NBC, an indication of just how prized Mr. Silverman had been. (The company was later sold to Shine, owned by Elisabeth Murdoch.)

But the high hopes for his tenure were quickly tempered by programming misses and personal missteps. He saved the reality franchise “The Apprentice,” expanded “The Biggest Loser” and supported edgy comedy like “Parks and Recreation,” but many of his choices, like “American Gladiators” and “Knight Rider” were failures that seemed out of place on the network known for quality dramas like “ER” and “The West Wing.”

Mr. Silverman also alienated ¹² people in Hollywood by insulting other executives in an interview and became probably the first G.E. executive to throw a party featuring women in bikinis and white tigers in cages. (Even Mr. Silverman’s departure was out of step with the G.E. corporate culture. Twelve minutes before NBC sent out the press release, the news appeared on the Twitter account of Mr. Silverman’s close friend, the “American Idol” host Ryan Seacrest.)

As his shows struggled, Mr. Silverman’s duties were curtailed ¹⁴³ and he spent much of his time making deals with advertisers for sponsorships and product placements – the part of the business he promoted as the future of the industry. “Ben did terrific things for us” in the areas of marketing and advertiser integration, Mr. Zucker said, adding that Mr. Silverman, “really didn’t have the time” to turn around NBC’s ratings.

Mr. Silverman said on Monday that he would remain at NBC through September to support the transition to Mr. Gaspin, and to back the start of the new fall TV series for the NBC network.

“I am invested in what happens in the fall and they are invested in my helping with the transition,” he said.

A senior executive at a large production studio who requested anonymity because his company has deals with NBC said that programming, not advertising, still ruled in the television business.

“When you’re the head of the network, you live and die by the shows you develop and schedule,” he said. “You can talk all you want about disintermediation and bringing in advertisers, but at the end of the day the measure of success is whether you create shows that people want to watch.”

65 A Debate Rages in Iceland: Independence vs. I.M.F. Cash

Just months after an epic¹⁹⁷ banking collapse forced Iceland into the arms of the International Monetary Fund, this island nation is locked in a fierce debate over how to pay off its creditors without ceding⁹² too much of its vaunted independence.

The balance Iceland strikes between bowing to the policy demands of the global financial community and satisfying the desires of its increasingly resentful population of 300,000 will be closely watched as I.M.F. programs in beaten-down economies from Latvia and Ukraine to Hungary and Romania enter a crucial phase.

“When you impose austerity³⁸, it becomes very painful and comes at a cost,” said Simon Johnson, a former I.M.F. economist who now teaches at the Massachusetts Institute of Technology. But many Icelanders are blaming the I.M.F. and in this case, he says, that is not warranted.

“Iceland is a rich country that behaved recklessly⁴⁴⁶ and helped destabilize the world financial system,” Mr. Johnson said. “They will have to take their medicine.”

While those in Iceland’s left-leaning government will not put it so bluntly⁶², that is broadly the case they are making.

The first country to throw its government out of office as a result of the global financial crisis, Icelanders could see the government that replaced it topple⁵⁵³ too, leaving the country rudderless – unless it wins approval for a deal to repay Britain and the Netherlands the \$5.7 billion loan it used to compensate foreign depositors for losses in Icelandic banks.

A vote on the measure in the country's Parliament is scheduled for next week. But even Iceland's own government is riven.

"This is an attack on our sovereignty⁵¹²," said Ogmundur Jonasson, the country's health minister. "It reminds me of old colonial times. Gordon Brown had no harsh words for the United States when Lehman Brothers went down and billions of pounds went to the U.S. That was friendship – this is 'Take the little guy and nail him to the wall.' " To not pass the bill, the government says (most of it anyway), would lead to the I.M.F. and other outside lenders withdrawing funds, further jeopardizing³⁰⁹ the country's fragile condition.

But detractors¹⁶⁰ say passing it would increase Iceland's debt burden to 200 percent of gross domestic product, making it one of the most leveraged nations in the world. Ultimately, they say, it could drive Iceland to default.

At the crux¹³⁷ of this debate is the Icesave, or "Iceslave," as it is called here. Icesave accounts were a top-of-the-market gambit²⁵⁰ by Landsbanki, the most aggressive of the failed Icelandic banks, to raise cash by extending its branch network from tiny Reykjavik to the high streets of London. The reaction to the agreement to make good on the accounts encapsulates all the swelling anger that Icelanders now bear toward bankers, foreign creditors and I.M.F. technocrats – not necessarily in that order.

Lilja Mosesdottir is an economist and a back-bench member of Parliament in the governing Left Green party. But if she were to vote now, she says, she would vote against the government bill. Ms. Mosesdottir, new to politics, swept into power this winter when the conservative party was overturned by the "pots and pans revolution."

"It is like after a war and you are the loser," she said, taking a quick coffee break from back-room negotiations over the deal. "This is an agreement that will lead to a sovereign default, and we don't want that to happen."

Whether or not she is right about default, the war analogy is apt. Iceland has lost billions, and others are now dictating the terms of its recovery.

The resentment⁴⁵⁶ felt here is rooted in a belief that Iceland's core virtue of flinty²³⁰ self-reliance has been defiled by its bankers and foreign creditors.

It is a sentiment⁴⁹⁴ that stretches far into the country's history and culture – from the Nordic sagas to the quest for autonomy of Bjartur of Summerhouses, the impoverished sheep farmer in Halldor Laxness's "Independent People," the country's best-known modern literary work.

As the rhetoric⁴⁶⁹ escalates²⁰⁰, Iceland's finance minister, Steingrímur J. Sigfússon, a lifelong leftist, finds himself in the awkward position of defending the Icesave plan as well as the severe economic restrictions that the country has been forced to endure to qualify for more money from the I.M.F. and other Nordic lenders. Such measures include sharp cuts in health spending and higher gas prices. Higher interest rates have pushed unemployment to about 8 percent, from 1 percent, in little more than a year.

Mr. Sigfússon scoffs⁴⁸⁶ at any notion of default and argues that the deal to repay creditors was the best that could have been achieved. With a term of 15 years, a low interest rate and a seven-year grace period, the deal is flexible enough to allow Iceland to repay it, he says, especially if the economy recovers and the government is successful in selling Landsbanki's foreign assets.

"This is the greatest tragedy of all, but it has to be done," he said, looking gaunt from the hours of parliamentary arm-twisting that now consume his days.

As to the widely held belief that it is the I.M.F. and not the government that is dictating policy, Mr. Sigfússon acknowledges that he is in close contact with the I.M.F.'s representative here.

He points to frequent disagreements, especially over the fund's recommendation that the government maintain high interest rates as well as capital controls – a prescription he describes as similar to wearing a belt and suspenders at the same time. But he emphasizes that it is Iceland, not the I.M.F., that has the final word.

"This is a trial not just for us, but the I.M.F., too," he said. "They have a lot at stake here as they must show that they are flexible enough to adapt their program to a developed Nordic welfare state."

Known to many here as "the governor of Iceland," Franek Rozwadowski, the I.M.F. representative, argues that this designation is inaccurate. As

part of its program, Iceland must turn a deficit that is now 13 percent of G.D.P. to a surplus by 2013.

“It would be more accurate to call the relationship a collaboration in which Iceland has engaged the fund to help design its recovery program,” he said.

On Aug. 3, the I.M.F. is expected to discuss whether to disburse a second tranche of its \$2.1 billion loan to Iceland (about a quarter has been disbursed so far). Mr. Rozwadowski says Iceland is on target with steps to balance its budget, and he hails Mr. Sigfusson for political courage.

Such niceties are thin gruel for many Icelanders whose personal debts have skyrocketed in the wake of the precipitous fall in Iceland’s currency, the krona.

Gunnar Sigurdsson, a theater director, says his car loan – which was tied to a basket of Swiss francs and Japanese yen – has doubled since the crisis began; his mortgage payments have jumped over 35 percent.

Personal bankruptcy is inevitable, he says, and he is now trying to make a “Roger and Me”-type documentary – training his camera on Iceland’s top politicians, bankers and, if he is lucky, Dominique Strauss-Kahn, the head of the I.M.F. “I have had enough of this stupidity,” he said. “I just want answers.”

66 Texas Hospital Flexing²²⁹ Muscle in Health Fight

One of the largest sources of campaign contributions to Senate Democrats during this year’s health care debate is a physician-owned hospital in one of the country’s poorest regions that has sought to soften measures that could choke⁹⁶ its rapid growth.

The Democratic Senatorial Campaign Committee collected nearly \$500,000 at a reception here on March 30, mostly from physicians and others affiliated⁸ with Doctors Hospital at Renaissance, financial disclosure records show.

The event was held at the home of a prominent McAllen developer, Alonzo Cantu, a hospital founder, investor and board member who has raised prodigious⁴³¹ sums from the Rio Grande Valley for an array of Democrats.

Another event at Mr. Cantu's home, in September 2007, brought in at least \$800,000 for the committee's House counterpart, the Democratic Congressional Campaign Committee, according to disclosure reports. The House speaker, Nancy Pelosi, was in attendance and cut a ribbon at the hospital's new women's center while in town.

The hospital, which is in Edinburg, adjacent to McAllen, is working both sides of the aisle. Its political action committee, Border Health PAC, split \$120,000 last year among House and Senate candidates, including Republicans.

Although Congressional negotiations over health care legislation are continuing, Doctors Hospital seems to be getting much of what it wants. Thus far, physician-owned hospitals have been insulated from some of the most onerous³⁷⁹ potential restrictions in the health care legislation moving through Congress.

Representative Pete Stark, a California Democrat who wants to clamp¹⁰¹ down on physician-owned hospitals, said their formidable²⁴⁰ lobbying had helped eliminate his proposal to limit physician ownership to 40 percent at any hospital.

"Particularly led by these guys in Texas, these guys who have been raising tons of money for contributions," Mr. Stark said in an interview. "I am sure that some of my colleagues have been willing to hear them out."

The flood of dollars from just a single interest of modest size illustrates just how high the stakes are in this year's health care negotiations, and how even sideline issues generate intense lobbying.

The gleaming²⁵⁶, well-equipped Doctors Hospital at Renaissance⁴⁵², which has expanded to 503 beds from 30 in six years, has become a footnote in the health care debate. It was featured unflatteringly in a June article in The New Yorker about geographic disparities¹⁷¹ in health care spending, a story that President Obama has cited repeatedly in speeches and meetings.

The article, which is sharply disputed¹⁷³ by hospital officials, posited⁴²⁰ that physician ownership provided “an unholy temptation to overorder” tests and procedures because doctors earn not only their fees but also a share of the hospital’s profits. At Doctors Hospital, where 353 of its 452 owners are physicians, net revenue amounted to \$64 million in 2008.

Leading members of Congress have long been concerned about the potential for conflicts of interest, lapses³¹⁹ in patient safety and cherry-picking of patients with the best insurance at the country’s 230 physician-owned hospitals. Past efforts to restrict ownership by doctors have stalled⁵²⁵, but language to that effect is currently included in health care legislation in Congress, though in ways that are unlikely to hurt Doctors Hospital.

The campaign committees, because they are controlled by each party’s Congressional leadership, are viewed as effective vehicles for gaining influence at high levels. But top Democrats, including Senator Robert Menendez of New Jersey, chairman of the Senate committee, said that Mr. Cantu had been a longtime patron³⁹⁶ and that the Texas contributions would have no special impact.

Mr. Cantu, a son of Mexican immigrants, said the primary goal of the fundraising was to lure³³⁶ politicians to the border so they could see firsthand the region’s needs for jobs, education, infrastructure and health care.

“We’ve always been ignored by the Republicans because we’re the blue section of the state, and the Democrats have taken us for granted,” he said. “What do politicians listen to? Typically, it’s money and votes.”

But he and other Doctors Hospital officials acknowledged they also have a particular interest in protecting the hospital, one of the largest employers in the region. On at least three occasions in the last two months, delegations from McAllen have made the rounds of Capitol Hill to discuss their concerns, and blunt⁶¹ the effects of the New Yorker article.

They have argued they are being unfairly grouped with boutique specialty hospitals that do not have emergency departments and that cater to privately insured patients. Eighty-eight percent of Doctors Hospital patients are either on public insurance or uninsured, 750 babies are delivered there a month, and no one is turned away because of inability to pay, they said.

Physician ownership, they added, has meant major investments in the latest equipment and good staffing ratios for nurses. Appealing to local pride, the hospital markets itself as the first in the area to offer services like PET scans, robotic surgery and breast imaging, which once required trips to Houston or San Antonio.

Representative Rubén Hinojosa, a Democrat whose district includes the hospital, said he set up some of the Capitol Hill meetings. Mr. Hinojosa said he never mentioned the campaign contributions and could not judge whether the money had opened doors.

But, he said, the hospital's officials "are listened to," adding, "Every chairman of a committee that has influence over them had meetings with them."

The Senate Finance Committee has yet to release its final draft, but bills passed by two House committees would prevent the opening of new physician-owned hospitals by disqualifying them from receiving Medicare reimbursements. Existing facilities like Doctors Hospital would be grandfathered in.

One key provision would limit a hospital's ownership by doctors to the level in place at the time of enactment. That is a change from previous language in House bills to restrict physician ownership to 40 percent. It would have forced Doctors Hospital, where physicians have an 82-percent stake, to be sold or required some of its owners to divest.

Mr. Stark said the change had been made "at a higher pay grade than mine." The physician-owned hospitals, he said, "just thought they could buy their way out of it, and it's a sad commentary on the Congress."

Speaker Pelosi supported the tougher provisions in previous bills but aides said she was willing to accept a compromise to win the new restrictions.

Aides to Senator Max Baucus, Democrat of Montana, the chairman of the Finance Committee, and to Senator Charles E. Grassley of Iowa, the ranking Republican, said the Senate would never have adopted the 40 percent limit and that it was only fair to allow existing hospitals to maintain their ownership structures.

Another provision in the House bill would allow physician-owned hospitals to expand to up to double their size, with government approval, but

only in fast-growing areas with heavy Medicaid populations and high bed occupancy rates. Doctors Hospital officials said they thought they would qualify.

The officials said they could not judge what influence they might have had in shaping the legislation. “I can’t say we had a direct impact,” said Susan S. Turley, the chief financial officer. “I think every physician-owned hospital was talking to their congressmen.”

Whether or not there is cause and effect, some of the hospital’s beneficiaries have passionately supported its position. In November, the South Texas doctors raised nearly \$60,000 for Representative Sheila Jackson Lee, a Democrat from Houston. Last week, Ms. Lee, who has a physician-owned hospital in her district, inserted comments in The Congressional Record against restricting the hospitals’ growth. She did not respond to requests for comment for this article.

Disclosure reports show that about 220 donors from the McAllen area contributed to the Senate Democratic committee for the March event. Receipts totaled at least \$425,000, about 2 percent of the group’s collections for the first half of the year.

“We’re not naïve,” said Dr. Ambrosio Hernandez, a pediatric surgeon who gave \$5,000. “We understand that politics plays a role in everything.”

There is a wide gulf between rich and poor in McAllen, where gated neighborhoods built by Mr. Cantu coexist with former shantytowns that only recently gained paved roads and indoor plumbing.

The largest gift to the Senate Democrats – the maximum allowable \$30,400 – came from Mr. Cantu, whose construction company built the hospital. Other major donations included \$26,783 from Dr. Lawrence Gelman, the hospital’s chief executive, and gifts of \$10,000 to \$15,000 from three hospital board members, six doctors and two top executives at a bank where Mr. Cantu is chairman and that has made loans to hospital investors.

Dr. Gelman also attended a fund-raiser related to health care on Monday in Washington for the National Republican Senatorial Committee, but because he has already contributed the maximum of \$30,400, he did not have to pay the \$5,000 ticket price.

Mr. Cantu, who began his working life as a migrant grape-picker, has long been generous to Democratic and philanthropic⁴⁰⁷ causes. Disclosure filings show he and his family members have donated more than a quarter of a million dollars to federal campaigns since 1995. He said he raises money from doctors, vendors, employees and friends, but has never reimbursed anyone for a donation, which would violate federal election law.

“Just for the record,” he said, “we’re not that stupid.”

Mr. Cantu helped bundle hundreds of thousands of dollars in contributions for Hillary Rodham Clinton’s 2008 presidential campaign. He was the only private citizen invited to accompany Ms. Clinton, now secretary of state, to El Salvador in June for the inauguration²⁸⁵ of its new president.

He gave \$2,300 to Mr. Obama last October, after Ms. Clinton had withdrawn from the race. But like others here, he is not pleased about the president’s depiction of health care in McAllen.

“What’s so upsetting,” he said, “is that to make his case he threw McAllen under the bus.”

67 House Democrats End Impasse on Health Bill

Efforts to pass sweeping health care legislation took a big step forward on Wednesday as House Democratic leaders reached an agreement with fiscally conservative party members that would cut the bill’s cost and exempt many small businesses from having to provide health benefits to workers.

The agreement, brokered by aides to President Obama, overcame a 10-day impasse and would allow a pivotal⁴¹¹ House committee to resume work on the bill, with an expectation that the panel could approve it later this week.

Under the deal, the Democratic leaders promised to defer a vote by the full House until September, so lawmakers could test public sentiment on the

measure, which could fundamentally restructure one-sixth of the nation's economy.

Elements of the agreement reflect priorities shared by centrist members of both parties who have been trying for months to forge a compromise in the Senate Finance Committee.

Under the House agreement, the federal government would still establish a public insurance plan to compete with private insurers, but the public plan would not use Medicare fee schedules to pay doctors and hospitals, as envisioned in the original House bill. Instead, the public plan would negotiate rates with health care providers, as private insurers often do.

Representative Mike Ross of Arkansas, the chief negotiator for the fiscally conservative Democrats known as Blue Dogs, said the changes were “a huge win for us.”

Blue Dogs said the change reduced the likelihood that the government plan would compete unfairly with private insurers by forcing doctors and hospitals to accept below-market rates. As part of the deal, states could, in addition, set up nonprofit cooperatives to offer coverage to individuals, families and small businesses. The Senate Finance Committee is coalescing¹⁰⁶ around a similar idea, as an alternative to a government-run insurance plan, but it was not in the original House bill.

“We have cut the cost of the bill substantially,” Mr. Ross said. “We have delayed a floor vote until September. We have protected small business.”

But some of the concessions to Blue Dogs set off a revolt⁴⁶⁸ among members of the Congressional Progressive Caucus⁹⁰, who said they feared that the public insurance plan was being weakened.

“We do not support this,” said Representative Lynn Woolsey, Democrat of California, co-chairwoman of the progressive caucus. “It’s a nonstarter.”

In the Senate, negotiations in the Finance Committee were also moving forward – to such a degree that Senate Republican leaders became worried that a deal might be near. One Republican negotiator, Senator Michael

B. Enzi of Wyoming, tried to quash that idea, saying the group was “nowhere near a deal.”

“I don’t see a way that we can finish before the recess,” Mr. Enzi said – just 24 hours after the Senate Democratic leader, Harry Reid of Nevada, had said he expected the committee to approve a bill next week.

The Energy and Commerce Committee, the third of three House panels to take up the legislation, was to resume work on Thursday.

As he traveled to Raleigh, N.C., and Bristol, Va., Mr. Obama welcomed the agreement. “I’m especially grateful that so many members, including some Blue Dogs on the Energy and Commerce Committee, are working so hard to find common ground,” he said. “Those efforts are extraordinarily constructive in strengthening this legislation and bringing down its cost.”

The president’s travels on Wednesday were part of a White House sales pitch, as officials have been fretting²⁴³ that the script has been hijacked by critics who say that some of his proposals could hurt Americans who already have health insurance.

“These folks need to stop scaring everybody,” Mr. Obama said.

After marathon negotiations, four of seven Blue Dog holdouts on the Energy and Commerce Committee reached the agreement with the chairman of the panel, Representative Henry A. Waxman, Democrat of California.

The Congressional Budget Office said the bill would ultimately provide coverage to most people who are uninsured. Mr. Ross said the Blue Dogs had won concessions that should bring the 10-year cost below \$1 trillion, a goal shared by the Senate Finance Committee.

Senator Max Baucus, the Montana Democrat who is chairman of the committee, said the latest estimates from the budget office indicated that his bill would cost “under \$900 billion.”

The House negotiators, including Mr. Ross and aides to Mr. Waxman, said they had agreed to make these changes in the bill:

Most employers would still be required to provide health insurance to workers or pay a new federal tax, but more small businesses could qualify for the exemption, which would be available to businesses with annual payrolls of \$500,000 or less, compared with a threshold of \$250,000 in the original House bill. The maximum tax rate, 8 percent of wages, would apply to employers with payrolls exceeding \$750,000, rather than the original threshold of \$400,000.

Medicaid would be expanded, as under the original bill, but states would pay a small share of the additional costs, perhaps 7 percent. The federal government would have paid all the additional cost under the original bill.

People with low or moderate incomes could still get federal subsidies to help them buy insurance, but they might have to spend slightly more of their own income – a maximum of 12 percent, rather than 11 percent.

Representative Earl Pomeroy, a Blue Dog from North Dakota, voted against the bill in the Ways and Means Committee on July 17 but said Wednesday that he could support the revised bill.

He said he was pleased that the bill would exempt more of the smallest employers, and that the public plan would not use Medicare payment rates, which are low in North Dakota.

Mr. Ross gave few details about the new provisions to control costs, other than to say that the government would spend less on subsidies and Medicare would save money by linking hospital payments to the quality of care provided, under a new system of “value-based purchasing.”

68 New Poll Finds Growing Unease on Health Plan

President Obama’s ability to shape the debate on health care appears to be eroding¹⁹⁹ as opponents aggressively portray his overhaul plan as a government takeover that could limit Americans’ ability to choose their

doctors and course of treatment, according to the latest New York Times/CBS News poll.

Americans are concerned that revamping⁴⁶⁶ the health care system would reduce the quality of their care, increase their out-of-pocket health costs and tax bills, and limit their options in choosing doctors, treatments and tests, the poll found. The percentage who describe health care costs as a serious threat to the American economy – a central argument made by Mr. Obama – has dropped over the past month.

Mr. Obama continues to benefit from strong support for the basic goal of revamping the health care system, and he is seen as far more likely than Congressional Republicans to have the best ideas to accomplish that. But reflecting a problem that has hindered²⁷⁰ efforts to bring major changes to health care for decades, Americans expressed considerable unease about what the end result would mean for them individually.

“We need to fix health care,” Mary Bevering, a Democrat from Fort Madison, Iowa, said in a follow-up interview, “but if the government creates the system, I’m afraid the quality of care will go down and costs will go up: We will pay more taxes.”

“It’s going to come down to regulation,” Ms. Bevering said. “What also worries me is whether we will be told what physician we can have.”

The poll was taken at a moment of extreme fluidity²³⁶, both in terms of the complicated negotiations in the House and the Senate as lawmakers and the administration sort out the substance and politics of competing proposals, and in the efforts by both sides to define the stakes of the health care debate for the public.

With Congress now almost certain to recess until after Labor Day without floor votes on any specific plan, a vigorous⁵⁸⁴ advertising and grass-roots effort to shift public opinion is likely in the next month or two. The poll offers hope to both sides.

The changes in the public’s attitude over the past month, even if not huge, suggest one reason Mr. Obama sought so hard to get Congress to vote on some version of an overhaul before heading home.

Opponents of the proposed health care overhaul have already spent \$9 million on television advertisements raising concerns about it, said Evan Tracey, the chief operating officer of Campaign Media Analysis Group, which tracks political advertising. The advertisements are financed by the Republican National Committee and aimed at constituents of wavering lawmakers. The committee is also running radio spots.

Officials said the advertising would accelerate as the legislators returned home for the summer. The advertisements present the overhaul as a risky experiment, or a government takeover of health care that would prevent people from choosing their own doctors.

Mr. Obama is making an intense effort to rebut those claims. On Wednesday, he flew to Raleigh, N.C., for a town-hall-style meeting to address the kinds of public concerns reflected in the poll results.

“First of all,” Mr. Obama said, “nobody is talking about some government takeover of health care. I’m tired of hearing that. I have been as clear as I can be. Under the reform I’ve proposed, if you like your doctor, you keep your doctor; if you like your health care plan, you keep your health care plan. These folks need to stop scaring everybody, you know?”

Mr. Obama sought in particular to reassure people who already have health insurance and whom the overhaul plans under consideration in Congress would benefit by preventing insurers from dropping them or diluting¹⁶³ their coverage if they become ill, while also bringing rapidly rising costs under control. And he sought to stoke a sense of urgency for getting a bill signed this year.

“If we do nothing, I can almost guarantee you your premiums will double over the next 10 years, because that’s what they did over the last 10 years,” Mr. Obama said. “It will eat into the possibility of you getting a raise on your job because your employer is going to be looking and saying, ‘I can’t afford to give you a raise because my health care costs just went up 10, 20, 30 percent.’ ”

The national poll was conducted by telephone starting on Friday and ending on Tuesday. It involved 1,050 adults, and has a margin of sampling error of plus or minus three percentage points.

Mr. Obama's job approval rating has dropped 10 points, to 58 percent, from a high point in April.

And despite his efforts – in speeches, news conferences, town-hall-style meetings and other forums – to address public misgivings, 69 percent of respondents in the poll said they were concerned that the quality of their own care would decline if the government created a program that covers everyone.

Still, Mr. Obama remains the dominant figure in the debate, both because he continues to enjoy relatively high levels of public support even after seeing his approval ratings dip, and because there appears to be a strong desire to get something done: 49 percent said they supported fundamental changes, and 33 percent said the health care system needed to be completely rebuilt.

The poll found 66 percent of respondents were concerned that they might eventually lose their insurance if the government did not create a new health care system, and 80 percent said they were concerned that the percentage of Americans without health care would continue to rise if Congress did not act.

By 55 percent to 26 percent, respondents said Mr. Obama had better ideas about how to change health care than Republicans in Congress did.

There is overwhelming support for a bipartisan⁵⁸ agreement on health care, and here again, Mr. Obama appears in the stronger position: 59 percent said that he was making an effort to work with Congressional Republicans, while just 33 percent said Republicans were trying to work with him on the issue.

Over all, the poll portrays a nation torn⁵⁵⁴ by conflicting impulses and confusion.

In one finding, 75 percent of respondents said they were concerned that the cost of their own health care would eventually go up if the government did not create a system of providing health care for all Americans. But in another finding, 77 percent said they were concerned that the cost of health care would go up if the government did create such a system.

69 Airlines Follow Passengers Onto Social Media Sites

When United Airlines baggage⁴⁵ handlers in Chicago damaged Dave Carroll's \$3,500 guitar last year, he tried to get his restitution⁴⁵⁹ from the airline the old-fashioned way. But after months and months of phone calls and faxes with various customer-service representatives, the airline refused to accept his claim. So Mr. Carroll, a professional country music singer from Canada, channeled his frustration into a song and a video, which he posted on YouTube.

Since it first appeared July 6, "United Breaks Guitars" has been viewed more than 4.4 million times. United has scrambled⁴⁸⁸ to respond, also in nontraditional ways. Its first comments came not in a press release, but via Twitter.

As the global recession and the consequent drop in air traffic force carriers to cut back on services and consider charging extra for everything from checked bags to onboard meals, the Internet, and social media Web sites in particular, is giving once-faceless travelers a global – and instantaneous – platform from which to air their grievances.

Confronted with these middle-seat Davids-turned-Goliaths, airlines, like other consumer-oriented businesses, are racing to find their own ways to use social media channels like Twitter, Facebook and YouTube to forge deeper relationships with passengers – before things go wrong.

"Thanks to social computing, travelers' tales are no longer confined¹¹⁵ to what they tell to their coworkers and neighbors," said Henry H. Harteveldt, a vice president and airline and travel industry analyst at Forrester Research in San Francisco, adding that roughly 60 percent of travelers in Europe and North America engage in some form of social networking online. "They are out there in public for the whole world to see."

Airlines in the United States have been the quickest to embrace social media as a low-cost public relations and marketing tool, in particular to spread the word about fare sales or to make announcements about new routes or

services. Carriers like Southwest Airlines, JetBlue and Alaska Airlines are among the most active users, each with online “followings” in the tens, if not hundreds of thousands of people. Even some airports, like Hartsfield-Jackson International in Atlanta and Logan International in Boston, are using dedicated channels on Facebook and YouTube to provide travelers with information like how to use the airport train system or to give updates on construction projects or changes to rental-car facilities.

“With social media, the communication goes both ways,” said Steven Lott, a spokesman for the International Air Transport Association, based in Geneva. “If there is any kind of operational problem, someone can send pictures, a video on YouTube or tweet about it and the word gets out in seconds. At the same time, airlines that use social media effectively can come up with a public relations response just as quickly, using it to dispel rumors or myths and get out accurate information.”

Southwest Airlines, which has more than 380,000 Twitter followers and another 70,000 on Facebook, leveraged these online audiences after a football-sized hole appeared in the fuselage of one of its planes during a flight from Nashville to Baltimore on July 13. Within an hour of the plane’s emergency landing, in Charleston, West Virginia, passengers from the flight were tweeting about it and posting images of the hole, said Christi Day, a member of Southwest’s emerging media staff.

“We closely monitored the conversations that were developing,” said Ms. Day. “As soon as we felt we were ready, we got out as much factual information as we could.” That included an official statement that Southwest’s entire fleet would be inspected immediately and that passengers onboard the affected flight would get refunds.

Last December, Oliver Beale, a passenger traveling on Virgin Atlantic from Mumbai to London, was so put off by his in-flight meal that he wrote a blistering letter of complaint to the airline’s owner, Richard Branson, complete with photos of the food. Copies of the missive, in which Mr. Beale described his “culinary journey from hell,” spread rapidly via e-mail and the story was quickly picked up by bloggers and traditional media from Sydney to Southampton.

The airline's public-relations team quickly got out the message on Facebook that Mr. Branson had personally phoned Mr. Beale and invited him to help select food and wine for future flights.

"Our response was so fast, some people even accused us of setting the whole thing up as a publicity stunt," said Paul Charles, a Virgin Atlantic spokesman. "We took that as a compliment."

Others have had less positive experiences with social media. In March, someone set up a Twitter profile purporting to be an official Ryanair channel. Several tweets made abusive remarks about the airline's customers, describing them as "mostly stupid" and "a bit dense."

Ryanair complained to Twitter and had the rogue⁴⁷⁵ feed shut down. But the airline also discontinued several official feeds set up by its marketing department.

For low-cost carriers like Ryanair, analysts recognized there might be disincentives. "For most airlines that have a large following on Twitter or Facebook, it's pretty clear that they have a few people dedicated full-time to it," said David Beckerman, a vice president at OAG, an aviation market research firm. JetBlue, for example, which has more than 960,000 Twitter followers, has 35 staff members dedicated to updating its feed.

Still, he said, "it's weird that airlines aren't using social media more," particularly in Asia, where large numbers of travelers are equipped with Web-enabled cellphones. Only a handful of Asian carriers, among them Malaysia Airlines and the low-cost Air Asia, use social media actively, he said.

In the case of Mr. Carroll and his guitar, United's apology – which first went out to its 18,600 Twitter followers about 24 hours after the video appeared – has failed to attract a fraction of the attention than did the singer's original protest. The airline has not responded on its own corporate YouTube channel, although viewers have posted more than a dozen comments related to the song. "This company needs someone online for damage control (no pun intended)," wrote one.

Robin Urbanski, a United spokeswoman, said in an e-mailed statement that the airline should have responded much sooner and that Mr. Carroll's video would be used for corporate training purposes.

“United’s experience is the latest and best example of how social computing is affecting the business reputations of travel companies,” said Mr. Harteveldt of Forrester. “Every mistake as well as every success is going to be Facebooked and Twittered.”

70 Senators Seek a Ban on Texting and Driving

States that do not ban texting by drivers could forfeit ²³⁹ hundreds of millions of dollars in federal highway funds under legislation introduced Wednesday in the Senate.

Under the measure, states would have two years to outlaw the sending of text and e-mail messages by drivers or lose 25 percent of their highway money each year until the money was depleted.

“Studies show this is far more dangerous than talking on a phone while driving or driving while drunk, which is astounding,” said Senator Charles E. Schumer, Democrat of New York, one of four Democratic senators to introduce the proposal.

Mr. Schumer said the authors were responding to recent studies that have begun to quantify the risks of texting while driving. One study released this week from the Virginia Tech Transportation Institute found that truck drivers face a 23 times greater risk of crash or near crash when texting than when not doing so.

Research from the University of Utah, which used a driving simulator to study the ability of motorists to multitask, found an eightfold greater risk of crashing when texting. By comparison, Utah researchers showed that drivers using a cellphone to talk face a four times greater risk of crashing, about equal to someone with a 0.08 blood alcohol level, generally the legal limit for intoxication.

Currently, texting while driving is banned in 14 states, including Alaska, California and New Jersey, as well as the District of Columbia. The legislature in New York recently passed such a measure and sent it to the governor for a signature.

Regulation of the roadways generally happens at the state level. But the federal government has exerted pressure on the states based on the threat of withholding federal highway funds, as Congress did in 1984 to pressure states to raise the minimum drinking age to 21 years.

Mr. Schumer said that the legislation was essentially based on the drinking age law.

The Governors Highway Safety Association, a group that represents state highway safety agencies in every state, opposes texting while driving but does not support the proposed legislation.

“We oppose sanctioning⁴⁸¹ states since there is not yet a proven effective method for enforcing a texting or cellphone ban,” an association spokesman, Jonathan Adkins, said.

Safety advocates said that such concerns about enforcement were raised about seat belt laws but argued that the value of such laws – even if they could not be enforced all the time – created awareness about the issue and set societal guidelines for the behavior.

The other sponsors of the Senate measure include Mary L. Landrieu of Louisiana, Robert Menendez of New Jersey and Kay R. Hagan of North Carolina.

71 Microsoft and Yahoo Are Linked Up. Now What?

The bumpy⁷⁸, marathon mating dance between Microsoft and Yahoo finally concluded on Wednesday, when the two companies announced a partnership in Internet search and advertising to take on the industry powerhouse Google.

But there was plenty of skepticism about whether the new partners could make a serious dent¹⁵⁶ in Google’s dominance.

Even with the deal, the Microsoft-Yahoo search operation will be dwarfed by Google – with a 28 percent market share in the United States, versus 65 percent – and will face an uphill struggle to try to wean people away from Google’s simple white search page.

If Yahoo and Microsoft cannot persuade people to switch, they will not build the larger audience that will bring in more revenue from ads tied to searches.

“This battle is won or lost as the user sits at the keyboard,” said Peter S. Fader, a professor at the Wharton School of the University of Pennsylvania and co-director of its Interactive Media Initiative. “Google is winning for good, consumer-friendly reasons. You can’t just buy that.”

The Microsoft-Yahoo pact represents a pragmatic⁴²¹ division of duties between the two companies, instead of the blockbuster deal Microsoft, No. 3 in the search market, was shooting for last year when it bid \$47.5 billion to buy Yahoo, No. 2 in search.

That hostile²⁷³ offer was ultimately withdrawn by Microsoft, and its collapse led to lots of soul-searching at Yahoo and the replacement of its co-founder Jerry Yang with an outsider, Carol Bartz, in the chief executive role.

Under the pact, Microsoft will provide the underlying search technology on Yahoo’s popular Web sites. The deal will give a lift to Microsoft’s search engine, which it recently overhauled and renamed Bing. Its search ads will have broader reach and become more lucrative.

Bing, which tries to put search results in better context than rivals, has won praise and favorable reviews, after Microsoft spent years falling farther and farther behind Google in search.

For Yahoo, the move furthers the strategy under Ms. Bartz to focus the company on its strengths as a publisher of Web media sites in areas like finance and sports, as a marketer and leader in online display advertising.

“This deal allows Yahoo to invest in what we should be investing in for the future – audience properties, display advertising and the mobile Internet

experience,” Ms. Bartz said in an interview on Wednesday. “Our vision is to be the center of people’s lives online.”

The terms of the 10-year agreement give Microsoft access to Yahoo’s search technologies. Yahoo will receive a lucrative 88 percent of the search-generated ad revenue from its own sites for the first five years of the deal, much higher than is standard in the industry.

After the takeover bid failed, the companies renewed talks about a partnership last summer. The talks included discussion of a large upfront payment from Microsoft.

But when Ms. Bartz joined Yahoo at the start of this year, the interest on the Yahoo side shifted. Ms. Bartz was more interested in steady revenue to ensure the longer-term financial health of Yahoo instead of a big payment, she said in a conference call Wednesday.

Shares of Yahoo fell 12 percent, to \$15.14, after the deal was announced, apparently reflecting investors’ disappointment in the lack of a payment. Shares of Microsoft rose slightly.

“It feels kind of like a stab in the chest,” said Darren Chervitz, the co-manager of the Jacob Internet Fund, which owns about 100,000 shares of Yahoo. “It certainly feels like Yahoo is giving away their strong and hard-fought share of the search market for really a modest price.”

Now, Yahoo’s financial fate will be inextricably linked with Microsoft for years. “My sense is that Yahoo will regret making this move,” Mr. Chervitz said.

If the deal is completed next year as planned, and after the partnership is fully in place in three years, Yahoo estimates that its operating income will increase by \$500 million a year, based on the anticipated higher search traffic and ad revenue, and a substantial drop in its investment in technology development.

Steven A. Ballmer, Microsoft’s chief executive, said in an interview that Ms. Bartz had driven a hard bargain. “Look,” he said, “she got 88 percent of the revenue and none of the cost.”

Still, Mr. Ballmer added that he won something he badly wanted as well: “I got an opportunity to swing for the fences in search.”

The crucial issue for the partnership, analysts say, is its ability to stop and reverse the advance of Google, which has steadily gained in search and search ad share in the last few years while Yahoo and Microsoft have kept on fading. Reversing the trend, they say, would give the partnership new-found credibility with advertisers and publishers.

“If Microsoft and Yahoo are 30 percent and growing in search, then the dynamics of the market can shift,” said David B. Yoffie, a professor at the Harvard Business School.

Mr. Fader of Wharton said he was not sure the partners would be able to shake up the business. “Microsoft is buying some market share, but there is no evidence they are going to change the game in any fundamental way,” he said. “What the Microsoft-Yahoo partnership needs is real breakthroughs to deliver disruptive¹⁷⁵ innovation in search.”

Advertisers and Web publishers say they will be looking to the combination to improve its search technology and service and put more pricing pressure on Google, which has turned the small text ads that appear next to search results into a multibillion-dollar business.

“It could be a more competitive marketplace, but that’s not certain,” said Bob Liodice, president of the Association of National Advertisers, a trade group. “Google still holds two-thirds of the market.”

Branding was one important consideration in the deal. Yahoo will still control the look of the search features on its sites and will determine how search technology may be tailored differently for, say, entertainment and finance sites. But Yahoo’s search will include a logo saying “Powered by Bing.”

And Yahoo will be able to tap into records of searches for its own purposes, like monitoring the online behavior of anonymous users to more efficiently place online display advertisements.

Throughout a conference call and the later interviews, Ms. Bartz and Mr. Ballmer emphasized that combining the No. 2 and No. 3 companies in search would

not harm competition but enhance it. Google was rarely mentioned by name, but it was the subtext of the conversation and the deal itself.

Ms. Bartz pointedly said the partnership would “put choice back in the hands of consumers, advertisers and publishers,” all of whom, she said, were “increasingly concerned” about the rising power of Google.

Microsoft and Yahoo said they expected resistance from Google. But Microsoft’s general counsel, Bradford L. Smith, said he looked forward to explaining the details of the planned partnership to antitrust officials in Washington and Brussels.

“There is a compelling case that this is going to increase competition,” Mr. Smith said.

The Microsoft-Yahoo stance, legal analysts noted, amounts to the assertion that Google is so dominant in Internet search and search advertising that the best way to foster competition and innovation is with a duopoly – with the Microsoft-Yahoo partnership creating a credible rival to Google.

“That is a pretty strong story, and I suspect the one they will present to the Justice Department,” said Andrew I. Gavil, a law professor at Howard University.

72 Chinese Workers Say Illness Is Real, Not Hysteria²⁷⁷

Tian Lihua was just beginning her morning shift when she felt a wave of nausea³⁶⁹, then numbness in her limbs and finally dizziness that gave way to unconsciousness. In the days that followed, more than 1,200 fellow employees at the textile mill where Ms. Tian works would be felled by these and other symptoms, including convulsions¹²⁸, breathing difficulties, vomiting⁵⁹⁰ and temporary paralysis³⁸⁷.

“When I finally came to, I could hear the doctors talking but I couldn’t open my eyes,” she said weakly from a hospital bed last month. “They said I had a reaction to unknown substances.”

Ms. Tian and scores of other workers say the “unknown substances” came from a factory across the street that produces aniline²², a highly toxic chemical used in the manufacture of polyurethane, rubber, herbicides and dyes.

As soon as the Jilin Connell Chemical Plant started production this spring, local hospitals began receiving stricken workers from the acrylic⁴ yarn factory 100 yards downwind from Connell’s exhaust stacks. On some days, doctors were overwhelmed and patients were put two to a bed.

A clear case of chemical contamination¹²¹? Not so, say Chinese health officials who contend that the episode is a communal¹¹⁰ outbreak of psychogenic illness, also called mass hysteria. The blurry vision, muscle spasms and pounding headaches, according to a government report issued in May, were simply psychological reactions to a feared chemical exposure.

During a four-day visit, a team of public health experts from Beijing talked to doctors, looked at blood tests and then advised bedridden workers to “get a hold of their emotions,” according to patients and their families.

Western medical experts say fear of poisoning can lead people to describe symptoms that exist mainly in their minds. But outbreaks of psychogenic illnesses on the scale of what has been reported in Jilin are rare, they say.

The official diagnosis has done little to ease anxieties in Jilin, an industrial city in northeast China where verdant⁵⁷⁸ low-rise mountains form a backdrop to a thicket of smokestacks. More than two months since the health complaints began, at least two dozen people remain hospitalized, and many others insist that they are suffering from toxic poisoning. Local residents say the “mass hysteria” verdict⁵⁷⁹ is an attempt to cover up malfeasance³⁴⁰.

“How could a psychological illness cause so much pain and misery?” said Zhang Fusheng, a 29-year-old textile worker, gasping as he lay tethered to an oxygen line in the hospital, his limbs seized up and his eyes darting back and forth. “My only wish is to get better so I can go back to work and take care of my family.”

In May more than 1,000 residents blocked railroad tracks in the city for hours to draw attention to the sick workers. Their ire intensified after the State Administration of Work Safety posted a statement on its Web site

describing the problem as a “chemical leak” and advising other companies to learn from Connell Chemical’s mistake. After a few hours, however, the statement had been removed.

“We are simply laboratory mice in Connell’s chemical experiment,” said Xie Shaofeng, 34, a textile worker whose wife remains hospitalized.

The episode comes at a time of rising environmental degradation¹⁵² in China brought on by decades of heady growth and lax pollution controls. Although many people here have long lived with sullied⁵³⁴ air and water, they are increasingly aware of the toll that they take on human health and are demanding greater restrictions on noxious industries.

Fear of contamination was heightened last fall after the government acknowledged that thousands of children had been made ill by milk adulterated with melamine, an ingredient used in the manufacture of plastics.

The Ministry of Health in Beijing declined to provide details of their findings in Jilin, but according to local officials, investigators found no evidence of organ damage that would point to chemical exposure. They added that those claiming to be sick had been in different parts of the sprawling textile factory and offered inconsistent descriptions of the odor of what they said caused their symptoms.

Although they say those who fell ill in Jilin could have been poisoned, psychogenic experts outside China say it is also possible for some to have been affected by toxic fumes²⁴⁷ while others exhibited psychosomatic illnesses set off by real poisonings.

Robert E. Bartholomew, a sociologist at the International University College of Technology in Malaysia, said the government’s handling of the episode, including the ban on reports in the news media, might be fueling paranoia³⁸⁸. “The best way to handle psychogenic illness is to be open and transparent, which tends to dissipate¹⁷⁶ concerns,” said Mr. Bartholomew, a co-author of “Outbreak! The Encyclopedia of Extraordinary Social Behavior.” If it is indeed a case of mass hysteria, he said, it would be the largest instance of workplace psychogenic illness on record.

The episode is not Jilin’s first experience with the perils of aniline. In 2005, an explosion at another factory that produced the volatile substance killed

eight people and sent 100 tons of deadly benzene and nitrobenzene into the Songhua River, tainting drinking water for millions of people downstream.

Public anxiety was high even before the new \$125 million aniline plant opened in early April. During a test run last September, two security guards standing in front of the textile plant were overcome by fumes. Connell paid them compensation, although it is unclear what adjustments were made to the manufacturing process and, more important, the venting of its airborne byproducts, a mix of carbon monoxide, hydrogen sulfide and nitrogen oxide.

Shortly after production began, Li Hongwei, a 34-year-old Connell worker, collapsed and died on the job. Although rumors suggested that he had been poisoned, factory officials insist that Mr. Li succumbed to a heart attack. His family, which received a compensation package that included a job for his wife and a monthly \$200 stipend for his mother and son, declined to talk to reporters.

After Mr. Li's death, the authorities forced Connell to halt production for a month. But in early June, not long after it resumed, Wang Shulin, a 38-year-old technician at the textile mill, went into convulsions¹²⁸ while on the job. He was sent to the hospital but died just as doctors were administering a CT scan, according to co-workers. The cause of death was a brain hemorrhage.

Factory officials insist that Mr. Wang's death had nothing to do with chemical exposure.

Such assurances have done little to quiet fears that Connell continues to taint the air. Li Jingfeng, 35, an electrician at an ethanol plant that abuts the aniline plant, said chemical detectors at his factory had gone off five or six times in the last month, forcing workers to evacuate. "Everyone is nervous about what's coming out of that place," he said.

Those who continue to insist that they were poisoned have placed local officials in a difficult position. Some patients have been sent to other cities for treatment; those who refuse to leave local hospitals say doctors have been

given orders to stop their medication. To get the skittish back to work, factory officials have added an incentive of \$20 to \$30 to monthly salaries that range from \$120 to \$200.

In interviews, a half-dozen of those still hospitalized in Jilin said they had not been given a diagnosis nor were they allowed to see their medical records. One of them, Deng Yanli, 30, who is troubled by convulsions and constant dizziness, showed a receipt for 10 medications that included vitamin injections, pills to combat nausea and other treatments commonly given to stroke victims. She said doctors at Jihua Hospital stopped administering the drugs in early June in an effort to get her to leave.

The hospital director referred questions to the Jilin City Health Bureau, which issued a statement saying, “We have done our best diagnosing and treating these patients.”

Officials at Connell, which has resumed full production, say they are eager to move past the episode. Although privately owned, the plant has a complicated corporate structure that includes investors from Hong Kong and a number of local government officials. The aniline plant and the neighboring textile mill are partly owned by one another, and Connell, according to a company Web site, also runs a pharmaceutical concern that supplies Jilin City hospitals with 90 percent of their intravenous drugs.

Cementing the company’s prominence is its president, Song Zhiping, a representative to the National People’s Congress, China’s legislative body.

Connell executives said Ms. Song was traveling during a reporter’s visit to their offices, but Xu Zhongjie, vice chairman for corporate governance, said Ms. Song felt wounded by the allegations against her company, which he described as preposterous⁴²⁴. “I come here every day, and do I look sick?” he asked with a broad smile. “If we were spreading poison, the government wouldn’t allow us to continue production, and I have faith in the government.”

73 Chinese Officials Harass²⁶⁵ Group That Fights Hepatitis²⁶⁹ Bias⁵⁵

In the realm of potential threats to China's stability, an organization that advocates on behalf of people infected with hepatitis B would seem to be low risk.

But on Wednesday, the group's director, Lu Jun, found himself squaring off against four security officials who were trying to cart away stacks of literature they claimed had been printed without official permission.

In the end, Mr. Lu scored a partial victory. After eight hours looking through drawers and photographing volunteers, the inspectors walked off with 90 pamphlets³⁸⁵, but Mr. Lu prevented them from delving into the group's computer files. "I fear this is not the end of it," he said Thursday.

The raid on Mr. Lu's organization, the Yi Ren Ping Center, comes at a precarious time for China's nongovernmental organizations, many of which operate in a kind of legal gray zone. Two weeks ago, officials used a bureaucratic infraction as the reason to shut down the country's pre-eminent legal rights center, Gongmeng, or Open Constitution Initiative. The closing followed a separate disbarment of 53 lawyers known for taking on civil rights and corruption cases. Just before dawn on Wednesday, the founder of Gongmeng, Xu Zhiyong, was taken into police custody, and he has not been heard from since.

"The permissible space in which civil society groups can operate was already small, but right now that circle is getting smaller and smaller," said Sharon Hom, the executive director of Human Rights Watch, which is based in New York. "If an organization is creating an independent voice, putting together a newsletter or organizing people in any way, it's going to feel the full brunt⁷³ of the authorities."

Although it is unclear exactly why the government is tightening its grip on such organizations, legal experts and rights activists generally agree that it may be related to the celebrations, three months from now, of the 60th anniversary of China's Communist revolution. A similar clampdown took

place in the months before the 2008 Summer Olympics, when security officials in Beijing stepped up the harassment of dissidents and encouraged thousands of migrant workers to return to the countryside.

“It’s basically a foolish attempt to make the year as peaceful and uneventful as possible,” said Jiang Tianyong, a lawyer who was among those blocked from renewing their licenses.

Another explanation, Mr. Jiang and others say, is that some powerful segments of China’s leadership feel threatened by the rise of independent entities working to advance causes like labor rights or clean water, or in the case of the Yi Ren Ping Center, protection for people with hepatitis B.

There is widespread trepidation⁵⁶¹ over hepatitis B in China, a fear that has been intensified by an explosion in advertising for medical testing services and sham⁴⁹⁶ cures. Even though it is preventable with a vaccine – and most of those infected will not become ill – state-owned companies, medical schools and food-processing plants have come to believe that it is sensible policy to bar the infected.

Under Chinese law, carriers of hepatitis B cannot work as teachers, elevator operators, barbers or supermarket cashiers. In a recent survey of 113 colleges and universities, conducted by the Yi Ren Ping Center, 94 acknowledged that infected applicants, required to take blood tests, would be summarily rejected.

Many of the 120 million carriers in China got the virus in the 1970s and 1980s, when a single contaminated syringe was sometimes used to inoculate hundreds of people at a time against diseases. The second-biggest group of carriers, about 40 percent of the total, according to the government, got the virus from their mothers during childbirth.

An online bulletin board maintained by Mr. Lu’s group is a heart-rending clearinghouse for stories of people fired from jobs, or students denied college educations, after mandatory blood tests revealed their statuses. There are also scores of tales about the ashamed and the distraught who killed themselves.

“People are so afraid of this virus, they don’t act responsibly,” said Wang Li, an engineer who just graduated from a prestigious⁴²⁷ Beijing university

and saw two job offers evaporate this year when blood tests showed that he had the virus. “The only thing they told me was, ‘You are not suitable for work.’ ”

Founded in 2006 by Mr. Lu, who is also infected, the Yi Ren Ping Center provides up-to-date medical information and tries to arrange legal help for those it considers wrongly dismissed from jobs. It also encourages its 300,000 members to press for antidiscrimination laws. Last summer the center was forced to move its Web site to an overseas server after it mysteriously vanished from the Internet.

Although his organization does not seek to challenge the government’s authority, Mr. Lu recognizes that its mission can stir discomfort among the powerful and mighty. “After all, it is these people who are maintaining the status quo of discrimination,” he said in his office on Thursday. “And of course, according to the government, there is no such thing as discrimination in China. There are only misunderstandings.”

74 China Sentences Women Held After Protest Attempt

A woman and her two sisters, who came to Beijing from southern China during the Paralympics³⁸⁶ in September to protest property seizures but were arrested, have been sentenced to one year of detention¹⁵⁹ for vandalism⁵⁷³, the woman said in a telephone interview on Thursday.

The woman, Huang Liuhong, had already been held for nearly a year in a hotel – known as a black jail – while awaiting trial.

Ms. Huang was released from the hotel, the Liuzhou Cement Factory Rest House, on July 17. She said she expected to remain under a form of house arrest for one year in her hometown, under police surveillance.

The case is one of several that starkly illustrate how the Summer Olympics and the Paralympics in Beijing last year failed to expand freedom of speech in China, despite assertions by the international organizers of those games

that the events would push the Chinese government toward more democratic policies.

Ms. Huang traveled with 10 others from the town of Liuzhou in Guangxi Province to Beijing last September to protest four cases of property seizure involving local officials.

But after being interviewed by an American journalist, they were seized by plainclothes police officers who had followed them from Guangxi. Ms. Huang, two older sisters and their 79-year-old mother, all of whom had traveled to Beijing, were arrested.

The mother was soon released, but Ms. Huang and her infant son were kept for 314 days in a hotel in Liuzhou. Her two sisters were held in a detention center.

Ms. Huang said she and her sisters were not put on trial until June 19. The judge found them guilty of vandalism and sentenced them to one year in prison followed by two years of probation⁴³⁰. The two older sisters were released July 14, Ms. Huang said, each having served almost the entire sentence under the verdict because of their time in the detention center.

Others from the group of 11 that came to Beijing were also put on trial.

After her release from the so-called black jail, Ms. Huang was given a week to visit her husband in the southern city of Shenzhen, where she is now. But she will have to return to Liuzhou and spend a year under a version of house arrest, during which she can live in her home and move around Liuzhou but not leave the town, she said.

“They said someone will be watching me,” she said.

The court in Liuzhou had no immediate comment on Thursday; copies of court documents provided by Ms. Huang showed that she had been found guilty of vandalism.

Ms. Huang said the police accused her of breaking the window of a police van after she was detained in Beijing. She said she never damaged the van.

The three sisters plan to appeal the verdict, Ms. Huang said, but such judgments are rarely reversed.

75 Motorola Posts a Profit, Aided by Cost-Cutting

Motorola beat Wall Street expectations Thursday by eking out a small profit in its second quarter, but the struggling telecommunications company is pinning its hopes for revival on new smartphones priced far below most current smartphones like the iPhone.

Sanjay K. Jha, the company's co-chief executive in charge of its wireless handset unit, said in an interview that the phones will be designed to work with data plans with lower monthly fees than the \$30 to \$60 common with current smartphones. He foresees also selling the phones in poorer countries with developing economies.

"In vast portions of emerging markets, the way to get access to the Internet will be through wireless data connectivity," he said.

Motorola, which is selling half the number of handsets it sold a year ago, said it was developing its new line of phones to run on Google's Android operating system. It has two models set for introduction this fall, with more coming next year, the company said.

In the mean time, the company is slashing its costs to match its rapidly falling revenue by canceling products, closing facilities, and firing people. It has eliminated 8,000 of its 60,000 jobs so far this year.

As a result of this cost-cutting, Motorola produced net income of \$26 million, or a penny a share, compared with \$4 million, or break-even on a per-share basis, a year ago.

Excluding a few onetime items, Motorola lost 1 cent a share, compared with a loss of 4 cents a share predicted by analysts.

Revenue was \$5.5 billion, down 31 percent from \$8.08 billion a year ago. That is less than the \$5.6 billion in revenue Wall Street expected. Shares of Motorola rose 9.4 percent Thursday, to \$7.19.

In the wireless division, revenue fell 45 percent, to \$1.8 billion, in the second quarter. The unit posted an operating loss of \$253 million, compared with an operating loss of \$346 million a year ago.

Motorola's other two business lines also showed sharply declining sales, but they were profitable.

Analysts, however, said that the fate of the company rested largely with the success of its new handsets, which will compete with at least a dozen other Android phones by the end of the year, not to mention the iPhone, the Palm Pre and various BlackBerry models.

"They have a lot hanging on two devices," said Mark Sue, an analyst with RBC Capital Markets.

Mr. Sue said he expected Verizon and T-Mobile to be the first carriers to offer Motorola's new phones. Mr. Jha declined to name the carriers, but he said Motorola had firm orders from two companies.

The two handsets, Mr. Jha said, will have the features now typical of smartphones like the iPhone. One will be designed to focus on surfing the Internet and the other will specialize in connecting to social networks. Both will be offered with an extra-fee service from Motorola that will help phone owners communicate with each other and social networks.

The lower-cost phones to be introduced next year will have fewer features, smaller screens and cameras with lower resolutions. Moreover, they will be designed to limit the customer's use of multimedia features that consume a lot of wireless capacity. That will allow carriers to offer lower-priced data plans.

76 As Sales Drop Sharply, Kodak Misses Estimates

Eastman Kodak posted disappointing second-quarter results on Thursday as weak demand hurt its film and digital photography businesses, sending its shares down 12 percent.

Kodak said sales fell sharply as a global recession limited consumer spending on travel and other activities that spur the usage of cameras and snapshot printers.

Kodak's traditional film business continued to shrink, with sales falling 30 percent in the quarter, hurt in part by uncertainty over Hollywood labor talks, which have since been resolved.

Kodak posted a second-quarter loss of \$189 million, or 70 cents a share, compared with a profit of \$495 million, or \$1.72, a year earlier.

Excluding special items, the loss was 43 cents a share. Analysts, on average, expected a loss of 36 cents a share, according to Reuters Estimates.

Kodak said its gross profit margin fell to 18.5 percent, from 23.6 percent, as sales declined and intellectual property licensing royalties decreased.

Revenue fell 29 percent, to \$1.77 billion, from \$2.49 billion. Analysts expected \$1.83 billion, according to Reuters Estimates.

Analysts shared shareholders' lack of enthusiasm over the results, with several calling attention to Kodak's ability to generate cash. Kodak had negative cash flow of about \$158 million in the quarter.

Kodak has spent the last six years shifting its focus from cameras and traditional film to digital printing systems and long-life photographic ink. It has said it needs partners to further develop some of its cutting-edge technologies, like CMOS image sensors and superthin OLED screens, but tight credit markets have muted plans by other companies to invest in Kodak's commercial printing systems and services. Its shares fell 37 cents to \$2.91 on the New York Stock Exchange.

77 In a Quebecer's Heart, Pepsi Occupies a Special Place

In 1967 Charles de Gaulle created a media and diplomatic storm after he fueled Quebec's separatism by shouting "Vive le Quebec libre!" from a balcony at Montreal's city hall.

Last month the former French president's endorsement of a Quebec nation reappears in a television commercial selling Pepsi to the province's French-speaking majority.

The ad, which marks the soft drink maker's 75th anniversary in Canada, is in keeping with Pepsi's unusual history. Since the 1970s, Pepsi's Quebec bottling unit has gone its own way, using marketing that appeals, in various ways and with different degrees of subtlety, to the nationalistic sense of the province's French-speaking population.

Quebec is one of the developed world's few markets where the positions of Pepsi and Coca-Cola are reversed. According to ACNielsen MarketTrack, Pepsi's main brand commands 29.9 percent of the retail soft drink market in Quebec, based on volume, compared with 12.3 percent for Coke.

And all of the brands owned by Pepsi control just over 60 percent of the province's soft drink business – a dominance that even led to a common slur⁵⁰⁹. The Canadian Oxford dictionary defines “pepsi” as derogatory term for a French Canadian, “from the perceived Québécois preference for Pepsi-Cola.”

Until the 1970s, Pepsi followed the approach still used by most advertisers for the Quebec market. Television spots developed for English Canada were double-shot with French-speaking actors substituted if there were speaking roles. For other ads, it was simply a matter of changing onscreen text and substituting French voiceovers.

Perhaps there is no connection – certainly no one at Pepsi will draw the link – but Pepsi's intense focus on the Quebec market coincided with the political changes of the 1970s which eventually brought the separatist Parti Québécois to power and to many English-speaking residents leaving the province. While Pepsi was being promoted by Michael Jackson in the rest of the world 25 years ago, the company hired Claude Meunier, a moderately successful member of a Quebec comedy duo, to perform tiny sketch comedy pieces as Pepsi ads. Using broad, often slapstick humor, Mr. Meunier spoofed a variety of stereotypical Quebecers, including a hockey player who seemed to have taken one too many pucks to the head.

Mr. Meunier's characters often spoke slang-laden joul, a dialect that was once mostly heard in working-class, French neighborhoods of Montreal.

The ads turned Mr. Meunier into a big celebrity in Quebec and Pepsi became the province's top soft drink. (Unusually, Mr. Meunier still appears in some of Pepsi's Quebec ads, although since 2003 he has mainly promoted Diet Pepsi.) In recent years, the Quebec message has been more overt in ads. One mocks Quebec stereotypes from a peculiar provincial law that sets June 30 as the expiration date for most residential leases (and thus transforms July 1 into a chaotic, provincewide moving day) to a Quebec City so cold that an actor must consume a bottle of Pepsi as if it were a Popsicle.

English Canadians don't escape notice. One ad features a man that Pepsi describes simply as "a tourist" but who dresses unfashionably and acts in a manner that many Quebecers associate with English Canadians. He orders a Coke at a Quebec City restaurant, provoking evident hostility among the French-speaking patrons. Its tagline translates roughly as: "Here, it's Pepsi."

The cameo appearance of Charles de Gaulle is not the only portion of the fast-paced and largely humorous 75th anniversary commercial (created by BBDO Montreal), which might offend some. One sequence lumps images of Queen Elizabeth II, Canada's head of state (or more precisely her waving hand and her hat), and Pope John Paul II with Bonhomme, the snowman mascot of Quebec City's winter carnival.

While acknowledging that Pepsi's Quebec ads sometimes push limits in the interests of humor, Sylvain Charbonneau, vice president for Pepsi's Canadian bottling group and its director general for Quebec, said that during his 20 years with the company in Quebec, he had never known it to be second-guessed by the Canadian head office, which is in suburban Toronto.

"It's easier for us to have credibility with 60-point share, but that wasn't the case 25 years ago," he said in a boardroom at a recently upgraded bottling plant in an industrial area of Montreal. "They listen to us, give a chance to take risks, make mistakes. It was important for them to have someone who understands the market."

Coke has done some Quebec-specific advertising, although none for the last two years. In advance of next year's Winter Olympics, which will be held in Canada, David M. Moran, a spokesman for Coca-Cola Canada of Toronto,

said that the company would feature Quebec athletes in forthcoming commercials. He said the company had signed “a major Quebec celebrity” to act as a spokeswoman, although he declined to identify her.

While tailoring its message to French-speaking Quebecers has been successful for Quebec, Mr. Charbonneau acknowledges that the approach may not be appropriate for many companies.

“It’s more costly for a population of seven million to do a unique advertising campaign year after year,” he said. “It costs you more per capita than it would for the U.S. with 300 million people. But it pays out for us and Quebecers don’t mind laughing about themselves.”

78 Ads Follow Web Users, and Get Deeply Personal

For all the concern and uproar over online privacy, marketers and data companies have always known much more about consumers’ offline lives, like income, credit score, home ownership, even what car they drive and whether they have a hunting license. Recently, some of these companies have started connecting this mountain of information to consumers’ browsers.

The result is a sea change in the way consumers encounter the Web. Not only will people see customized advertising, they will see different versions of Web sites from other consumers and even receive different discount offers while shopping – all based on information from their offline history. Two women in adjoining offices could go to the same cosmetic site, but one might see a \$300 Missoni perfume, the other the house-brand lipstick on sale for \$2.

The technology that makes the connection is nothing new – it is a tiny piece of code called a cookie that is placed on a hard drive. But the information it holds is. And it is all done invisibly.

“Now, you’re traveling the Internet with a cookie that indicates you’re this type of consumer: age group X, income level, urban versus rural, presence

of children in the household,” said Trey Barrett, a product leader at Acxiom, one of the companies offering this linking to marketers.

Advertisers and marketers say this specificity is useful, taking out the guesswork involved in online-only profiling, and showing products to the people most likely to be interested. Retailers including Gap, Sephora and Victoria’s Secret are using this tactic.

But consumer advocates say such unseen tracking is troubling. On the old Internet, nobody knew you were a dog. On the new targeted Internet, they now know what kind of dog you are, your favorite leash³²³ color, the last time you had fleas and the date you were neutered.

“The industry’s love affair with persistent cookies has made it virtually impossible for users to go online without being tracked and profiled,” said Marc Rotenberg, executive director of the Electronic Privacy Information Center, in an e-mail message.

While Congress has been holding hearings on online privacy lately, the sessions have focused on online behavioral targeting. The industry has argued that no government intervention is needed, an argument that the Federal Trade Commission has so far accepted.

Consumers can avoid cookie-based tracking by deleting cookies from their computers or setting their browsers not to accept cookies. But few do, and privacy advocates say it is easy for companies to add cookies without users noticing.

For decades, data companies like Experian and Acxiom have compiled reams of information on every American: Acxiom estimates it has 1,500 pieces of data on every American, based on information from warranty cards, bridal and birth registries, magazine subscriptions, public records and even dog registrations with the American Kennel Club.

Patrick Williams, the publisher of the personal finance magazine *Worth*, recently asked Acxiom to find the names and addresses of 10,000 Americans from each of 11 cities who had houses worth more than \$1 million, net worth of over \$2 million, lived within a few miles of other rich people and subscribed to business publications.

“They are the scariest data research company around – they know far too much,” said Mr. Williams, who said he was very happy with the amount of information it gave him.

Companies like Acxiom and a competitor, Datran Media, make the connection between online and offline data when a person registers on a Web site or clicks through on an e-mail message from a marketer.

Datran’s cookies include 50 to 100 pieces of information. Both companies say cookie data is anonymous and generalized. Datran and Acxiom then sell advertising on Web sites like NBC.com, Facebook and Yahoo to companies that use their data.

For marketers, all this data is a boon. Beltone New England, a hearing-aid company, asked Datran to find people online who were 65 and over, owned a house, were head of a household, made more than \$35,000 a year and lived in New England so it could show them ads. Datran also tested the same ads with a wider group of people.

“What was surprising was we found the majority of responders turned out to be women 35 to 40 who had elderly parents at home,” said Perry Ebel, Beltone’s director of marketing and business development. He said he was changing his offline marketing to include that group.

By using real-world data online, marketers can customize messages even further – showing different products to people with different shopping habits, whether it is in ads, an e-mail message or in semipersonalized Web pages.

Rodale, which publishes books along with magazines like Men’s Health and Prevention, uses Acxiom data to help determine which promotional e-mails to send to which customers. Offers aimed at women might be accompanied by an e-mail message offering a Father’s Day subscription to Men’s Health for him and a free book on losing belly fat for her. Young men might get another offer – a book on sex positions. Some marketers are using offline data more subtly – for example, showing a budget shopper a discount offer and a regular shopper a full-price section.

“The people who buy less frequently and are most price-conscious may get a better deal than someone who buys more frequently, who would buy anyway,” said Christopher S. Marriott, global managing director of Acxiom Digital, a division of Acxiom.

Of course, shoppers would have little reason to think their experience or their ads are being personalized based on their home value or Volvo ownership.

“It is a little Big Brother-ish,” said Betsy Coggsell, 49, a social worker in Fullerton, Calif., who shops online regularly. Still, she said, she wasn’t shocked. “Every time you put out information about yourself – people have got to understand – it’s going to be collected by somebody.”

Some online companies avoid matching online and offline profiles. In 2000, DoubleClick abandoned plans to connect online and offline data after a huge outcry. Google, which later acquired DoubleClick, has been conducting studies that connect the two areas, but it does not currently collect or serve ads based on such personal information without user permission, Sandra Heikkinen, a Google spokeswoman, said.

While Acxiom, Datran and some of their partners address their use of tracking in their privacy policies, such policies have become worthless, Mr. Rotenberg said. “Real transparency means that the user gets access to the information, not to a policy about the information,” he said.

Paul M. Schwartz, a law professor and privacy expert at the law school of the University of California, Berkeley, said the unwitting participation by consumers makes online marketing different from offline.

“Interactive media really gets into this creepy Orwellian thing, where it’s a record of our thoughts on the way to decision-making,” he said. “We’re like the data-input clerks now for the industry.”

79 With WiMax, Walking on the Wireless Side in Baltimore

Baltimore, the home of the hapless Orioles and a favorite backdrop for so-called realistic TV crime dramas, just happens to be one of the most

wired cities in the country. It ascended to the throne after Clearwire introduced WiMax service last winter, giving the city a preview of what the company is slowly building throughout the country.

Calling the city “wired” is not quite accurate because, HBO series aside, WiMax has little to do with copper; it delivers the Internet through radio signals broadcast from cellphone towers. The service is much faster, though, than what many cellphone networks currently provide with their 3G networks. Indeed, WiMax delivers speeds much faster than many DSL circuits, rivaling many cable modems. I often clock downloads at 6 megabits per second (equivalent to basic cable service in many areas) and uploads at faster than 1 megabit per second.

Sprint, one of the owners of Clearwire, calls WiMax a “4G network” to distinguish it from the 3G networks that connect smartphones and offer speeds from 0.4 to 1 megabit per second. To make matters a bit more confusing, Clearwire sells “pre-WiMax” service in 47 cities at speeds that top out at 2 megabits per second. In an effort to clarify the matter, Clearwire is using the brand name “Clear” to apply to full WiMax service.

For the last six months, I’ve used a full WiMax/4G equipped netbook to test the service around Baltimore. The Acer Aspire One with a Sprint U300 WiMax card I used is an ideal companion for sending and receiving e-mail messages. It’s small enough to take almost everywhere but it’s large enough to act like a PC – a PC that’s always connected to a very big Wi-Fi hotspot.

Adding WiMax to a laptop may make it easier to read e-mail messages often, but the real value of the bandwidth becomes apparent when the PC does something more than just send text. VoIP software like Skype turns it into a video phone, a browser pointed at Hulu acts like a television that can fetch shows on command and there’s also GPS service for finding directions. It’s a smartphone with a normal keyboard and a very open software marketplace. All of the PC software built for the desktop also works with the small package.

The U300 attaches to any laptop, but Netbook manufacturers are offering more and more machines with built-in cards. Lenovo, for instance, will add the WiMax/Wi-Fi Link 5150 card to some of their laptops for an additional \$30. Prices vary depending on the model.

WiMax is also one of the first wireless services that's being actively marketed to people sitting on their couches at home. Xohm, the brand name originally given to Baltimore's WiMax service (it's now being merged into Clearwire and the Xohm brand will disappear), sells a home base station meant to compete directly with DSL or cable for \$35 a month, and sometimes there is a short-term discount. A base station and a laptop card together cost \$50 a month. The service options are getting complicated and the prices vary in different communities. Comcast, another investor in Clearwire, is starting a wireless service in Portland, Ore., under its own brand name. It will charge \$50 a month for service within Portland that is promised to deliver downloads at a rate of 4 megabits per second.

Sprint also sells a card that offers both 4G service where WiMax is available and 3G service where Sprint's cellphone network is all that's there. It's a better choice for anyone who travels outside of the cities where WiMax is appearing. Sprint charges \$80 for the modem and \$80 a month for the service.

The WiMax coverage in Baltimore is good but far from comprehensive. The signal blankets downtown and many of the neighborhoods, but it stops just a few blocks from my house. The cellphone tower is on one side of the hill and my house is on the other. Clearwire says that it is slowly expanding coverage but I've seen little change in the map over the last few months.

WiMax can also suffer from the same problems that affect all wireless services. Rain and snow absorb the signal, reducing the quality of the service during storms, an effect the industry calls "rain fade." Trees and other plants are filled with water and can cause the same problems even when the sun is shining. Thick walls are also a challenge. Being closer to the tower is always better for service. All of these effects work together, so it's no surprise that the maps of WiMax service show that early deployment is concentrated in the densest part of the city where trees are rare. That's where the most people will find the best reception.

But wireless also comes with advantages. I've averaged about one visit from the phone or cable company every year or so because the copper wires coming to my house need their care. Both services require internal wiring that must either be fished through the walls or the baseboard. Wireless service to the home avoids these problems.

The Xohm/Clearwire base station can sit anywhere in the house and it can even be moved, but putting it on a higher floor near a window improves service. If the house isn't near the tower, it may even help to put it on the closest side of the house where there's no dense foliage in the path. Using the WiMax laptop card alone also works under the same conditions.

The more I used the laptop while traveling around the city, the more aware I became of the time it took Windows to start. While the Internet service may be available everywhere, it took several painful minutes for Windows to boot up. To make matters worse, the U300 card needs its own minute or so to look for a signal.

Some netbook manufacturers are experimenting with adding a simpler operating system that can start much faster than Microsoft Windows. These machines can boot up in less than 10 seconds but only by loading a lightweight operating system that offers a few basic services like a Web browser or Skype. The full version of Windows is still available if you need it. Needless to say, offering such a start-up time will change the utility of these micro-laptops considerably.

Speeding the start-up time will be crucial if the netbooks want to compete with smartphones for casual use by people on the go. The bandwidth is ready to supply full-size applications that augment reality with an endless heavy stream of data. Scott Richardson, chief strategy officer of Clearwire, told me: "I did a demonstration in Portland with some computer industry guys. I was driving down a road going 60 miles per hour and I got a 14 megabits-per-second download."

Portland came online in January of this year and Clearwire just announced that it was selling service in Atlanta and Las Vegas a few weeks ago. This isn't the end. Clearwire says it's on to Chicago, Dallas-Fort Worth, Honolulu, Seattle and Charlotte, N.C. They're all fine cities, even if they don't all have the same level of baseball and the same fertile source of inspiration for narrative crime dramas.

80 When Auto Plants Close, Only White Elephants Remain

The sheer size of the sites has inspired grand visions for redevelopment – a \$1 billion football stadium, a huge Hollywood movie studio, even the world's largest indoor tennis complex.

But for the communities saddled with a huge, empty auto plant, the reality is dismal¹⁶⁹.

Abandoned car factories, sprawling over hundreds of acres, often stand vacant for years awaiting demolition, environmental cleanup and a willing developer.

Since 2004, General Motors, Ford and Chrysler have closed 22 major auto plants in the United States. Only eight of those have found buyers. And in the wake of the G.M. and Chrysler bankruptcies, another 16 plants will be shut by 2011.

The most optimistic redevelopment proposals, like a football stadium for the Atlanta Falcons or a movie studio in the small Michigan town of Wixom, a Detroit suburb, are long shots at best.

“The plants, whether they’re still standing or reoccupied, are always going to be a haunting reminder of what we were, what we’ve gone through, and where we still need to go,” said Representative Thaddeus McCotter, Republican of Michigan, whose district includes an old Ford plant in Wixom and a G.M. plant that will soon close.

Even sites in attractive locations are hard to sell in the weak economy. With so many companies being squeezed financially, there is a glut²⁵⁹ of available commercial real estate.

“Even if you only go back three or four years, it was easier than today,” said Phil Horlock, head of Ford’s land development division.

The loss to the local community when a plant closes goes well beyond jobs. Tax revenue evaporates and related businesses vanish.

Industry analysts estimate that each job in a plant helps create another five to seven jobs.

“Some of those are direct suppliers, but then there are places that workers spend money, like grocery stores, restaurants and day care,” said Kristin Dziczek of the Center for Automotive Research in Ann Arbor, Mich.

Ford’s 4.7-million-square-foot Wixom factory, which closed in 2007, was the company’s largest assembly plant in the United States. More than six million cars were built there over 50 years.

At its peak in the late 1980s, the factory employed nearly 4,000. Now it’s an empty shell of rusting corrugated metal, surrounded by desolate parking lots and a barbed wire fence.

The plant fronts an Interstate highway, and stretches almost a mile along Wixom Road. It once provided 40 percent of the town’s property taxes, but now accounts for less than 15 percent.

The town has about 13,000 residents, and relied heavily on the paychecks of plant workers.

“When it closed, a lot of businesses around us closed too,” said Moe Leon, owner of the Bullseye Sports Bar and Grill on Wixom Road. “We’re fighting night and day to stay above water.”

Last year, a team of executives from Warner Brothers toured the plant as a potential site for a new studio. Other developers have floated proposals for a hotel, an ice hockey arena and a business district devoted to green technology.

Ford officials said several ideas were under consideration, but there was no timetable for a sale.

Mr. Horlock said Ford had sold five large factories in the last five years. He said the company generally did not raze a plant, or begin to clean up any toxic wastes, until a deal was sealed.

The auto company sold one assembly plant, in Lorain, Ohio, to a developer who leases out space to small industrial firms. Honda, a competitor

of Ford's with two assembly plants in Ohio, recently started storing excess inventory of cars and minivans in the plant's parking lots. But most closed plants languish.

After G.M. closed a factory in Doraville, Ga., last year, there was an initial rush of interest from developers. One of them suggested the site be used for a new stadium for the National Football League's Falcons, but the team's owners have so far shown little enthusiasm for that idea.

Luke Howe, an assistant to Doraville's mayor, said other proposals for the 165-acre site range "from the ridiculous to the sublime," and no developers had come forward with adequate financing.

"We knew it would be a lengthy process," he said. "It just happened to fall during one of the worst economic times."

But some factory sites have remained vacant through good times as well – a sign of just how difficult it is to create a second life for them.

G.M. demolished most of its giant Buick City manufacturing complex in Flint, Mich., a decade ago. The 200-acre property appeared to finally have a future as a transportation hub for long-haul trucks and rail cars, but G.M. could not complete a deal before filing for bankruptcy on June. 1.

The Flint site, along with dozens of other factories and properties, is part of the old G.M. that is still in bankruptcy and will most likely be sold, eventually, in the liquidation process. The company's best assets were transferred to a new corporate entity that now operates as General Motors. Auto companies sell their old plants for a song, compared to what they put into them. The government in Oklahoma County, which covers much of Oklahoma City, for example, paid \$55 million last year for a four-million-square-foot plant that will be leased to the United States Air Force to expand a nearby base. Just eight years ago, G.M. invested \$700 million in the plant to modernize it.

Environmental problems can also hamper a sale. While every plant has different pollution issues, G.M.'s restructuring chief, Albert A. Koch, estimated in bankruptcy court that the company's liabilities for all its closed sites was \$530 million.

One old G.M. plant that has found a new life is in Linden, N.J. The company shut down the factory in 2005, demolished it two years ago, and sold it to a developer for a mixed-use project called Legacy Square.

The 104-acre site will be anchored by a Super Wal-Mart store, and ultimately will pay more taxes to the city than G.M. did.

But the 2,400 permanent jobs will fall far short of the 6,000 workers that G.M. once employed in the city.

“The United Auto Workers had very high-paying jobs there, and those will not be comparable to the jobs that are going to be in the shopping mall,” said Linden’s mayor, Richard J. Gerbounka.

But, he added, “We’re better off than having 104 acres of vacant property sitting there.”

The worst of the empty auto plants is located, perhaps fittingly, on the downtrodden east side of Detroit.

The 3.5-million-square-foot factory has been crumbling since the Packard Motor Car Company closed its doors more than 50 years ago. Trees grow on the plant’s roof, and chunks of concrete regularly fall from the bridge that connects two of its buildings.

Trespassers often explore its rotted interior, and photographs and videos of the ruins are easily found on the Internet.

Vandals have set fires several times this year in the piles of wooden pallets, tires and garbage that litter the complex. It is not unusual to see clouds of thick smoke pouring from the building on a summer evening.

81 A Primary for Senator? Get Serious

The Empire State is a splendid nickname for New York, maybe perfect. Some leading political lights act as if the state is their empire, not part of a republic in which supreme power is supposed to rest with its citizens.

Democratic Party elders have worked overtime to keep Kirsten E. Gillibrand, New York's appointed junior senator, from facing any serious threat in a 2010 primary. With a mighty assist from the Obama White House, they have tried to frighten off anyone who could give her a tough run. They seem quite good at being scary. A Long Island congressman, Steve Israel, got the message and dropped all thoughts of a race. So did Scott M. Stringer, the Manhattan borough president.

A few people may yet run. But the only one with reasonably broad name recognition is Representative Carolyn B. Maloney of the Upper East Side.

Ms. Maloney has made a big deal of saying that she will announce her candidacy. A formal declaration of sorts was expected early this week. Nothing happened. Those who pay attention to these things have been left to wonder if an announcement is still to come, or if waiting for Ms. Maloney ranks with waiting for Godot. Or maybe Guffman.

Whatever the congresswoman decides, the Empire State's Democratic chieftains could not be blunter about their druthers: They don't want Ms. Gillibrand to break into so much as a mild sweat in a primary.

Politicians are always prattling on about the glories of democracy. They boast about how they got rid of those nasty smoke-filled back rooms, where sebaceous party hacks used to select the candidates, and replaced them with primaries and with openness.

Truth is, politicians hate primaries. Those who are in command do, anyway. They go out of their way to knock off anyone who opposes their preferred candidates, apparently in the belief that matters of such weight cannot be left to lesser mortals, sometimes known as voters.

In this regard, New York Republicans and Democrats are equal offenders. The state Republicans under Gov. George E. Pataki worked hard to shut

out any challenge to their designated favorites in the state's presidential primaries: Bob Dole in 1996 and George W. Bush in 2000. Party bosses would have gotten their way, too, had the courts not intervened and said, uh-uh.

With Ms. Gillibrand, the Democratic desire to eliminate democratic competition is especially striking because not a single voter has had a chance to pass judgment on whether she belongs in the United States Senate.

It's not just that she was appointed. The man who named her, Gov. David A. Paterson, was not elected to his own office. It's a double whammy, intensified for some New Yorkers by Ms. Gillibrand's – how to put it – demonstrated flexibility on certain core issues.

"What's the point of a Democratic primary if we don't use that process?" said Liz J. Abzug, a political consultant who supports Ms. Maloney and has opposed those trying to keep the congresswoman out of the running.

WHEN sheer political muscle doesn't bump off would-be contenders, pettifoggers can be counted on to limit ballot access, even with incumbents.

We just saw an example of this in the Democratic primary race for public advocate. City Councilman Bill de Blasio had collected enough voter signatures to choke a stable of horses. Yet the city's Board of Elections knocked him off the ballot because his papers contained a meaningless typo. After a few days, common sense prevailed; the board let Mr. de Blasio back in the race.

But it has stood by its decision to shut out City Councilman Alan J. Gerson, who is seeking re-election in Lower Manhattan. Mr. Gerson also had some sloppy paperwork. He plans to ask a state court next week to restore him to the Democratic primary ballot.

His lawyer is Lawrence A. Mandelker, who did the Republican leaders' handiwork back when they tried to lock unfavored candidates out of those presidential primaries. He has changed, Mr. Mandelker said. His conversion hardly compares to that of St. Paul on the road to Damascus. Still, he said, working to keep qualified people off ballots "becomes more tawdry the older you get."

But then, the words "tawdry" and "politics" tend to find each other in the Empire State, whose motto is "Excelsior," often translated from the Latin as "Ever Upward." Perhaps "Exasperate" would be more on the money.

82 Obama and Sister to Share a Town

The far-flung Obama clan¹⁰² is coming closer together. President Obama's half-sister, Maya Soetoro-Ng, is moving her family here from Hawaii and will spend the next several months living in the nation's capital, White House officials say.

The extended stay means that the siblings will live in the same city, at least for a while, for the first time in years.

Ms. Soetoro-Ng, who has given up her job as a high school teacher in Hawaii, has a book contract and a new baby. Her husband, Konrad Ng, a professor at the University of Hawaii, will become the scholar-in-residence at the Smithsonian Institution's Asian Pacific American Program here next month.

Museum officials say Mr. Ng will stay in Washington through December, when he will return with his family to Hawaii. There, he will complete his yearlong term as resident scholar. The family is not expected to move into the White House, though they are very close to the Obamas.

"Maya made many trips to Chicago and elsewhere throughout the campaign, and she and her brother have a great relationship," said Alan S. King, a lawyer in Chicago who is a friend of Mr. Obama.

Mr. King said he believed that the president would be "very happy to have Maya and her family close by."

Katie McCormick Lelyveld, a spokeswoman for Michelle Obama, said Ms. Soetoro-Ng was unavailable for comment on Thursday.

In a recent interview, Ms. Soetoro-Ng, 38, described the first lady as a "big sister" figure in her life. And Ms. Soetoro-Ng, who campaigned on Mr. Obama's behalf before the presidential election, has often spoken warmly about her relationship with her older brother, which she says has remained strong even though they have often lived far apart.

The siblings, who share the same mother, Stanley Ann Dunham Soetoro, spent several years together in Indonesia and in Hawaii before Ms. Dunham decided to return to Indonesia with Ms. Soetoro-Ng while Mr. Obama remained in Hawaii with his grandparents. (Ms. Soetoro-Ng's father was Indonesian; Mr. Obama's father was Kenyan.)

Still, Ms. Soetoro-Ng has said, they always stayed connected.

Growing up, she said, Mr. Obama introduced her to music, literature and new neighborhoods. He helped her decide which dates she should keep and which she should ditch. He spoke at her wedding and helped her grieve when her father died.

As adults, they often celebrated Christmas in Hawaii, playing Scrabble – Mr. Obama trounced ⁵⁶³ her in an intense match the month before the Iowa caucuses – and savoring time with their families.

And after their mother died of ovarian cancer in 1995, they stood together near the water's edge in Hawaii and scattered her ashes in the Pacific.

“He's someone who really enlarged my perspective,” Ms. Soetoro-Ng told the Canadian television network CTV in November.

“He took me to colleges around the country to help me make a good decision about where to go to school,” she said. “He took me with him to go work in the South Side of Chicago and to help communities and to do voter registration and showed me that it was important to be active and to be an activist.”

Since the presidential election, Ms. Soetoro-Ng has spoken at several universities in California, emphasizing the role that educators can play in promoting diversity and conflict resolution.

In April, she landed a contract from Candlewick Press of Cambridge, Mass., to write a children's book, “Ladder to the Moon,” that is inspired by her mother and her 4-year-old daughter, Suhaila. She is also working on a book about peace education and conflict resolution in high schools.

School officials at La Pietra Hawaii School for Girls, where Ms. Soetoro-Ng taught history, said she left her job when her contract ended at the end of the school year. And she has already spent some time here this summer.

In June, she served on the President's Commission on White House Fellowships, which selects talented young people to spend a year working for senior White House staff members and other officials.

83 House Bucks President on Spending for Military

The House on Thursday approved President Obama's plan to kill the F-22 fighter jet. But Democratic leaders bucked White House veto threats on other programs, and they heatedly rejected a Republican effort to strip more than 550 earmarked expenditures from the \$636 billion military bill.

Mr. Obama and other political leaders had hailed ²⁶⁴ last week's vote in the Senate to cancel the F-22 as a sign of their progress in changing military spending practices.

But in sometimes tense exchanges on the House floor on Thursday, two Republicans, Representatives Jeff Flake of Arizona and John Campbell of California, sought to embarrass some other representatives and to suggest that little had changed in how Congress pushes pet military projects.

While the House voted 269 to 165 to approve an amendment that stripped out money for building more F-22s, it overwhelmingly rejected efforts by Mr. Flake and Mr. Campbell to cut up to \$2.7 billion in earmarks, including money that lawmakers had inserted on behalf of specific companies on 553 smaller projects.

The bill also included more than \$1 billion to continue work on larger projects the administration wants to kill, like a new presidential helicopter, and nearly \$1.2 billion for combat planes that the Pentagon did not request.

But in an echo of the Republican accusations of pork-barrel spending in the huge economic stimulus package this year, much of the debate on the military bill focused on earmarks like \$1.5 million for a gunshot-detection system and \$8 million for a project to upgrade torpedo capabilities.

Mr. Flake said \$200 million of the earmarks were requested by companies that had been clients of the PMA Group, a lobbying firm that is under investigation over its ties to several congressmen, including Representative John P. Murtha, the influential Pennsylvania Democrat who was in charge of the bill.

Mr. Flake, a longtime critic of earmarks, said some of the companies had performed poorly on government work. He also said many of the companies had raised substantial amounts of campaign money for Mr. Murtha and others legislators, including Republicans, who sponsored their projects.

“That simply doesn’t look right,” Mr. Flake said, adding that the House “ought to want to have a higher standard.”

Mr. Murtha, who put together the bill as the chairman of the House military appropriations subcommittee, defended the practice and lashed out at Mr. Flake.

Mr. Murtha said he had long sought earmarks as a way to create jobs in Pennsylvania. He said the state had sent a disproportionate number of soldiers to Iraq and Afghanistan compared with the level of military contracts it had typically received.

He said that he had an obligation to bring work to the small businesses in his area and that some of the earmarks, like \$2.2 million for body-armor research, grew out of his visits with troops in Afghanistan and with wounded troops in hospitals.

“I’m not sure how often Mr. Flake goes to the hospital,” Mr. Murtha said.

Mr. Murtha, who was visibly angry, said several times that the bill included language instructing the Pentagon to seek competitive bids on the earmarked projects, and other lawmakers noted that Congress has the final say on spending decisions.

But Mr. Flake said that in the past, most companies that had sought the earmarks ended up with the contracts.

The overall bill, which would set military appropriations for 2010, passed by 400 to 30. The Senate will take up its version later this year, and the two bills will need to be reconciled in conference.

Mr. Obama had repeatedly threatened to veto any bill that included more money for the F-22, the world's most advanced fighter, as the Pentagon seeks to shift more from high-tech weaponry to simpler systems the troops can use now.

After the Senate voted 58 to 40 last week to cancel the F-22, Mr. Murtha decided to give up the fight for it as well. He offered the amendment on Thursday that removed \$369 million for parts, which had been meant to be a down payment toward 12 more planes.

The administration has also received support from Congress to scale back a \$160 billion Army modernization plan and other programs.

But the White House warned this week that the president's advisers would consider recommending a veto if the House went ahead with plans – as it did Thursday – to try to save the troubled effort to create a new presidential helicopter and to finance development of an alternative engine for another new fighter plane, the F-35.

After Thursday's vote, Tommy Vietor, a White House spokesman, said the president had asked for a review of the House bill, including the earmarks.

Mr. Vietor said that over all, Congressional spending bills included 25 percent fewer earmarks this year than last year.

Still, he said, "We knew from the start that changing the old ways of Washington would not happen overnight."

84 'Clunkers' Auto Rebate⁴⁴⁴ Plan So Popular That It's Broke

New-car shoppers appear to have already snapped up all the \$1 billion that Congress appropriated for the “cash for clunkers” program, leading the Transportation Department to tell auto dealers Thursday night to stop offering the rebates.

But a White House official said the program had not been suspended, creating confusion about its status. The program offers \$3,500 to \$4,500 for people who trade in an old car for a new one with higher fuel economy.

In a statement issued Thursday evening, Robert Gibbs, the White House press secretary, said: “We are working tonight to assess the situation facing what is obviously an incredibly popular program. Auto dealers and consumers should have confidence that all valid CARS transactions that have taken place to date will be honored.”

The program, formally known as the Car Allowance Rebate System, was scheduled to be offered until Nov. 1, or as long as the money was available. But the program was so successful that it has exhausted all the money allocated within the first week. Dealers have submitted applications on behalf of consumers seeking rebates on about a quarter-million vehicles.

The National Automobile Dealers Association surveyed its members in recent days and warned the Transportation Department on Thursday that it had a very large backlog of applications, said Bailey Wood, a spokesman for the association.

Late in the day, the group said the Transportation Department had responded by telling it to stop taking applications at midnight. The government and the dealers were concerned that buyers would close trade-in deals to buy new cars assuming they had a big rebate coming only to discover later that money was not available.

The dealers' group said late Thursday night that it had not heard about the White House policy reversing the decision. Mr. Wood said that his group would ask Congress and the White House to add money to the plan.

Transportation Secretary Ray LaHood has already been making calls to members of Congress, telling them about the situation. The Michigan delegation was planning a meeting Friday morning to discuss the situation, a Congressional aide said.

On Thursday evening, the government Web site describing the program, www.cars.gov, still showed a chart shaped like a fuel gauge that indicated \$779 million was available for trade-ins of cars and light trucks. Earlier Thursday, the Transportation Department issued a news release that said that applications for fewer than 23,000 vehicles had been submitted as of Wednesday, with a rebate value of just under \$100 million.

The Transportation Department had begun accepting applications for the rebates on Monday, when rules putting the program in place took effect. But car dealers had been accumulating the applications since July 1, when Congress put the law into effect.

The program had two goals: aiding the ailing car industry and improving fuel economy of the vehicles on the road.

Cars submitted under the program were to be junked³¹⁴. They had to be less than 25 years old and have a fuel economy, as rated by the window sticker, of 18 miles a gallon or less.

The size of the rebate depended on the fuel economy of the replacement vehicle. Consumers were also supposed to receive the scrap value of their trade-ins.

From the dealers' point of view, the program was a resounding success.

"Two hundred and fifty thousand vehicles in four weeks?" Mr. Wood said. "One word comes out of my mouth: Wow."

As word spread unofficially on Thursday night, car dealers were suddenly unsure of what to tell would-be buyers.

A Ford dealership in Paramus, N.J., did not know of the apparent suspension until a reporter called seeking comment.

Other dealers said they had no idea what the status of the program was, or whether the deals that they had already signed would be honored by the government. Some said they were notified by e-mail message by fellow dealers.

The dealers' association, however, had been warning that the money would go quickly.

Under the program, a buyer who picked a car with a mileage improvement of more than four miles per gallon but less than 10 were eligible for \$3,500; a buyer whose new vehicle was rated 10 miles per gallon or better than the old one was eligible for \$4,500.

Until the cash-for-clunkers program began, the auto industry had been on track for annual sales of about 10 million units, down from the peak of about 16 million units a year.

85 In House, Freshman Democrats Make a Stand

It took Representative Dan Maffei of New York two tries, \$4 million and the retirement of a Republican incumbent²⁹¹ to win his House seat last year. After all that, he wants to avoid becoming a one-term wonder because of an unpopular vote on health care.

“We can’t afford to make enemies,” said Mr. Maffei, a former Congressional aide and a Democratic member of the freshman class that played a role this week in slowing House consideration of a health insurance overhaul, upending plans by Speaker Nancy Pelosi to meet President Obama’s goal of approving a bill before the August recess.

Of 35 first-term Democrats, Mr. Maffei, who represents the Syracuse area, and 25 others occupy suburban, small-town and rural seats they took out of Republican hands, seats Republicans are eager to take back. As a result, junior Democrats want to be sure the emerging health care plan is one they can embrace, particularly after they have already had to cast a difficult vote on climate-change legislation.

“As long as I feel comfortable that I had the opportunity to address issues that I have raised, I am willing to take the tough vote,” said Representative Frank Kratovil Jr., Democrat of Maryland. “What I am not willing to do is follow the lead simply to follow the lead.”

As the House prepared to leave town until after Labor Day, the health bill was taking on some of the ideological hue of House freshmen, many of whom represent districts in Southern and Western states that were previously out of reach of Democrats, far from the urban centers that have long been the party’s base.

But the changes in the health care legislation have already provoked a backlash from the party’s progressive wing, setting up an August struggle not only with Republicans but also among Democrats for the overall direction of the health plan.

Working somewhat as a bloc, and also through other groups like the fiscally conservative Blue Dogs, the freshmen helped not only to postpone a floor vote but also to spur concessions on cost and regional disparities. In addition, in response to freshman demands, party leaders are talking about raising the threshold for any surtaxes that could hit small businesses.

“On issues where we agree, we are not afraid to speak out together and flex our muscles,” said Representative Jared Polis, Democrat of Colorado and an author of a letter to Ms. Pelosi challenging the proposed surtax. “And one of those issues in the context of the health care debate was speaking out against tax increases we saw as too expensive.”

Typically, Congressional freshmen are more seen than heard. But the political precariousness and the sheer size of the freshman class – along with the sophomores elected in 2006, they represent the difference between a Democratic majority and minority – give them more sway than usual.

“They are influential,” said Representative Steny H. Hoyer of Maryland, the majority leader, who helps tend to the care and feeding of the freshmen. “One of the concerns of the freshmen was to give them time, so they are getting time.”

“It gives them an opportunity to explain to their constituents their views of the bill, and secondly, they have more time to figure out what changes,

if any, they need to effect,” said Mr. Hoyer, who is urging the freshmen to take the offensive on health care and emphasize the potential benefits of the overhaul.

In an indication of the importance attached to the class, Speaker Pelosi meets weekly with the freshmen for a Wednesday breakfast. Representative Chris Van Hollen of Maryland, the chairman of the Democratic Congressional Campaign Committee, is sending them home for August with a briefing package that offers recommendations on how to sell the health care plan.

To hear Republicans talk, the freshmen are going to need each recommendation.

“I think it’s safe to say that over the August recess, as more Americans learn more about their plan, they’re likely to have a very, very hot summer,” Representative John A. Boehner of Ohio, the House Republican leader, said Thursday.

Republican strategists are planning a monthlong assault on Democrats deemed to be vulnerable, and many freshmen are at the top of the list.

Not only is the first re-election campaign considered the best opportunity to beat an incumbent, but freshmen from formerly Republican districts in states like Virginia, Ohio and Pennsylvania have already been under the gun over the climate-change legislation. Thirteen of the 35 districts now held by Democratic freshmen were carried by the Republican candidate for president in 2008.

Republicans say they do not believe that any modifications to the health plan will be enough to protect Democrats.

“If Democrats think that their situation is improving on health care, then they haven’t been reading the polls,” said Ken Spain, a spokesman for the National Republican Congressional Committee.

Mr. Spain called the emerging bill “political malpractice for a Democrat in even the safest of seats.”

But some of the freshmen say they are willing to take the heat as long as they can have some say in shaping the legislation.

“We wanted to tackle the problems that neither party has had the guts to face for the last few decades, and we are ready to take them on even if that is unpopular,” said Representative Tom Perriello, a Virginia freshman who narrowly defeated a Republican incumbent. “But only if we feel what we are doing is actually solving the problem and not just patching it up.”

Mr. Perriello said August could amount to a monthlong town-hall-style meeting to allow Democrats to explore health care with residents of their districts. He and other freshmen said that as recent survivors of competitive races, they had a good sense of how to gauge public opinion and act accordingly.

“We all just finished very tough races,” said Representative Jim Himes of Connecticut. “Very few of us are in safe Democratic districts. So we listen very, very hard.”

86 Wal-Mart Contests Use of Name by Canadian Union

Wal-Mart’s feelings about unions in its stores are well known. In Quebec, the company does not want a union even breathing its name.

Wal-Mart Canada has asked a Quebec court to stop a union Web site from using the company’s name, color schemes, a variation of its logo, a parody of its slogan and even photographs of people wearing blue vests.

Wal-Mart says that it is seeking the injunction only to protect its trademarks. But the United Food and Commercial Workers Canada, which represents employees at the retailer’s only North American store with a union contract, said on Wednesday that the company was trying to thwart its organizing efforts.

“This injunction request is an over-the-top assault on freedom of speech and on our ability to effectively communicate with Wal-Mart workers,” Wayne

Hanley, the union's president for Canada said in a statement. "Wal-Mart's response to the success of www.walmartworkerscanada.ca is just another outrageous³⁸⁴ example of how the largest retailer in the history of the world will use its bottomless legal budget to manipulate the collective bargaining process and do just about anything to discourage its associates from joining the union."

Andrew Pelletier, a spokesman for Wal-Mart Canada, said a recent redesign of the union's Web site "in a way we feel infringes²⁹⁶ on our trademark" led the company to seek an injunction.

"If you don't take steps to protect your trademark, the trademark becomes vulnerable," Mr. Pelletier said from Mississauga, Ontario, where the Canadian unit is based. "Anyone who knows Wal-Mart knows we are an advocate of free speech and open communication."

Derek Johnstone, a spokesman for the union, said the Web site was set up in 2003. Its contents are directed at Wal-Mart employees, he said, and are a mixture of negative articles about the company's labor practices and advice about legal rights under Canadian labor laws.

Next to a large union logo, the Web site features a variation of Wal-Mart's current symbol in which a circle of stick people holding hands replaces a ring of sticks. Next to a photograph of three people wearing blue vests is the slogan "Get Respect. Live Better!," a play on Wal-Mart's "Save Money. Live Better."

On Wednesday, the union added banners reading "Under the Threat of Censorship" to the Web site.

Ariel Katz, a professor of intellectual property and Internet law at the University of Toronto, said that Canadian courts had often sided with companies in trademark and copyright lawsuits against unions.

"It's a very serious issue, the extent to which trademark law can be used to silence speech," he said. "The basic question of trademark is whether people who view the Web site would think it is sponsored by Wal-Mart."

In one prominent case, the Federal Court of Canada ruled in 1996 that the Canadian Auto Workers union had violated Michelin's copyright with fliers

and posters depicting Bibendum, the Michelin tire man, about to stomp⁵²⁹ on a workers.

But Professor Katz said a recent Supreme Court of Canada decision about photocopying may strengthen the union's case against Wal-Mart.

While both the Canadian branches of the union and Wal-Mart are based in Ontario, the company has filed its complaint with the Quebec Superior Court. Mr. Pelletier said that was partly because the Web site was in French as well as English "and in our experience Quebec courts have the most expedient processes in resolving lawsuits of this nature."

Quebec is also the province where the union has been most successful.

In addition to the Wal-Mart store near Montreal, which received a court-imposed contract this spring, the union has organized at another Wal-Mart store and a Wal-Mart tire center. A court is also hearing a union challenge to Wal-Mart's decision to close a store in the province after a successful union drive.

This week, the United Food and Commercial Workers added its own variation of the disputed Michelin ad: an animated video on their Web site in which a man and a woman are crushed by a giant boot labeled "Walmart's Army of Lawyers."

87 China to Try Suspects Held After Riots

China will begin trials in the next few weeks for suspects it accuses of playing a role in the deadly riots that shook the capital of the Xinjiang region in early July, state media outlets reported Friday.

The English-language China Daily newspaper said officials were organizing special tribunals to weigh the fate of "a small number" of the 1,400 people who have been detained, most of them Uighurs, a Turkic-speaking Muslim minority whom security forces have blamed for much of the killing.

Earlier this week, the authorities arrested an additional 253 suspects, many through tips provided by residents of Urumqi, the regional capital where the violence took place. On Thursday, the authorities published the photographs of an additional 15 people, all but one of them Uighur, who they say had a hand in the unrest. Those who provide information leading to an arrest can collect as much as \$7,350 in reward money.

“The police urged the suspects to turn themselves in,” China Daily wrote, quoting an unidentified law enforcement official. “Those who do so within 10 days will be dealt with leniently, while others will be punished severely.”

In the days after the riots, the head of the Communist Party in Urumqi was blunt about what awaits those convicted of the most serious offenses. “To those who have committed crimes with cruel means, we will execute them,” said the official, Li Zhi.

The riots, the worst outbreak of ethnic strife in China’s recent history, began July 5 after protests over the deaths of Uighur factory workers in another part of China turned into a murderous rampage⁴⁴³. The violence, which lasted three days, claimed 197 lives, most of them Han Chinese beaten to death on the streets, according to the government. The Han are the dominant ethnic group in China.

Uighur advocates overseas, however, insist that the official death toll undercounts the number of Uighurs killed by the paramilitary police and during revenge attacks by the Han that followed the initial rioting.

China has accused outsiders of instigating the unrest, heaping most of the blame on Rebiya Kadeer, the 62-year-old leader of the World Uighur Congress, which advocates self-determination for China’s Uighurs. They say Ms. Kadeer, a businesswoman who spent years in a Chinese jail before going into exile, organized the killings from her home in Washington.

In recent weeks Ms. Kadeer has been on an aggressive campaign to convince the world that her people are the primary victims of the rioting. During a visit to Japan on Wednesday, she told reporters that 10,000 people had disappeared overnight in the days following the unrest. “Where did they go?” she asked. “Were they all killed or sent somewhere? The Chinese government should disclose what happened to them.”

Her claims have infuriated China, with one official in Xinjiang describing her remarks as “completely fabricated²¹⁷.” Ms. Kadeer says she cannot reveal the source of her information because to do so would endanger those who provided it.

If the trials that followed the 2008 riots in Tibet are any guide, the court hearings in Xinjiang will be swift. According to China Daily, the accused will be appointed lawyers who have “received special training,” as have the judges who will preside over the cases. Each trial will be heard by a panel of three or seven judges, and the majority opinion will prevail⁴²⁸.

Human rights groups, however, say they have little confidence the tribunals will be fair. They expect the proceedings to be closed to the public, as are most trials in China, and they note that the defendants will not have lawyers of their own choosing.

“Without independent legal counsel, you don’t have any clue as to what evidence has been collected and through what means,” said Renee Xia, international director of Chinese Human Rights Defenders, which is based in Hong Kong. “Were they tortured or coerced to confess? Trials can be speedy, but it doesn’t mean they will be fair.”

88 China Could Use Some Honest Talk About Race

When the city of Detroit erupted in some of the worst rioting in American history over a five-day period in July 1967, the Johnson administration responded by naming a high-level commission to investigate the incident and more generally to weigh in on the troubled issue of race relations in the United States.

The panel, known as the Kerner Commission, undertook to plumb⁴¹⁶ three key questions: “What happened? Why did it happen? What can be done to prevent it from happening again?” And in a simple but powerful phrase that helped define the era, it concluded that “Our nation is moving toward two societies, one black, one white – separate and unequal.”

The Kerner Commission did not introduce the concept of minority civil rights in the United States. That movement began to gain critical mass in the 1950s, through direct citizen action by people like Rosa Parks, who refused to surrender her bus seat to a white person in Montgomery, Alabama, and was arrested and tried for her defiance of racism, sparking a 381-day boycott of public transportation by blacks in the city.

What the Kerner Commission did, rather, was signal recognition at the highest levels of American society that the United States had major racial problems, along with civil rights deficiencies that seriously marred our democracy. And recent events in Cambridge, Massachusetts, where Henry Louis Gates, Jr., the country's most prominent black academic, was suspected of burglary and arrested in his own house, demonstrate that questions of civil rights in America still preoccupy us.

This is the second year in a row of severe turmoil⁵⁶⁶ in western China, following the uprising that swept Tibetan areas in March of 2008. The events of recent weeks in China's Xinjiang region, where were nearly 200 people died during unrest and a dozen members of the predominantly Muslim Uighur minority were killed by police (according to official figures), demonstrate if nothing else how China desperately awaits its own civil rights moment.

The Kerner Commission's famous old questions would be a good place to start: What exactly happened and why? And an open and honest Chinese conversation about race, ethnicity, religion and identity is long overdue and would go a long way toward healing papered-over divisions that run deep in this society.

The response of the system here so far, alas, has shown no such willingness. The official media, operating in their mouthpiece of power mode, have rushed to certain conclusions about the events, namely that the trouble was instigated by "splittists," and that sinister⁵⁰² foreign forces were at work behind the rioting.

Openness and transparency about the events of Urumqi would be welcome but by themselves would only constitute a first step, no more. China has

made great, and often insufficiently acknowledged strides away from totalitarianism in the last generation, but one area where the rigidities of the past linger on is in the politics of ethnicity.

China clings to the fiction that areas where ethnic minorities have historically predominated, places like Xinjiang and Tibet, with distinctive languages and cultures and lingering³³⁰ memories of self-rule, are “autonomous regions.” This, even as these areas are governed by local party leaderships appointed by Beijing and heavily dominated by members of the country’s Han majority. This, also, as Beijing floods these areas with Han economic migrants, for the purpose of settling and securing China’s rough western frontier, raising local living standards and to assimilate the local people into the ways of the Han.

Although this effort lacks in candor⁸⁴ and transparency, not to mention the possibility of meaningful input from or consent by the locals, it would be wrong to conclude it is entirely undertaken out of bad faith. The materialists who rule China seem to genuinely believe that economic development is the answer to almost every question, and their favorite statistic relating to Xinjiang is the doubling of the region’s economy between 2002 and 2008.

At best, this statistic is misleading, though. Most of the economic growth in Xinjiang is related to the expansion of the petroleum sector, which is overwhelmingly dominated by Han. Indeed the unrest there seems fueled in part by a sense of among Uighurs that they are losing ground economically to the Han in their own homeland.

I interviewed a Uighur barber in Urumqi two years ago who complained that the newcomers form their own social and business networks and often enjoy government support of one kind or another. This man, who had been trained in petrochemical engineering in Russia, said he had been unable to find a job in that booming sector. Han, he said, hire Han.

A new study, published in the China Quarterly by Brenda L. Schuster, reveals other gaps in the economic statistics. “In life expectancy, infant mortality, maternal mortality and morbidity, Uyghur people are much worse

off than Han,” the report reads. It then speaks of how “group specific psychological stress and the socio-economic and demographic changes of the past 60 years could be major factors.”

Many African-Americans, particularly in urban areas, where health indicators persistently lag behind those of the general population, even at similar income levels, would readily recognize such stresses. China, meanwhile, clings to the old Maoist-era fable²¹⁶ of the country as one big happy ethnic family, even as it labors hard in Xinjiang to discourage Islamic worship and otherwise dilute¹⁶³ Uighur culture.

Two years of violence may not yet make a trend, but this myth has just become a lot harder to sustain, even among China’s Han majority, who may yet come to appreciate that respect for differences rather than forced assimilation is the better recipe for harmony.

89 Now on YouTube, Local News

With its ability to collect articles and sell advertisements against them, Google has already become a huge force in the news business – and the scourge⁴⁸⁷ of many newspapers. Now its subsidiary YouTube wants to do the same thing to local television.

YouTube, which already boasts of being “the biggest news platform in the world,” has created a News Near You feature that senses a user’s location and serves up a list of relevant videos. In time, it could essentially engineer a local newscast on the fly. It is already distributing hometown video from dozens of sources, and it wants to add thousands more.

YouTube says it is helping TV stations and its other partners by creating a new – but so far not fiscally significant – source of revenue.

But news media companies may have reasons to be wary. Few TV stations have figured out how replicate profits on the Internet. YouTube can easily act as another competitor.

So for now, most of the YouTube videos near you come from nontraditional sources: radio stations, newspapers, colleges and, in the case of a fledgling²²⁸ San Francisco outfit called VidSF, three friends who despise the local TV diet of fires and homicides.

“It really levels the playing field,” said Kieran Farr, a founder of VidSF who covers the city’s culture and uploads his segments to YouTube.

News Near You, started in the spring, is only part of YouTube’s push into news video. This summer, the company invited the more than 25,000 news sources listed on Google News to become video suppliers. The site is also promoting videos from ABC News, The Associated Press, Reuters and other outlets.

This year, it began featuring breaking news videos – including ones submitted by citizens in Iran, where protests are being captured by cellphone users – on its home page.

So far, the localized videos are no replacement for a print or TV diet of news. On Sunday, visitors near Baltimore saw a news report about a teen assistance program; in Chicago they saw a WGN-TV feature about street performers; and in Los Angeles, they saw a review of an electric motorcycle produced by The Los Angeles Times. Producers often count the views in hundreds, not thousands.

To date, nearly 200 news outlets have signed up with YouTube to post news packages and split the revenue from the advertisements that appear with them. In addition, Google searches now show YouTube videos alongside news articles, helping the videos reach a wider audience.

YouTube’s sheer breadth – it is visited by 100 million Americans each month – makes it a powerful force for promotion, as well as a potential threat to entrenched media companies. And those companies already have more than enough to worry about: much of the local media marketplace has collapsed in recent years as classified ads have moved online, automakers have curtailed¹⁴³ ad spending and news and entertainment options have proliferated.

YouTube, meanwhile, is still trying to turn a profit nearly three years after it was acquired by Google. Because copyright concerns prevent it from placing ads on amateur videos, it has striven to sign up professional partners to seed the site with ad-friendly content. News is one obvious option.

“Google can only gain by splitting revenue with people who have feet on the street in local markets,” said Terry Heaton, a senior vice president at AR&D, a company that advises locally focused media organizations.

Google said in June that it was pleased with YouTube’s trajectory and indicated that it expected the site to be profitable in the not-too-distant future, but did not specify when.

While YouTube can gain by adding local video, it remains to be seen whether established news outlets will benefit. Google’s scraping⁴⁸⁹ of print headlines and links has led some to assign blame to the company for the financial struggles of newspapers. The chief executive of Dow Jones recently called Google a “digital vampire” that was “sucking the blood” from newspapers by harvesting their free articles.

What YouTube is doing is somewhat different. It is not sending digital spiders around the Web to collect videos automatically; instead, it is asking news outlets to sign up as partners and promising a wider audience for their material.

YouTube’s push to organize local news video began in earnest in the spring when the News Near You module was introduced. The module uses the Internet address of a visitor’s computer to determine the user’s location and whether any partners are located within a 100-mile radius. If so, seven days of local videos are displayed.

But in many places, namely urban markets, 100 miles can hardly be counted as a local area; Steve Grove, the head of news and politics for YouTube, said, “we’ll get a smaller radius as we bring on more partners.”

Mr. Grove said about 5 percent of users who see the News Near You module watch at least one local news video, a rate that YouTube sees as encouraging.

“The relevancy factor kicks into gear,” he said. “Suddenly these videos actually matter to you because they’re about your neighborhood or where you live.”

YouTube’s arms-wide-open approach forces stations to judge whether YouTube is a friend or a foe²³⁷, echoing a question that newspapers have grappled with for years. (Some have deemed Google a “frenemy.”)

“For stations, there won’t be significant revenue from YouTube in the short term,” said Andy Plesser, the editor of the online video site Beet.tv. That is partly because few of the videos reach an audience of millions, he said.

He also suggested that the local news feature faces resistance from station owners. “Many simply don’t see the value of being on YouTube,” he said.

In New York, the cable news channel NY1, for instance, said it was concentrating on drawing visitors to its own site, rather than sharing videos elsewhere.

“It’s an old conundrum¹²⁵,” Marc Nathanson, an executive producer of NY1.com, said. “When you have valuable content, do you make people come to you for it? Or do you put it out there to enhance the brand and hope that users find their way back to you for more?”

He guessed that NY1 would offer some videos on sites like YouTube in the future.

Meanwhile, a new breed of local news broadcasters – including ones without broadcasting licenses, the traditional barrier to entry in local markets – is emerging online.

“Radio stations, newspapers, universities, advocacy organizations, churches and other local groups, and individuals are becoming news producers,” Mr. Plesser said.

Mr. Heaton said stations should treat YouTube as a marketing machine for their old-fashioned television newscasts.

“As long as Google wants to pay for the bandwidth” to host videos, he said, “let them.”

Mr. Grove said YouTube had not met “a ton of resistance” from news outlets and the main reason there are so few participants is that the initiative is new.

Mr. Grove has stumbled across some local members, including The Dallas Morning News and The Cincinnati Enquirer, that he had not even known were on the site. (Any Internet user can create a YouTube account and start uploading videos free.) The New York Times created a YouTube channel in 2006 and has posted more than 1,300 videos on it, essentially highlighting some of the content on its own Web site.

National news, too, is being curated by the site. The “top headlines” section of the site collects videos from prominent TV sources and crossreferences them with the trends from Google News, then produces the equivalent of a 30-minute newscast for users to watch, either in full or from one segment to another.

In the future, more of the News Near You could come from people who do not report the news for a living. As the protests in Iran continue to demonstrate, citizens are able to provide much of the spot video from breaking news, even though they may lack the objectivity of professionals.

The new iPhone includes a video recording capability with a “send to YouTube” button, suddenly making it simple and fast to upload clips.

Rachel Sterne, the founder and chief executive of the citizen journalism site GroundReport, said the feature “trains laymen to be reporters.” And YouTube says it is developing tools to automatically spotlight those citizen videos as they come in.

90 Out of Search Business, Yahoo Shifts Its Focus

Carol A. Bartz, chief executive of Yahoo, has been hobbled²⁷².

Three weeks ago, doctors gave her a new left knee, made of titanium and plastic. As a result, she is limping around Yahoo's headquarters here, occasionally standing to hold a chair and stretch her leg while a bottle of Percocet sits at the ready on her desk.

Yahoo also underwent invasive surgery recently, selling its search business to Microsoft for an initial 88 percent share of search revenue in a 10-year deal. Since that move last week, Yahoo too has limped along, with disappointed investors asking whether Ms. Bartz could have won more favorable terms and with Yahoo shares tumbling more than 15 percent.

In a lengthy interview on Friday before departing for a vacation, Ms. Bartz said she sold the search business because Yahoo could no longer continue to match the level of investment Google and Microsoft were making in searching, one of the Web's most lucrative³³³ and technologically complex businesses.

While reducing the marketing and infrastructure costs associated with search, the deal will also provide money that Yahoo can use to bolster⁶⁵ other businesses. Ms. Bartz plans to invest the money in Yahoo's display ad, content and mobile services technology.

"My first reaction when I got here was that I wouldn't even do a search deal," she said, "until I looked at our expense structure and our actual options and looked at what our prime job was, which is to grow audience."

Yahoo will lose some of its most talented engineers to Microsoft and as many as 400 employees through layoffs. The deal also undercuts years of investment around search technology. By selling the technological crown jewels, the company may lose some of its high-tech credibility among employees and others in Silicon Valley, as well as among customers.

But the core of Yahoo remains intact, according to Ms. Bartz. "We haven't eviscerated²¹¹ the company," she said.

Given Yahoo's battering by investors, Ms. Bartz lamented that Yahoo and Microsoft failed to explain the relationship better to Wall Street. She blamed herself for a comment she made several weeks ago, at an industry conference, that Microsoft would have to pay Yahoo "boatloads of cash" to win its

search business. That statement, she said, helped to solidify an expectation that Yahoo would receive \$1 billion or more upfront as part of the deal.

“I made a mistake. I was never interested in doing it for upfront money. That doesn’t help me operate a business,” Ms. Bartz said. She noted that such a payment would have had significant tax consequences while contributing only \$3 million in annual interest to Yahoo’s bottom line.

Wall Street had become enamored¹⁹⁴ with the previous, more immediately lucrative proposals between Microsoft and Yahoo. Last year, trying to improve its search business and better compete with its archrival Google, Microsoft offered \$46 billion to buy all of Yahoo. Analysts estimate that the new deal – involving what many people saw as Yahoo’s most important asset – is worth only around \$4 billion to \$5 billion.

“It’s rather like getting a Picasso and saying, ‘You know, the canvas costs \$200, the paint cost \$300, so we’ll sell it to you for \$500,’ ” said Jeffrey Lindsay, an analyst at Sanford C. Bernstein. “I’ve never seen investors so angry.”

Microsoft’s chief, Steven A. Ballmer, has gone to unusual lengths to defend the deal on Yahoo’s behalf. Last week, he told a group of investors gathered at Microsoft’s headquarters that it was “sort of unbelievable” that Yahoo got to keep such a high percentage of the ad sales while spending nothing on the underlying infrastructure to run the search operation.

And Ms. Bartz argues that the more generous offers came during far different economic times. In addition, she said, analysts have underestimated the two and half years it will take to integrate the two companies’ search and advertising systems. The companies also face the daunting¹⁴⁷ process of getting approval from regulatory agencies that are now closely scrutinizing deals on antitrust grounds.

Ms. Bartz said that she avoided Mr. Ballmer’s immediate advances after taking the helm of Yahoo. “He called my first day,” she said. “I told him: ‘Go away. I haven’t even found the bathroom.’ ”

When Ms. Bartz finally began negotiations, Mr. Ballmer presented two options: a large upfront payment or a higher percentage of revenue tied to ads sold on Yahoo Web sites. “He wasn’t going to pay twice,” Ms. Bartz said.

Ultimately, Mr. Ballmer, who was unavailable to comment, and Ms. Bartz ended up on the phone debating minute details, like how fast things like search results and ads would appear, at one point haggling over a margin of 100 milliseconds.

Ms. Bartz also fought to play down Microsoft's Bing brand on the Yahoo search results page, with just a bit of text instead of a logo, and she pushed Mr. Ballmer hard to make sure that Yahoo retained the right to sell its own display ads to big advertisers like Procter & Gamble and Unilever.

"I had to get Steve through the, 'we get to sell part,' " she said. Meanwhile, Ms. Bartz has plenty of other work to do at Yahoo. She has picked up on the dysfunction throughout the company during her eight months on the job.

For one, Yahoo has not poured enough money into creating a top-class technology infrastructure capable of delivering a variety of services to consumers. "We are actually behind in investing," she said. "We should have invested more."

Ms. Bartz also complained about a lack of balance among the different product groups. Motivated employees in the company's sports section have turned it into a must-visit Web destination by breaking news stories and providing witty commentary. Other sections have languished.

This is often a result of what Ms. Bartz sees as insufficient communication and barriers among the company's various American and international properties over sharing videos and other content. "We had a fight for 18 months here on what a video button should look like," Ms. Bartz said.

Spending money to fix these problems made more sense to Ms. Bartz than hemorrhaging cash in a bid to keep pace with Google and Microsoft.

Microsoft has backed its new search engine, Bing, with billions of dollars in infrastructure and marketing investments. So far, the search engine has been well received. While encouraged by some of Bing's innovations, Ms. Bartz figures that Google will most likely match them soon. "That is the arms race I don't want to be in," she said.

But some investors fear that Yahoo may be trading one of the most profitable businesses of the 21st century – search – for a deflating, hypercompetitive media business that appeared to peak in the 20th century.

“I don’t think the surviving pieces are very interesting,” said Michael Lip-pert, manager of the Baron iOpportunity fund, which acquired Yahoo shares earlier this year on the anticipation of a lucrative search partnership. Mr. Lip-pert was disappointed by the terms of the deal but did not make out too badly; his fund also owns Microsoft stock, which rose slightly last week.

“Ballmer got himself a fantastic deal,” he said.

91 Newspaper Apologizes for Inventing a Scandal

“It’s a Scandal,” an exceptionally large front-page headline in The Saint John Telegraph-Journal proclaimed last month above an article about what the prime minister of Canada did, or did not, do with a communion¹¹¹ wafer⁵⁹².

Last week, the wafer issue resurfaced on the front page of the newspaper. But this time as more of an embarrassment. In a lengthy correction, the New Brunswick newspaper said that “there was no credible support” for the article’s claim that Prime Minister Stephen Harper had pocketed the wafer during the funeral of a former governor-general or that a Roman Catholic priest was demanding an explanation from his office.

Unusually, the newspaper apologized not just to Mr. Harper but also to the two reporters whose names appeared on the article, adding that the errors were introduced “in the editing process” and were included “without the knowledge of the reporters and without any credible support for them.”

The fallout did not stop there. Shortly after the article appeared, the publisher, a member of New Brunswick’s most powerful family whose holdings include The Telegraph-Journal, and the newspaper’s editor were removed from their jobs.

In early July, Mr. Harper, who is a Protestant, attended the funeral of Roméo LeBlanc, a former governor-general, at a Roman Catholic Church in New Brunswick. In about three seconds of television news footage he can be seen receiving a wafer, or “host,” from an archbishop³¹. Instead of immediately placing it in his mouth, as is customary for Catholics, Mr. Harper dropped the hand holding the wafer to his side. What happened to the wafer after that was not captured on camera.

The Telegraph-Journal, however, wrote several days after the funeral that “the prime minister slipped the thin wafer that Catholics call ‘the host’ into his jacket pocket.” Msgr. Brian Henneberry, the vicar general and chancellor of the Diocese of Saint John, was quoted as saying that if Mr. Harper had pocketed the wafer, “it’s worse than a faux pas, it’s a scandal from the Catholic point of view.”

The article made it clear, however, that he was not at the funeral, had not seen the television footage and did not have any direct knowledge of the wafer’s fate. (Monsignor Henneberry did not respond to requests for comment.)

The article was picked up by the national news media and followed Mr. Harper to the G-8 summit meeting last month in Italy.

At a news conference there, Mr. Harper insisted that he ate the wafer, adding, “this is a low moment in journalism.”

Annie Smith, a spokeswoman for the Irving-owned media holding company Brunswick News, said that no one at the newspaper would comment on the article or the retraction. She confirmed that James C. Irving, the publisher, and Shawna Richer, the editor and a former reporter for The Globe and Mail who once contributed sports articles to The New York Times, had been removed from their positions. Ms. Smith declined to say, however, whether either was still an employee.

Mr. Irving could not be reached. Ms. Richer did not respond to requests for an interview.

The newspaper’s retraction, however, did not end the debate. Some commentators in Atlantic Canada argue that the apology raises almost as many

questions as it answers. And the affair has again drawn attention to the Irving family's extraordinary control over not just New Brunswick's news media (it owns all of the daily papers in the province and controls the weekly market) but also its political and economic power (the Irvings' businesses include oil refineries, forestry, retailing, paper pulp production and food processing.)

That combination that has prompted supporters of Mr. Harper, a Conservative, to suggest in blogs and on Twitter that the Irvings planted the story to improve the fortunes of the opposition Liberal Party. At the same time, some Liberal bloggers claim that the retraction was a bid by the family to curry favor with Mr. Harper. Neither side has offered much in the way of collaboration.

Among those baffled by it all is Parker Donham, a prominent journalist in Atlantic Canada who now works as a communications consultant. On his blog, Contrarian, Mr. Donham said that because the article was entirely about Mr. Harper's "nontransubstantiation" of the wafer, it is difficult to determine what was added during editing.

"So which part of the story is true, and which fabricated?" Mr. Donham wrote. "That's the central problem with the Irvings' highly selective account of the events: we can't tell."

Mr. Harper, at least, now appears satisfied.

"We appreciate and accept the apology from The Telegraph-Journal," Kory Teneycke, his spokesman, wrote in an e-mail message on Friday.

92 New York Post Sends In the Clown

The New York Post made the phrase "media circus" literal when it hired a clown to roam the corridors of the New York State Capitol.

Sending in the clown, a playful attempt by The Post to satirize⁴⁸⁴ the political power struggle that paralyzed the government for more than a month, was part of several days of circus-themed coverage in June that offered

readers some of the paper's more creative headline writing and photo illustrations. (Think clown faces superimposed on senators' bodies and headlines that used words like "bozo" liberally.)

But the clown, Connie Adams, was real. Ms. Adams, a retired New York City high school physical education teacher who lives in Yonkers, typically performs at children's birthday parties and corporate picnics. In an interview, Ms. Adams said that she almost told The Post no when she was asked to travel to Albany for a day so a photographer could take pictures of her standing next to politicians.

She was reluctant to cancel her standing Wednesday night gig²⁵⁴ at a local Burger King and make the two-and-a-half-hour drive to the capital. But she said she was grateful for her 15 minutes of fame, which earned her a mention on National Public Radio, as well as numerous color photos in The Post and a video on its Web site.

"I'm the envy of all the clowns," Ms. Adams said with a laugh, adding that people had written to her through her Web site, sunnythec clown.net, asking her to send them autographed copies of the June 11 edition of The Post, which featured a picture of her being ordered out of the Senate lobby by a sergeant at arms.

She said the publicity had not generated any new business for her. But she is recognized more frequently. On a recent trip to the grocery store, she said she caught a stranger's eye. She had just finished a gig and was still wearing her clown attire.

"I don't generally like to go out when I'm in clown," she said. "You have to stay in character, and it's really hard. But some guy turns to me and says: 'Sunny the Clown! I just saw you in the paper!'"

But she was not responsible for the Post op-ed that appeared under the byline "Sunny the Clown."

"Oh, I didn't write that," she said, sounding somewhat disappointed. The writing was left to a reporter in New York, she said, who read a draft of the article to Sunny before it went to print.

"I thought it was pretty funny," she said. "My friends did, too. And I had to say, 'It wasn't me, O.K.?"

93 With Enough Soldiers, the Army Is Looking for a Few Good Officers

After three straight years of growth – helped in part by a sagging job market – the Army is starting to find itself a bit bottom heavy, swollen with young recruits but short on officers to lead them. Starting Monday, it is hoping a fresh promotional effort can reverse that.

For the first time in its history, the Army is introducing an advertising campaign to recruit officers. The ads in many ways resemble the force's mainstream recruitment effort – camouflaged soldiers carrying big guns and standing at attention, with patriotic music as the soundtrack – but have been tweaked to appeal to achievement-oriented college graduates who could qualify for one of its officer training programs.

For example, two of the TV commercials could be mistaken for ads from I.B.M. or Accenture until the Army's signature music chimes in about halfway through. Another shows pictures of famous generals like George Washington, Douglas MacArthur and Colin Powell, while a voice-over says, "Officers in the U.S. Army can rise to any challenge. Can you?"

The goals are to attract ambitious young Americans who might normally consider the Army beneath their career objectives and give the Army a jolt of much-needed creative leadership.

"It's a tough environment out there," said Lt. Gen. Benjamin C. Freakley, head of the Army Accessions Command, which oversees recruiting. "It's no longer where the enemy lines up on one side of the field and the coalition lines up on the other side and the referee blows the whistle. It's a very complicated battlefield to figure out, and there are no referees.

"It is a different era, and it requires a different kind of thinker," he said.

The Army's growing pains are reflected in its recruitment statistics. The force has expanded by more than 50,000 troops since 2005, reaching 544,000 at the end of 2008. And last month, the defense secretary, Robert M. Gates,

announced his intention to add 22,000 troops in the next year. The expansion of the Army has come in response to wars in Iraq and Afghanistan that taxed the scaled-back force that emerged from the 1990s.

But some of that growth can be attributed to relaxed standards. Only 83 percent of new recruits in 2008 held a high school diploma, missing the Army's goal of 90 percent for the third consecutive¹¹⁷ year. A growing percentage of new recruits during that time have also been scoring in the lowest acceptable range on the Army's vocational aptitude test.

So while the force is meeting or exceeding its goals in terms of pure numbers, it is falling short in its search for men and women qualified to lead their peers.

"The economic downturn has made it really easy for the Army to recruit in recent years, and that was a big surprise to people who thought a big shooting war would discourage people from signing up in the first place," said Loren B. Thompson, a defense analyst with the Lexington Institute, a research organization. "But because of changes in threats and shifts in domestic demographics, the military is looking for a different type of officer today than what it was seeking in the past, and that requires special recruiting efforts."

Four TV commercials will provide the public face of the campaign, all of which begin running Monday. The two that slowly reveal themselves to be Army ads tell the story of high-ranking corporate executives who were once Army officers: Joseph DePinto, chief executive of 7-Eleven; and Otto Padron, a senior vice president at Univision.

"We learned through research that when the 'Army Strong' music came on in that first second of the commercial, those achievement-oriented students would reject it because they would think it was not for them," said George Dewey, executive creative director at McCann Erickson, the Army's creative agency. "When these kids find out that the Army has produced these superstars, it's an 'aha' moment for them."

That is also the thinking behind an ad that features George Washington and Buzz Aldrin. The final ad, which more closely resembles a typical Army

commercial, features a current officer explaining his decision to join the R.O.T.C.

The TV ads will mostly run during the same programs as the mainstream recruitment commercials, like “CSI: Miami,” “Law and Order” and sports programming. Web ads will run on ESPN.com and other major sites, but also destinations like Stack.com, a site for achievement-oriented athletes.

McCann Erickson is part of McCann Worldgroup, a collection of creative, media, digital and public relations agencies, each of which has a hand in the wide-ranging campaign. Worldgroup, which is part of the Interpublic Group of Companies, took over the Army’s advertising account in 2006, when it introduced the “Army Strong” tag line, replacing “Army of One.”

The online centerpiece of the campaign is a microsite, GoArmy.com/officer, where potential candidates can answer a series of questions that determines which of the four paths to becoming an officer is right for them. Those paths are Army R.O.T.C., the Military Academy at West Point, direct commission and officer candidate school.

The site also contains videos, each about five minutes long, explaining more about each of the paths. Potential candidates can use the site to download information and make contact with a recruiter. The site was created by MRM, the digital arm of McCann Worldgroup.

The Army is also working with Major League Baseball to produce a program called “Leaders of the Diamond,” a series of interviews with all-stars about leadership and dedication that will appear on MLB.com. It is also hosting panel discussions at universities around the country this fall at which students can talk to officers directly.

The goal of the campaign is not just to recruit officers now, said General Freakley, but also to begin doing a better job of marketing the officer “product” to young Americans.

“If you think about it as brand or product management, we have this product within our brand that gets no notoriety³⁷²,” he said. “For those who just graduated college, now is the time to become aware they can come to officer candidate school. We think the timing is right to get the notion out.”

94 Two Sides Take Health Debate Outside Capita

With Republicans mobilizing against the proposed health care overhaul, President Obama, Congressional Democrats and leading advocacy groups are laying the groundwork for an August offensive against the insurance industry as part of a coordinated campaign to sell the public on the need for reform.

The effort will feature town-hall-style meetings by lawmakers and the president, including a swing through Western states by Mr. Obama, grass-roots lobbying efforts and a blitz of expensive television advertising. It is intended to drive home the message that revamping⁴⁶⁶ the health care system will protect consumers by ending unpopular insurance industry practices, like refusing patients with pre-existing conditions.

“I think what we want to communicate is that this is going to give people who have insurance a degree of security and stability, the protection that they don’t have today against the sort of mercurial³⁵¹ judgments of insurance bureaucrats,” said David Axelrod, a senior adviser to Mr. Obama, adding, “Our job is to help folks understand how this will help them.”

Revamping health care is the president’s top legislative priority, and people on all sides of the debate agree that August, when lawmakers leave Washington to take the pulse of constituents, will be crucial to shaping public opinion. With Republicans making headway by casting the legislation as a costly government takeover, Democrats have decided they must answer the question on the minds of those now insured: “What’s in it for me?”

That has led to a campaign of increasingly harsh²⁶⁷ rhetoric⁴⁶⁹ against the insurance industry, which says it favors an overhaul but is working to defeat Mr. Obama’s call for a government-run insurance plan to compete against the private sector. On Friday, Speaker Nancy Pelosi, Democrat of California, promised a “drumbeat across America” to counter what she termed a “shock and awe⁴⁴, carpet-bombing by the health insurance industry to perpetuate the status quo.”

The tough talk, however, has risks. The industry trade group, America's Health Insurance Plans, is urging members to confront Democrats at public meetings, and the rising tensions could make it difficult for the president to keep insurers at the negotiating table.

The drumbeat will begin Monday, when Kathleen Sebelius, the health and human services secretary, travels to Hartford to talk about what the White House now calls "health insurance reform." Senator Christopher J. Dodd of Connecticut, who disclosed Friday that he has prostate cancer and pointedly reminded Americans that he was fortunate to have health coverage, will be among several Democratic lawmakers present.

Also Monday, Senator Michael Bennet, Democrat of Colorado, will appear with doctors, nurses and administrators at St. Joseph Hospital in Denver to discuss "how insurance company procedures are burdening our physicians, nurses and patients," a spokeswoman said. Throughout the recess, Democratic lawmakers will hold similar events, coordinated with advertising by allied groups.

"We understand the future of health reform could hinge²⁷¹ on how the conversation with the American people goes in the next six weeks," said Representative Chris Van Hollen, Democrat of Maryland and assistant to the speaker, who is coordinating the House effort.

Republicans understand that and will also be campaigning hard.

In the Senate, Republicans will meet this week to coordinate strategy, but some plans are already in motion for public meetings and a blizzard of radio and television appearances. Senators Tom Coburn of Oklahoma, a family practice doctor, and John Barrasso of Wyoming, an orthopedic surgeon, will take their "Senate Doctors Show," an Internet program, on the road to argue that the Democratic plan will not improve care or control costs.

In the House, Representative Mike Pence of Indiana, chairman of the Republican Conference, distributed a packet to colleagues on Friday urging them to argue that the Democrats' plan would include "more than \$800 billion in new tax hikes" and "harmful cuts" to Medicare that would "result in millions of seniors losing their health coverage."

The Democrats are getting a lift from a little-known group of former Obama campaign operatives called Unity '09 that has held weekly strategy meetings, away from the White House, to bring together administration officials, labor unions, health advocacy groups and other backers of the legislation. Mr. Axelrod said he had attended as an "infrequent visitor."

The current message is an eight-point list of "Health Insurance Consumer Protections" the White House Web site promises will "bring you and your family peace of mind." Mr. Obama picked up on the theme last week, promising members of AARP that he would "reform the insurance companies so they can't take advantage of you."

The hard line is a departure for the White House, which began its overhaul campaign by trying to win over constituency¹²⁰ groups – doctors, pharmaceutical companies, hospitals and insurers among them. Insurers played a leading role in killing a health care overhaul in the Clinton administration, but Karen Ignagni, president of America's Health Insurance Plans, said at a White House meeting in March that the industry would cooperate this time.

In an interview Friday, Ms. Ignagni noted that the industry had endorsed many of the administration's proposed changes, including ending the practice of refusing coverage for pre-existing conditions, and said it would work with lawmakers to develop a bill that did not include a public plan.

"The rhetoric that we are hearing is reminiscent of '93, '94, but we're on the 2009 playbook," she said, adding, "The inconvenient fact is that we support those reforms."

Republicans say the new rhetoric reflects desperation among Democrats to find a message that will resonate⁴⁵⁸.

Broadly speaking, Mr. Obama's goal is to extend coverage to the nation's 47 million uninsured while also slowing the growth of health care spending. The president wanted the House and Senate to pass legislation before the August recess, but the House broke on Friday without doing so and the Senate will not complete a bill before recessing after this week.

Polls show that the public is growing uneasy; a New York Times/CBS News survey last week found that while Mr. Obama still has strong support for

revamping health care, Americans are concerned that an overhaul would reduce the quality of care, increase out-of-pocket costs and tax bills and limit their options in choosing doctors.

“August is going to be a critical period for closing the deal,” said Ron Pollack, director of the advocacy group Families USA. The group is now in a strange-bedfellows advertising partnership with the pharmaceutical⁴⁰⁶ industry. Their latest advertisement, a three-week, \$4 million campaign, updates the “Harry and Louise” advertisements that helped kill health legislation in the 1990s.

In the new advertisement, called “Get the Job Done,” Louise tells Harry that Americans need good coverage. To which Harry adds, “Even if they have a pre-existing condition.”

95 Hundreds More Chinese Are Rounded Up

Chinese security officials have detained an additional 319 people whom they suspect of taking part in the unrest in the far western region of Xinjiang, the official media reported Sunday.

The arrests, according to the Xinhua news agency, came days after 253 other people were taken into custody, most of them Uighurs, a Turkic-speaking, predominately Sunni Muslim minority that the Chinese government has blamed for much of the killing last month in the city of Urumqi.

“Every suspect, without any exception, will be arrested and punished according to the law to root out any hidden danger,” Xinhua said. It added that many of those detained in recent days had been turned in by people outraged by the violence, which claimed 197 lives, nearly two-thirds of the victims Han Chinese. “It aroused the feelings of local residents, and they had more initiative in exposing those suspects and provided a huge amount of clues,” Xinhua said.

The police have not released a tally of those being held, but that figure exceeds 2,000 if the numbers published by the state news media in recent weeks are added up. Rebiya Kadeer, the leader of the World Uighur

Congress, an exile group, has claimed that 10,000 people have disappeared since the July 5 riots. Chinese officials have rejected that figure as “completely fabricated.”

Whatever the true number, the authorities have said that only a small number of those in detention will stand trial this month. Those found guilty are likely to face harsh punishment, possibly execution.

The government says the rioting was instigated and orchestrated from abroad by those seeking to disrupt Xinjiang’s “ethnic harmony.” Uighur exile groups, however, say the strife was set off by China’s repressive governance of Xinjiang and, on July 5, a heavy-handed police response to peaceful demonstrations in Urumqi.

On Sunday, Xinhua also published what it said was an interview with the imam of one of Urumqi’s biggest mosques³⁶⁰, who offered an account of how three Uighur men tried to incite²⁸⁹ congregants to kill in the name of Islam during afternoon prayers on July 13, a week after the riots had subsided.

The imam, Abdushukur Rehmutura, said one of the men stood up among the congregants, took out a green banner and shouted: “Holy war! Holy war! Go with us.” According to the Xinhua article, two other men then revealed a bag of 20 knives, and when no one would join them, they ran into the street. Minutes later, after ignoring police orders to drop their weapons, according to the account, the men were shot and killed.

96 Mobile Gives Manga a Lift

Eiko Moori, a 24-year-old office worker, felt the pull of manga one day when she saw an ad on her mobile phone screen. Because she grew up on a steady diet of manga, a form of Japanese cartoon, the offer to view “Mischievous Kiss,” a comic love story she was devoted to as a teenager, for just a few dimes an episode was irresistible.

She took the plunge: For a total of ¥1,600, or about \$17, she viewed the entire series, over 70 episodes in all.

“It brought back memories,” she said, adding that she had once owned the whole series, which she kept in her room. “I sold all of them because they were crowding the space. But for just a few clicks on my mobile, I was able to read them all again.”

For a variety of reasons, the mobile version has manga booming again. In the year ending in March, Japanese manga publishers raked in ¥32.9 billion in revenue, up 43 percent from the previous year and from next to nothing in 2003, when manga first became available by cellphone, according to Impress R&D, a research company in Tokyo, which published the data at the annual Tokyo International Book Fair in July.

The soaring numbers are generating hope – and some controversy – in a venerable industry that has yielded internationally popular titles like “Dragon Ball,” published by Shueisha, and “Sailor Moon,” created by Kodansha.

With revenue for manga in magazine and book form having inched down for more than a decade – to ¥448 billion in 2008 from the peak of ¥586 billion in 1995, according to the Research Institute for Publication in Tokyo – some analysts are calling the cellphone “the savior” of the form and a necessary kick in the pants for a sagging industry.

“At present, cellphone comics is the only one roaring ahead in sales,” said Shinichi Yoshizawa, director of digital media business development at Kodansha, the largest Japanese publisher of books, manga and magazines.

Publishers would not reveal publicly what percentage of their revenue came from mobile manga, but privately, many said about 10 percent, with mobile sales fast gaining on paper sales. So far, it is unclear whether the mobile sales will make up for lost revenue.

But readers are taking to the mobile version, largely because the user experience has been good and the pay platform convenient.

Ms. Moori, the office worker, said she liked the mobile experience because “on a whim, I can decide to read them on the train.” Others cited the graphics, saying manga looked especially good lit up against the dark screen of a cellphone.

Yusuke Nakabayashi, a media consultant at Nomura Research Institute, a unit of Nomura Securities, said the mobile infrastructure in Japan was crucial. Third-generation networks, which currently offer the best high-speed Internet experience, cover nearly 100 percent of Japan, and the phones made here have crisp, high-resolution displays and software designed for viewing manga. The software allows readers to zoom in and out and move sideways to reflect the dynamism of the sequences, he said.

A Japanese company called Celsys creates the reader software, called book-surfing, which is downloaded from the mobile carrier's Web portal and installed in the phone. For payment, the major cellphone service providers, like NTT DoCoMo and KDDI, add charges for the mangas to subscribers' phone bills.

But perhaps the most crucial driver behind the cellphone comic boom is its attractiveness to women. You can tell just by looking at the best-selling titles on mobile comic sites – all involve romance.

"It's a bit hard commenting publicly on this, but the most popular comics on the mobile are adult-oriented ones for women," including love stories with sexually explicit content, Mr. Nakabayashi said. Translation: Women who do not want to be seen reading these titles in public places like the train helped create the market for manga on the cellphone, which accords them privacy in ways that magazines and books do not.

"Cellphone is a very private medium, much more so than a comic magazine," said Yutaka Tashiro, director of rights group at Shueisha, another leading Japanese manga publisher. The romance- and sex-filled manga – known as shojo manga – are read by women in their 20s, Mr. Tashiro said. In fact, about 70 percent of cellphone manga readers are women, he said.

So while the explosion in cellphone manga is not a simple story of migration from print to digital, most experts agree that the future of manga lies more on the mobile than on paper.

"The idea of printing the magazine, loading them on the track and delivering them to distribution centers, that whole model is on the decline," said Noboru Rokuda, professor at Kyoto Seika University, which has a manga

faculty, and a longtime artist himself. “I like to keep the paper manga tradition going, but there is an inexorable transition away from paper and into the digital medium.”

If the migration is slow, it is the publishers themselves standing in its way, critics say. Publishers of leading titles like Kodansha, Shueisha and Shogakukan – who are also leading book publishers – have in most cases released content for mobile use that had already been published in magazines and books.

The longtime practice has been to serialize new titles in the weekly or monthly comic magazines first. If they prove popular, they are rolled into a single title. If the momentum continues, they might be turned into TV animation series and into video games.

“They are afraid of destroying the old business model,” said Mr. Nakabayashi, of Nomura Research Institute.

Analysts and fans say that all is not perfect with mobile manga. On the small screen, some of the artists’ intent is lost in translation. That is one reason that the mainstay manga readership – men – have mostly stayed with the paper version. On the magazine pages, comic strips come in all shapes and sizes, big, small and rectangular and sometimes come in a two-page spread, allowing for more variety.

“Manga strips are placed in sequence on the pages, creating a special visual effect,” said Mr. Rokuda, the manga professor. “It is one rare medium that allows readers to have a bird’s-eye view on several strips and flow back and forth in time. That’s lost when each strip is displayed on the screen one by one.”

97 Nissan Unveils Electric Car, to Be Available Next Year

Nissan, Japan’s third-largest automaker, took the wraps off its much-awaited electric car on Sunday, naming the hatchback the Leaf.

Nissan and its French partner, Renault, have been aggressive proponents of pure electric vehicles with no emissions, announcing plans to mass-market the clean but expensive cars globally in 2012.

Nissan will begin selling the first Leaf cars in the United States, Japan and Europe toward the end of 2010, adding two more models soon after. It expects production to start with about 200,000 units a year.

Coordinating the car's introduction with the inauguration of Nissan's global headquarters in Yokohama, south of Tokyo, the chief executive, Carlos Ghosn, drove up to the stage in a sky-blue Leaf prototype. Nissan is returning to the port city of Yokohama, where it was founded in 1933, after being based in Tokyo's high-end Ginza shopping district for 41 years.

Hurt by sliding vehicle sales worldwide since the financial crisis hit last year, Nissan has suspended its goals set under a midterm business plan, with the exception of its aggressive push into electric cars.

With oil prices topping \$60 even in a recession and environmental regulations tightening all the time, Mr. Ghosn said he was optimistic about electric vehicles entering the mainstream, expecting them to represent one in 10 new cars globally by 2020.

Other automakers like Toyota and Volkswagen have announced plans to start producing electric cars, but they say it could take decades for the vehicles to spread because of their high cost, limited driving range and long charging times with the current battery technology.

Nissan did not announce pricing for the five-seater Leaf, but Mr. Ghosn said the price, without the expensive lithium-ion battery that Nissan is considering leasing, would be within the range of a comparable gasoline-engine car.

The Leaf has a top speed of more than 76 miles an hour and a cruising range of at least 100 miles – a distance that covers the needs of 80 percent of drivers, Nissan said.

The carmaker has lagged its domestic rivals Toyota and Honda in offering hybrid cars, which have taken the Japanese market by storm this year with the help of government stimulus steps.

For years, Mr. Ghosn has played down the importance of hybrid cars – both for consumers hoping to save money at the pump and for manufacturers looking to make profit. But in what could signal a shift in strategy, Mr. Ghosn said Nissan would reserve the option of offering hybrid vehicles if the market demanded it.

98 Trendy Japanese Flock²³² to Hybrids

Shoppers who stop into Toyota dealerships here and across Japan generally have just one thing on their minds: buying a Prius.

After years of indifference toward hybrids – in part because many gas-only models that got excellent mileage were already available in showrooms – drivers in Japan are lining up for the Prius, the Honda Insight and other models powered by gasoline and electricity.

The enthusiasm for hybrids is also a result of new models arriving in showrooms. Toyota introduced the third-generation Prius in May; in June, it was the best-selling car in Japan, elbowing aside the Insight, which in March became the first hybrid to hold the top sales spot.

Honda has been selling about 10,000 Insights a month, twice as many as had been expected in the company's internal forecasts. There has been a five-month waiting list for the Prius in Japan, similar to the situation in California last year when gas prices swept past \$4 a gallon.

“Ordinarily, small cars don't have much status, but people don't care about changing from a bigger vehicle to a smaller vehicle if it's a Prius these days,” said Toshiyuki Yokoyama, the general manager at Kanagawa Toyota Motor Sales, which runs about 50 dealerships in and around Yokohama. “Suddenly, everyone wants the car as soon as possible.”

Japanese consumers are only now embracing hybrids because, as in Europe, there have been plenty of cheaper fuel-efficient alternatives. But the sales of new, reasonably priced models have jumped in the past year or so because of government subsidies and a blizzard of media coverage that has fueled Japan's fad-conscious consumers.

The question is whether the recent surge in sales of “eco cars,” as the Japanese call hybrids and alternative-fuel vehicles, is a lasting trend or one pumped up by short-term subsidies and high gasoline prices.

In the United States, where Japanese automakers had trouble keeping up with demand for hybrids in 2008, sales have slowed (along with the rest of the market). Toyota suspended work on a factory in Mississippi devoted to building the Prius.

Japanese are eager consumers of trendy products – everything from the latest handbags to video games – and sales often fall as fast as they rise.

Automakers in Japan say, however, that sales of hybrids will remain strong even if government subsidies of up to \$4,000 are phased out. Though down from the peaks reached in 2008, gas prices are still relatively high, and in a weak economy consumers are looking to spend less on gasoline.

From an early age, Japanese are taught to be more efficient because their country has few natural resources. To reduce the use of air-conditioners, businessmen a few years ago were encouraged to do without neckties. Appliance companies eagerly promote waterless washing machines.

But it is price that matters most, which is why Toyota and Honda used less costly technology to cut the cost of their hybrids below three million yen, or \$30,000, the rough benchmark for a luxury car in Japan.

Price was definitely an issue for Eiji Suga, a storekeeper in Kawagoe, a city one hour from Tokyo, who reserved a white Prius in April.

Mr. Suga’s 13-year old Honda Accord, which has 43,000 miles on it, had very little resale value. But because of the car’s age, he qualified for a 250,000 yen (about \$2,500) government subsidy if he scrapped the car and bought a more fuel-efficient replacement.

He will receive another 150,000 yen in tax breaks for buying an eco car. The price of the new Prius was about 300,000 yen lower than its predecessor, too.

“Together with the tax breaks and other government benefits, it was easy to choose,” said Mr. Suga, who added that seven of his friends in the neighborhood were also buying the new Prius.

Nissan and Mitsubishi have also announced plans to leapfrog hybrids with new electric vehicles.

But the durability of the hybrids on the market may make it hard for automakers in Japan to persuade consumers to buy electric cars.

Tadashi Ishida, a retired electronics company executive, bought his Prius in 2006 to replace a Toyota Mark II, taking advantage of a 190,000 yen government rebate. Mr. Ishida, who lives in Yokohama, has been particularly impressed with the car’s fuel economy.

He uses just a quarter-tank of gas to get to his family’s summer house about 75 miles away, about half of what it took to get there in the Mark II. He said that hybrids were no passing fad.

“Average Japanese people do not consider the hybrid car a status symbol,” Mr. Ishida said. “Our Prius just fits our needs in terms of fuel consumption, daily family use and easy driving.”

99 America Hears a Gaffe²⁴⁸, Russia Sees a Plot

After Vice President Joseph R. Biden Jr. gave an interview to The Wall Street Journal portraying Russia as a limping and humbled nation, many in Washington responded last week with a helpless shrug: There’s crazy Joe, they said, the guy who once told a wheelchair-bound state senator to stand up for a round of applause.

But in Russia, they weren’t shrugging. Within hours, a top Kremlin aide had released a barbed⁴⁹ statement comparing Mr. Biden to Dick Cheney. Commentators announced Mr. Biden’s emergence as Washington’s new

“gray cardinal⁸⁷” – the figure who, from the shadows, makes all the decisions that matter. Others said Washington’s mask had been torn off, revealing Mr. Obama’s “reset” as at best insubstantial and at worst duplicitous.

American officials spent several days trying to convince their Russian counterparts that Mr. Biden’s words were, for lack of a better label, a gaffe. Russia’s highest officials have kept silent on the matter, but their initial responses were skeptical.

“Biden has said this in such a way that the whole world heard it,” said Alexei K. Pushkov, who is the anchor of the current events show “Post-Scriptum.” “And then there are secret, furtive calls in the night, dragging Russian officials from their supper. They want to say this is not true. But somehow everybody still thinks it is.”

Among the reasons for their skepticism: In today’s Russia, politicians just don’t run off at the mouth. Not so long ago, Russian public life was a symphony of embarrassing episodes. Remember when Boris Yeltsin confused Norway with Sweden, suggested that Germany and Japan had nuclear arsenals, and toppled over while saluting an honor guard in Uzbekistan?

That all ended with the presidency of Vladimir V. Putin. Mr. Putin, now Russia’s prime minister, occasionally departs from statesmanlike language, as when he threatened to hang the Georgian president by his testicles or offered a French reporter an especially thorough circumcision. But coming from Mr. Putin, these statements are expressions of Russian might, something like a political philosophy – never, ever mistakes.

For anyone subordinate to the president to allow themselves that freedom is inconceivable, said Vladimir V. Pozner, the host of a talk show on state television.

“If it’s not the No. 1 man or woman, clearly that person has been instructed to say what he or she said,” Mr. Pozner said. “It’s psychologically very difficult for a Russian to believe otherwise. If you write in The New York Times whatever you write, I’m sure Mr. Putin will say, ‘Of course. It was ordered.’”

It will also be hard to convince the Kremlin that the comments don't indicate a deeper drama. Russians have spent months searching for clues to Mr. Obama's true intentions; when Mr. Obama killed a fly during a television interview shortly before traveling to Moscow, for example, several analysts here interpreted it as a message to Russia.

Mr. Biden has now supplied evidence for two plotlines – a deep rift within the administration, or a “sophisticated game,” said Andrei V. Ryabov, a political analyst at Moscow's Carnegie Center. This ambiguity, he said, plays into the conviction of Mr. Putin and his team that real events take place far from view, among a handful of powerful individuals, and that public politics are “no more than puppetry, decoration in the theater.”

“Nothing accidental can happen in this system,” Mr. Ryabov said. “Everything has a hidden meaning.” Even accidental words from officials are likely to be read closely; as a Russian proverb has it, “What a sober man has on his mind, a drunk puts on his tongue.”

Mr. Pushkov was among those who put little credence in Mr. Obama's overtures, and to him, Mr. Biden's words offer a far more honest assessment of American policy. He says he reads in them a split in Washington between cold war heavyweights and a president too weak to bring them to heel.

“It's not just a question of schools of thought,” he said, dryly, but something far more serious. Schools of thought, he added, are something to be “exercised on a veranda with a cup of coffee on a summer evening.”

Of course, every warming of the relationship between Moscow and Washington has been a tenuous process, punctuated by false starts and furious backpedaling.

In 1974, after signing on to the idea of “peaceful coexistence,” Leonid Brezhnev seems to have been called on the carpet by a Central Committee concerned about ceding ground to the United States; he went on to repudiate two key agreements with the Americans. Jimmy Carter, under a drumbeat of criticism for caving in to Russia, halted ratification of the second strategic arms limitation treaty after the Soviets invaded Afghanistan in 1979; he explained that the invasion had changed his view of Moscow's intentions.

This thaw seemed tentative, too, even before Mr. Biden's words. The coming months could bring renewed fighting in Georgia, or another gas crisis with Ukraine, or a deadlock on the renegotiation of the Strategic Arms Reduction Treaty.

"At this point these were just words – unfortunate words, reckless words, but still, it was just words, not of the president but of the vice president," said Dimitri K. Simes, the president of the Nixon Center. "The question is what is going to happen next."

100 Confusion Surrounds 'Clunkers' Program

When the White House and Congress decided late last week to give their "cash for clunkers" program a reprieve, they did little to relieve harried and befuddled⁵² automobile dealers and customers trying to sort it out.

"There is absolute frustration across the board," said Alex Kurkin, a Miami lawyer representing several car dealers. "They're not really confident about any deals, and no one can give them advice about what they should be telling their customers."

The program allocated \$1 billion for rebates of up to \$4,500 to customers trading in clunkers for more fuel-efficient new vehicles. It was set to expire in November, but on Thursday, the federal Transportation Department said it had been so popular that the money was gone in days.

Officials advised dealers to stop offering the rebates, and the program appeared suspended. But White House officials said it had not been. On Friday, the House authorized \$2 billion more to replenish the program. But the Senate will not vote until next week, so until then, the status of the program is unclear.

While many in Washington hailed the program as a success for the auto industry, it has left some dealers anxious over whether there will be enough money to repay them for rebates they have already given.

Barry Magnus, the general manager at DCH Paramus Honda in New Jersey, said he had sold more than two dozen new cars under the program but was still owed more than \$80,000. The government had said it would take 10 days to reimburse⁴⁴⁹ dealers, and that was before the program ran out of money. The government Web site where dealers were supposed to register their deals crashed, and many dealers have not been able to update their information.

The program requires that the clunkers be put out of service for good. The engines must be destroyed. So, after a certain point, any decision to trade in an old car is irreversible.

Nick Clites, who is in charge of used cars at DCH, took a reporter through the process as he prepped a 1988 BMW, with 214,000 miles on the odometer, for its death. He drained the oil, then donned¹⁷⁹ a silky blue protective suit, goggles and gloves and poured a sodium silicate solution into the engine. He revved⁴⁶⁵ the car, and within seconds, the solution hardened, the engine seized up and was kaput.

Wreckers were called to pick up the car, remove the spoiled engine and crush the car. They have to certify that the cars have been crushed and rendered inoperable before the government will process reimbursement claims.

When the program appeared to run out of money, dealers became even more anxious to get the clunkers off their lots quickly.

“Oh my God, what a mess today,” Sally Ann Maggio, a co-owner of Hackensack Auto Wreckers, said Friday. “We have been overwhelmed with phone calls from the dealerships. They’re hitting the panic button.”

Ms. Maggio said she did not think much of the program to begin with because she made her profit by reselling engines from junked cars. But the scrap is worth something.

Dan Cohen, a retired lawyer on Long Island, made a deal to trade in his 1988 Jeep for a new Toyota in early July, before the program went into effect (and when showrooms were quiet). He qualified for a \$4,500 dealer rebate and said he signed a contract that also gave him \$500 as scrap value.

When he returned Friday to complete the deal, the showroom was “crawling with customers,” he said – and the dealer cut the scrap fee to \$100.

So the deal is off. “I may not get the \$4,500,” Mr. Cohen said, “if I go somewhere else and the federal allotment is used up already.” He said that if he could not find a comparable deal, he might sue. (Calls to the dealer for comment did not go through.)

Mr. Kurkin, the Miami lawyer, said many dealers were adding clauses to their sales contracts, saying that if the rebates did not come through, the customer would have to pay the difference.

“If a dealer doesn’t have a separate document addressing this possibility, the dealer will likely have to eat it,” he said. “I certainly see a lot of litigation over this.”

101 A Smart Shower May Even Know Your Song

In these digital times, even the venerable⁵⁷⁷ bathroom faucet²²⁰ is getting an update. Companies like Moen and Hansgrohe are now replacing faucet handles in tubs and showers with touch screens and other electronic controls that are smart enough to store all the details of time and temperature of a favorite shower or bath – and produce them at a touch.

With the RainBrain shower from Hansgrohe, the mix of hot and cold water, its volume and flow, and even music from a favorite MP3 playlist can be retrieved by tapping a small screen, said Nicolas Grohe, director of marketing and product development for the American branch of the company in Alpharetta, Ga. (Hansgrohe is based in Schiltach, Germany.) The RainBrain will be offered in the United States beginning in March, he said, and cost about \$4,500.

Even amid a deluge of water, users can easily tell the system to regulate the showerheads, which pour water from overhead and both sides, as well as a handheld sprayer, Mr. Grohe said. “The dials and controls are big,” he said. “It’s difficult to miss them.”

A bar marked with a plus sign, for instance, makes the water hotter, a minus cools it. If users prefers a quick alternative, there's also a rotary dial.

The menu button on the touch screen offers a program called Scottish shower that varies the water temperature, automatically switching from hot to cold. "You can tell it how hot and cold you want it," Mr. Grohe said, and to set how long each cycle lasts.

Another Hansgrohe program, Cascade, turns different showerheads on and off in rhythmic, pulsing jets. The company has posted a simulation of the control panel on its Web site.

Another electronic system, ioDigital, was introduced in May by Moen, a company based in North Olmsted, Ohio, that is known for its faucets. The system is available for a standard single-head shower (about \$1,200), for Roman or whirlpool tubs (about \$1,300) and for a shower with multiple heads, called a vertical spa (about \$2,500), said Mark Knurek, senior product manager. The price includes the showerheads, water spouts for tubs, and related fixtures, as well as the electronic controls.

The control panel for the ioDigital shower or bath can be mounted in the shower, on the rim of a bathtub or outside the shower on a wall, he said. A cable connects the interface to the valve assembly that regulates the flow of hot and cold water. The assembly can be placed in the wall behind the shower, for example, or farther away, so long as the location is an interior wall insulated from the outside.

"We've put the assemblies into crawl spaces, in vanities and even in basements," Mr. Knurek said.

In May, Debbie Brown, a chemist who lives with her husband and two children in Bath, Ohio, decided to use ioDigital to retrofit a shower and whirlpool tub in the master bathroom. She liked the option of electronic controls to replace the old, defective faucet handles, in part because there would be minimal damage to the bathroom.

"We didn't have to tear up the ceramics," she said.

Most of the work was done on the wall near the bathroom, she said, where the plumber placed the valve assembly.

The electronic control panel for the bath is on the wall above the tub, as is the shower control. A fiberglass specialist filled in the holes in the tub where the faucet handles once were. “You can’t tell anything was there,” she said.

Installing the new shower controls was straightforward, too, she said. Mrs. Brown saved a few pieces of tile from the original installation that could be used to cover up the holes from the faucet handles.

Mrs. Brown likes the new, streamlined look of the bath and shower. “And you don’t have all of the handles to clean,” she said.

She also enjoys being able to program the water temperature. Each family member has chosen a different setting, saved with a number from 1 to 4.

“I’m No. 1,” she said. “I set the temperature I want, hit the button and the water is right where I want it all of the time, instead of never quite right.”

A remote control (\$135) can be used to start the shower from another room, or to top off water in the bath.

There is, of course, one big drawback to electronic controls: when there’s no power, there’s no shower. Unlike the humble faucets, those touch screens and panels won’t work without electricity.

102 10 Years Ago, an Omen³⁷⁷ No One Saw

Ten years ago Sunday, on an island off the coast of America, something impossibly glamorous²⁵⁵ took place. Partygoers took boats from Manhattan to the home of the Statue of Liberty to plop⁴¹⁵ pashalike on pillows and blankets and munch³⁶² on lamb chops while Macy Gray sang, their faces illuminated with multicolored Chinese lanterns and fireworks curated and narrated by George Plimpton.

“That was a silver-flanged fleur-de-lis,” said the voice, highly recognizable but disembodied¹⁶⁷ by darkness.

This was the Talk magazine launch party on Aug. 2, 1999 – simply called The Party at the time – and it seemed as if a new era of media fabulousness had been christened⁹⁷. The Hearst Corporation and Miramax, owned by Disney, decided to finance a new general interest magazine led by Tina Brown, fresh off her triumphs at Vanity Fair and The New Yorker, that would lead the national conversation.

It was all kicked off with the kind of lavish³²² party that would seem unthinkable in the current context.

Sponsored liquor³³¹ flowed, women teetered about on heels in deep grass, and the A-list guest list – Mr. Kissinger, please meet Miss um Ms. uh meet Madonna – was a testament to the power of the synergized word. Content was king and Ms. Brown was its queen.

“Now you’re not exactly the tired masses, the huddled masses, but then again, I’m an immigrant who toiled here on the Concorde,” she said to the crowd after being introduced by Queen Latifah. “But I just want to say, here’s to Lady Liberty tonight.”

Too bad nobody saw the sharks circling in the harbor. Rather than the culmination¹⁴⁰ of a century of press power, the Talk party was the end of an era, a literal fin de siècle. Flush with cash from the go-go ’90s and engorged by spending from the dot-com era, mainstream media companies seemed poised on the brink⁷² of something extraordinary. But that brink ended up being a cliff.

“It seems like that happened in the 18th century,” said Ms. Brown by phone last Friday.

Magazines are on pace to book little more than half of the advertising pages that the industry did 10 years ago, and dozens of longtime titles have disappeared. The last big magazine introduction – Portfolio at Condé Nast Publications – flamed out this spring after two years at a cost of more than \$80 million. Now even Condé Nast Publications, the world headquarters of printed luxury, has brought in the bean counters from McKinsey with an eye toward further cuts. There may never be another large magazine launch ever, and certainly not one that was accompanied by the fanfare of Talk.

I'm still ashamed to admit that I wasn't one of the lucky 1,000 people invited to the party – old prerogatives⁴²⁵ die hard – so I was trapped on shore, covering it secondhand with a nose pressed up against the glass. But it is worth thinking about how this future, or lack of one, arrived so unforeseen.

Ten years ago, journalists, long the salarymen of the publishing economy, began gorging²⁶⁰ on big contracts and options from digital start-ups like shrimp⁴⁹⁹ at a free buffet. With coveted¹³¹ writers commanding \$5 for every typed word into magazines that were stuffed to the brim with advertising, there was a fizziness, some would say recklessness, in the air. The industry was drunk on its own prerogatives, working a party that seemed as if it would never end.

Peter Kaplan, the former editor of The New York Observer, attended the party and oversaw coverage of the event.

“Tina, for all the excellence of her antenna, was scratching the air, and like many of us, was unable to pull in the new signal,” he said. “She failed to see that it was probably already over and that there was something slightly hollow about that event.”

Most of us who covered media did not fully understand the implications of the new technology that could publish and distribute information at zero marginal cost. The Web was viewed as a niche, as a way to supplement and enhance the printed product, certainly not a threat that would make many of those publications obsolete.

“Most of the talk at the Talk party was about the party itself,” said Kurt Andersen, a novelist, radio host and founder of Spy magazine. “It was weird and interesting because you were sort of wandering around in the dark out there and bumping into people. There was a meta quality to the thing, a self-consciousness, that in retrospect⁴⁶⁴ was probably telling.”

At least Ms. Brown did not compose a rap ode to the new magazine. That fell to Mr. Big, Ron Galotti, the former Condé Nast publisher who managed to get a flock of advertisers to buy the hype²⁷⁵ and commit to the first four issues of a magazine they had never seen. After Talk closed, Mr. Big quit Manhattan media and moved to a farm in Vermont. Maybe he knew something we didn't. (He did not return a call.)

“It was the end of something extraordinary, but none of us knew it at the time,” Ms. Brown says now. “What followed was a very turbulent odyssey, not just for me, but for all of us. There has been a volcanic⁵⁸⁹ realignment that none of us foresaw.”

After Talk closed early in 2002, Ms. Brown hosted a television show on CNBC and wrote a book about Princess Diana. Demonstrating a nimbleness that has characterized her entire career, she is now running The Daily Beast, a scrappy but promising digital media site owned by Barry Diller’s InterActiveCorp.

She pays her writers, increasingly an exception these days, but there are no huge contracts or boat rides to sylvan lawns full of impossibly famous people. The Daily Beast has 1.5 million unique visitors a month, according to Quantcast, and has kicked up some notice, but its opening party of a hundred or so took place at the very much land-locked Pop Burger on Ninth Avenue in Manhattan. There was no Sarah Jessica Parker, no Robert De Niro and no Hugh Grant in attendance. There were a lot of bloggers instead.

Modern media success is enabled by brutal⁷⁴ cost control and using hard, fast numbers to convince advertisers they will get a return for their spending. Once stalwart magazines like BusinessWeek are up for grabs and entire formerly lucrative categories have been wiped out. The magazine canard of associative glamour, of selling aspiration by the bucket-load with page after page of pricy merchandise, is all but dead but for a few exceptions.

Ms. Brown once wrote the book “Life as a Party” and on that night, it was.

“I was aware it was a historic night,” Ms. Brown said. “We were on a boat and I was with Natasha Richardson. We were talking and laughing, looking at the lights of the twin towers. And then a big wave came over the side of the boat and soaked us both. Now Natasha is gone, the towers are gone. It’s very, very sad, but I am very excited by this new world we are heading into.”

103 Staying Tough in Crackdown on Immigrants

After early pledges by President Obama that he would moderate the Bush administration's tough policy on immigration enforcement, his administration is pursuing an aggressive strategy for an illegal-immigration crackdown that relies significantly on programs started by his predecessor.

A recent blitz⁶⁰ of measures has antagonized²⁵ immigrant groups and many of Mr. Obama's Hispanic supporters, who have opened a national campaign against them, including small street protests in New York and Los Angeles last week.

The administration recently undertook audits of employee paperwork at hundreds of businesses, expanded a program to verify worker immigration status that has been widely criticized as flawed, bolstered a program of cooperation between federal and local law enforcement agencies, and rejected proposals for legally binding rules governing conditions in immigration detention centers.

"We are expanding enforcement, but I think in the right way," Janet Napolitano, the homeland security secretary, said in an interview.

Ms. Napolitano and other administration officials argue that no-nonsense immigration enforcement is necessary to persuade American voters to accept legislation that would give legal status to millions of illegal immigrants, a measure they say Mr. Obama still hopes to advance late this year or early next.

That approach brings Mr. Obama around to the position that his Republican rival, Senator John McCain of Arizona, espoused²⁰⁵ during last year's presidential campaign, a stance Mr. Obama rejected then as too hard on Latino and immigrant communities. (Mr. McCain did not respond to requests for comment.) Now the enforcement strategy has opened a political rift with some immigrant advocacy and Hispanic groups whose voters were crucial to the Obama victory.

"Our feelings are mixed at best," said Clarissa Martinez De Castro, immigration director of the National Council of La Raza, which has joined in the

criticism, aimed primarily at Ms. Napolitano. “We understand the need for sensible enforcement, but that does not mean expanding programs that often led to civil rights violations.”

Under Ms. Napolitano, immigration authorities have backed away from the Bush administration’s frequent mass factory roundups of illegal immigrant workers. But federal criminal prosecutions for immigration violations have actually increased this year, according to a study by the Transactional Records Access Clearinghouse, a nonpartisan group that analyzes government data. In April, there were 9,037 immigration cases in the federal courts, an increase of 32 percent over April 2008, the group found.

Ms. Napolitano said in the interview that she would not call off immigration raids entirely as some Hispanic lawmakers have suggested. “We will continue to enforce the law and to look for effective ways to do it,” she said. “That’s my job.”

Ms. Napolitano, who as governor of Arizona sparred with Republican legislators seeking tougher steps against illegal immigration, said she was looking for ways to make enforcement programs inherited from President George W. Bush less heavy-handed. She also wants to put the enforcement focus on illegal-immigrant gang members and convicts¹²⁶ and on employers who routinely hire illegal immigrants so as to exploit them.

Immigration authorities have started audits of employees’ hiring documents at more than 600 businesses nationwide. If an employer shows a pattern of hiring immigrants whose documents cannot be verified, a criminal investigation could follow, Ms. Napolitano said.

She has also expanded a federal program, known as E-Verify, that allows employers to verify electronically the identity information of new hires. Immigrant and business groups have sued to try to stop the program, saying the databases it relies on are riddled with inaccuracies that could lead to American citizens’ being denied jobs.

But officials of the Homeland Security Department say technological improvements have enhanced the speed and accuracy of E-Verify. With 137,000 employers now enrolled, only 0.3 percent of 6.4 million queries they have made so far in the 2009 fiscal year have resulted in denials that later proved

incorrect, the officials say. That, opponents note, still means false denials for more than 19,000 people.

In addition, Ms. Napolitano has expanded a program that runs immigration checks on every person booked into local jails in some cities. And she recently announced the expansion of another program, known as 287(g) for the provision of the statute authorizing it, that allows for cooperation between federal immigration agents and state and local police agencies.

In extending 287(g), federal officials also drew up a new agreement, which all of some 66 localities currently participating have been asked to sign, that is intended to enhance federal oversight and clarify the priority on deporting those immigrants who are criminal fugitives or are already behind bars.

But advocates for immigrants were dismayed that the new agreement did not include strong protections against ethnic profiling. They were surprised, they say, that Ms. Napolitano did not terminate the cooperation agreement with the sheriff of Maricopa County, Ariz., Joe Arpaio, who calls himself the “toughest sheriff in America.” Latino groups in Arizona have accused Mr. Arpaio of using the program to harass Hispanic residents.

“If they reform the 287(g) program and Arpaio doesn’t change, it won’t be reform,” said Frank Sharry, executive director of America’s Voice, a national immigrant advocacy group.

Ms. Napolitano said it would be up to Mr. Arpaio, like other current participants, to decide whether to sign and abide by the new cooperation agreement. Separately, the Justice Department has opened a civil rights investigation of Mr. Arpaio’s practices.

The Obama administration has received support for its immigration position from a leading Democrat, Senator Charles E. Schumer of New York, the chairman of the Judiciary subcommittee on immigration, who will be writing an immigration overhaul bill later this year.

In preparation for what is likely to be a furious debate, Mr. Schumer has called on Democrats to show that they are serious about immigration enforcement and is even asking them to stop using the term “undocumented” to refer to immigrants who are here illegally.

Democrats have to “convince the American people there will not be new waves of illegal immigrants” after an overhaul passes, Mr. Schumer said in an interview.

Republicans who oppose any legalization of the status of illegal immigrants say they remain unimpressed by the new enforcement measures.

“After 20 years of broken promises, it takes a lot more than token gestures,” said Representative Brian P. Bilbray, a California Republican who heads an immigration caucus in the House.

Michael A. Olivas, a professor of immigration law at the University of Houston, said Hispanic advocates were irked³⁰⁶ by the enforcement measures because they had seen scant⁴⁸⁵ sign that the administration was also moving deliberately toward an overhaul bill.

“We literally have the worst of all worlds,” Professor Olivas said.

104 Obama Renews Vow of No Middle-Class Tax Increase

The White House tried Monday to douse¹⁸⁰ speculation that it might raise taxes on the middle class in violation of President Obama’s campaign promise, just a day after two of his top economic advisers left the door open to such a move to rein in spiraling⁵¹⁹ deficits.

Mr. Obama told his economic team in a meeting at the White House that he intended to stand by his promise not to increase taxes on families making less than \$250,000, aides said. He then sent his spokesman out to repeat that message in front of the television cameras.

“The president made a commitment in the campaign. He’s clear about that commitment, and he’s going to keep it,” said Robert Gibbs, the White House press secretary.

The renewal of the promise came a day after Treasury Secretary Timothy F. Geithner and Lawrence H. Summers, director of the National Economic

Council, both refused to rule out tax increases on the middle class while discussing ways to pare³⁹⁰ the deficit. The two were speaking on separate Sunday morning talk shows, venues where administration officials are usually well prepared on the official line before appearing.

“It’s never a good idea to absolutely rule things out no matter what,” Mr. Summers said on “Face the Nation” on CBS. Mr. Geithner, on ABC’s “This Week With George Stephanopoulos,” said, “We can’t make these judgments yet about exactly what it’s going to take” to tame the deficit.

Conservative critics interpreted those comments as laying the groundwork for trying to wriggle out of Mr. Obama’s campaign pledge.

“Obama should fire Geithner and Summers,” said Grover Norquist, president of Americans for Tax Reform, a group that opposes tax increases. They “went on national television and implied the president lied his way into office and that he is open to raising taxes.”

The developments come at a time when the White House and Congressional Democrats, trying to figure out how to pay for expanding health care coverage, are considering proposals to increase taxes on the wealthiest Americans. Some critics from the left have suggested that Mr. Obama should not limit tax increases to the rich so that a broader cross section of Americans would be invested in the new health care system, as they are in Social Security and Medicare.

But the White House is trying to fend²²³ off attacks portraying Mr. Obama as a tax-and-spend liberal. Mr. Gibbs said that he had read the transcripts from Sunday’s shows “a few times” to study what had been said and that the president had made a point of reminding Mr. Geithner and Mr. Summers of his position, but was not scolding them.

“We talked about it as an issue,” Mr. Gibbs said, but added, “This wasn’t a, you know, like ‘school is in’ type of thing.”

Mr. Gibbs seemed exasperated²¹² at repeated questions on the matter at his daily briefing.

“If you don’t trust what I’m going to tell you, I don’t know why we do this,” he said finally.

Asked why Mr. Geithner and Mr. Summers did not repeat the president’s campaign promise, he said, “They left it to me.”

105 Rivalry⁴⁷² Between Apple and Palm Intensifies Over Access to iTunes

The Palm Pre has a large touch screen, slide-out keyboard and fast Web browsing. Palm also likes to point out that another selling point is the smartphone's ability to link to iTunes, Apple's music and media store.

Trouble is, Apple wants to make sure the iPhone is the only cellphone that can do that. So it changed its software to block the Pre's access to iTunes.

Now Palm is calling foul and is trying to rally the consumer electronics industry to its defense. Palm says that Apple, which allows only its own devices to connect directly with iTunes software, is misusing the standards put in place to foster interoperability between computers and devices using a U.S.B. connection.

Palm has filed a complaint with the U.S.B. Implementers Forum, an industry group established by technology companies that developed the technology that links computers to other electronic devices, claiming Apple is restraining trade. Predicting the outcome of this particular filing is tricky, said Mike Abramsky, an analyst with the investment firm RBC Capital Markets.

"There isn't much precedent for this case," he said. "It's breaking new ground. In my mind, ultimately the users are the arbiters²⁹ in the outcome of these situations."

The forum declined to comment on when it would respond to Palm's filing.

Currently, Palm, which once again has the Pre syncing with iTunes, accomplishes the feat²²¹ by duping¹⁸⁴ the iTunes software into recognizing the phone as an Apple music player, allowing it to synchronize and transfer files between the phone and a personal computer. The tactic has raised some eyebrows among those who think that Palm's approach itself is a breach of the standards set by the U.S.B. governing board.

But Palm says its strategy of masquerading³⁴⁵ as an iPod is acceptable because it is in response to Apple's restriction. "We think we are consistent

with our compliance,” said Douglas B. Luftman, an associate general counsel for Palm. “We’re not trying to appear to be anything we’re not – except for interoperability purposes with iTunes.”

Other devices not made by Apple work with iTunes, but generally require an additional download or intermediary step to work. Palm’s strategy, which allows an effortless connection between the smartphone and iTunes, is a first for the industry.

If anything, Palm’s sparring with Apple underscores “how critical the iTunes ecosystem has become for consumers,” said Michael Gartenberg, vice president for strategy and analysis at Interpret, a market research firm based in Los Angeles and New York. “iTunes is the center of gravity where consumers keep their content.”

Palm is not the only company clashing with Apple over its hardware and software policies. Google and Apple are tussling⁵⁶⁷ over Apple’s refusal to allow certain Google applications on the phone. On Friday, the Federal Communications Commission said it was looking into those actions.

For Palm and Apple, the iTunes battle is part of a bigger rivalry. The Palm Pre, introduced in June to glowing reviews, has been lauded as a worthy competitor to the iPhone. The competition is also set against Palm’s luring some of Apple’s senior executives. Jonathan J. Rubinstein, Palm’s chief executive, once oversaw iPod development at Apple, and Mike Bell, senior vice president for product development, is another Apple alumnus.

“It’s possible Apple is worried that customers might start buying Palm phones instead of iPhones or iPods,” said J. Gerry Purdy, the chief analyst of mobile and wireless at the research firm Frost & Sullivan.

Mr. Gartenberg, the analyst at Interpret, agreed. “Apple understands that seamless relationship between the iPod, the iPhone and iTunes,” he said. “It’s a big driver behind why consumers are buying their devices, and they’re going to try and protect that.”

Tom Neumayr, a spokesman for Apple, said, “As we’ve said before, newer versions of iTunes software may no longer provide synching functionality with unsupported digital media players.”

The stakes are especially high for Palm, which once dominated the smart-phone market with its Treo handsets. The company, which has been steadily losing market share since 2007, is counting on the Pre to reverse its fortunes. Paul Coster, an analyst with J. P. Morgan who follows the company, estimated that Palm shipped close to 180,000 devices in its first two weeks and could reach as many as 2.5 million in the fiscal year ending in May 2010.

For Pre owners, accessing iTunes is important, said Katie Mitic, senior vice president for product marketing at Palm. “We appreciate that many, many of our consumers use iTunes as their music or photo management system,” she said. “We just want to make it as easy as possible for them to use it on the Pre.”

Of course, the Pre also has software restrictions on synching with the Zune, the portable media player that is Microsoft’s answer to the iPod, but since it has few users, Palm is not fighting for access there. “The Zune has a much smaller market share,” Mr. Gartenberg said. “There are fewer people using it to control their media, so there are very few other vendor devices who are saying they want to hook into the Zune software.”

Palm’s tiff with Apple also has some people wondering why Apple even bothers. Mr. Purdy, the analyst, described Apple’s decision to thwart Palm’s working with iTunes as “shooting themselves in the foot.”

“All this means is that Palm’s customers would be able to purchase music through iTunes,” Mr. Purdy said. “This would offer an opportunity for increased revenue for Apple.”

Tim Wu, a professor at Columbia who specializes in telecommunications law, copyright and international trade, said, “There’s something very un-seemly about what Apple is doing.” He added, “It’s very counter to the ideals of openness, which is a concept Apple pioneered in computing.” In 2007, Steven P. Jobs, Apple’s chief executive, issued a call to the music industry for openness, titled “Thoughts on Music.”

As for Palm, Mr. Wu said, “It sounds like an uphill battle, in terms of trying to stop Apple from doing this.”

But Palm may have a shot. “The history suggests that openness wins,” said Mr. Wu, citing examples like AT&T’s attempts to restrict the devices attached to its phone lines and Apple’s early attempts to sell printers that worked only with Macs.

It was not immediately clear how long Palm planned to battle future software patches from Apple that disable the smartphone’s compatibility with iTunes. The company did not say whether it would pursue lawsuits or enlist government aid on restraint of trade grounds.

“This is a classic technology cat-and-mouse game,” Mr. Gartenberg said. “It often comes down to which side tires first.”

106 New President Tries to Get Toyota Back on the Road

General Motors, Ford and Chrysler are not the only ones working through wrenching restructurings. Toyota is, as well, though with a much lower profile.

The results have yet to show, and in fact, no one at Toyota expects 2009 to be anything but dismal.

Its new president, Akio Toyoda, has moved quickly since taking charge in June, when he declared his dismay at the company’s financial crisis.

“Like everyone in the company, I am extremely frustrated” about the automaker’s decline, Mr. Toyoda said at his first news conference as president. “So we must start again from the ground up.”

His first target was Toyota’s top management. Already, 40 percent has retired or been reassigned.

Four of Toyota’s five executive vice presidents, the group that now leads the company under Mr. Toyoda, are new to their jobs. Only one, Takeshi

Uchiyamada, Toyota's product development chief, is a holdover from the team that surrounded Mr. Toyoda's predecessor, Katsuaki Watanabe.

Further, the four newcomers are each in charge of a global region on top of duties within the company. (Mr. Uchiyamada is the only one with a single focus.)

Now Mr. Toyoda is headed for the United States. On Wednesday, he will address a management seminar sponsored by the Center for Automotive Research, near Traverse City, Mich., an annual gathering of the clan in the auto industry.

Toyota dealers and employees, many of whom know Mr. Toyoda from the years he worked in the United States, are eager for a shot of adrenalin⁷ from their new boss, the grandson of Toyota's founder.

"He knows the business," said P. Compton Cramer Jr., the owner of Cramer Toyota of Venice, Fla., who first met Mr. Toyoda a decade ago.

"He's going to bring a new kind of energy to the company," added Josephine Cooper, Toyota's group vice president of government and industry affairs, who had been Mr. Toyoda's hostess in Washington before his promotion.

Mr. Toyoda's biggest problem, executives and analysts say, is transforming a lineup dotted with mundane³⁶³-looking vehicles that buyers bought because of their reliability, not because of their style appeal.

It is a problem shared with Detroit, where executives are striving to inject their automobiles with excitement, too. Unlike G.M., Ford and Chrysler, however, Toyota cannot reach back to its roots and tap into a DNA of sexy sheet metal.

And it faces a difficult balancing act: become too aggressive, and Toyota risks chasing off the practical-minded consumers who have been its base for a half-century. Some have already been scared off.

Pamela Templeton, an owner of Fort Myers Toyota in Florida, said Toyota was caught "a little flat-footed" when gas prices hit record levels last year.

Despite a longtime focus on small cars, the company bet heavily this decade on trucks like the Tundra and sport utility vehicles like the FJ Cruiser.

So did Ms. Templeton, who spent \$13 million to open a separate 165,000-square-foot showroom just for light trucks. The market's demise forced her to eliminate customer pampering like a massage chair and cappuccino machine. "We had to make hard choices, and I'd rather keep people than fluff²³⁵," she said.

Only two years ago, Toyota was riding the crest of a deliberate growth strategy⁵³¹ in which it doubled in size and became the world's biggest car company. Although most carmakers have suffered, Toyota's rapid decline shocked many at the automaker and the experts who follow it.

Yoshimi Inaba, named by Mr. Toyoda as Toyota's new head of North American operations, faces heavy pressure to turn things around here. "Without North America, we are not likely to come back to global proficiency," Mr. Inaba told reporters in Detroit last month.

Toyota has an advantage over its Detroit rivals in its streamlined processes for engineering and building its cars, said James P. Womack, an author and expert on company efficiency. But he said the company, famous for caution and self-reflection, strayed when growth, not quality, became its main concern.

"They sort of quit being paranoid³⁸⁹," Mr. Womack said. "I'm neutral to buy on Toyota over the long term. It's going to take them a while to get back on their feet."

Ms. Cooper faces a unique concern in Washington, where the Obama administration spent \$65 billion this year to shepherd G.M. and Chrysler through bankruptcy and to pay for their restructurings.

She said she was constantly being asked how her company, which spent years trying to emphasize its investments in the United States, viewed the White House support for its rivals.

"My job is to make sure there is not more attention paid to Toyota because of this," Ms. Cooper said.

But Toyota cannot avoid scrutiny⁴⁹⁰ as it decides what to do with its half of New United Motor Manufacturing Inc., or Nummi, a 25-year-old joint venture with G.M. in Fremont, Calif.

G.M. has pulled out of the deal and classified the plant as one of the assets of the old G.M., which are being liquidated in bankruptcy.

Toyota said last week that it might dissolve its half of the venture, which was the brainchild of Mr. Toyoda's father, Shoichiro Toyoda, and paved the company's way into the American car market in 1984.

That has set up a confrontation with the United Automobile Workers union, which represents workers at the plant. Sergio Santos, the local union president, argues that the plant's experienced work force is among the country's best, consistently ranking ahead of other Toyota factories on productivity surveys.

"We have Super Bowl trophies to back up what we do," Mr. Santos said.

Union leaders are pressing lawmakers in California to provide incentives so Toyota can keep the plant open, while U.A.W. leaders have urged members to lobby Congress for worker protections.

Even if the venture dissolves, Mr. Santos said he hoped the plant could be sold back to Toyota or another new owner like Roger Penske, the former racecar driver and entrepreneur who recently purchased Saturn.

Senior executives in Japan will make the final decision on Nummi, Ms. Cooper said.

Closing the plant would be a turning point for Toyota, representing both the end of its first chapter in the United States and an acknowledgment of its harsh financial reality, Mr. Womack said.

He said the downturn had presented Toyota with the chance to stop emulating Detroit and to detour to a more realistic path.

Ms. Templeton, the Florida dealer, agreed. "Instead of trying to be the manufacturer for everyone, they need to get back to being the best," she said.

107 Spurring⁵²² Sales, Car Rebate Plan Is Left Up in Air

The fate of the “cash for clunkers” program remained uncertain on Monday even as sales figures from automakers demonstrated that people had flocked to dealers to trade in old gas guzzlers.

The White House urged the Senate to add \$2 billion to the program, as the House voted to do last Friday before leaving for its August recess. Still, dealers around the country stopped promising the rebates to car shoppers on Monday, because of uncertainty about how much of the \$1 billion initially allocated had been used up, or when or whether more money would be available. The Senate begins its recess this Friday.

The short-term tonic⁵⁵² of the first billion dollars was evident, though, in sales figures that automakers reported Monday. New-vehicle sales rose last month to the highest level in nearly a year, and in the final week of July, cars and trucks were rolling off dealers’ lots at almost the same rate they had before the recession began.

Dealers estimated that they sold a quarter-million cars with the rebate money.

And the Transportation Department reported that the average gas mileage of the vehicles being bought was significantly higher than required to qualify for a rebate of \$3,500 to \$4,500. Of 120,000 rebate applications processed so far, the department said the average gas mileage of cars being bought was 28.3 miles per gallon, for S.U.V.’s, 21.9 miles per gallon, and for trucks, 16.3 miles per gallon.

“The statistics are much better than anybody dreamed they would be,” said Senator Dianne Feinstein, Democrat of California. The actual mileage gain so far, she said, was not due to the details of the law but “the good judgment of the American people.”

Senator Feinstein, along with Senator Susan M. Collins, Republican of Maine, was the author of an early version of a “cash for clunkers” bill that would have required bigger improvements in mileage. Their decision to express

support for extending the current version of the program, at a news conference late Monday afternoon, was an important signal to other senators concerned about whether the program was doing enough for the environment.

Senator Charles E. Schumer of New York, an early backer of the Feinstein-Collins approach, also voiced support for an extension. “If it ain’t broke, don’t fix it,” he said. “It’s working in every way. It’s working as stimulus, it’s working to help families, it’s working to improve mileage.”

The White House spokesman, Robert Gibbs, said at his daily briefing that President Obama would lobby for the extension of the program on Tuesday when the 60 Democratic senators came to the White House for lunch.

“It’s good for dealers and auto manufacturers,” Mr. Gibbs said. “It’s good for our energy security and our environment.”

But the prospects for renewal were still uncertain.

Jim Manley, a spokesman for the Senate majority leader, Harry Reid, said of the statements by the three senators, “This is encouraging news, but in the Senate, where any one senator can stall things, we still need to reach agreement with the Republicans so we can get this through the chamber.”

The program squeaked through the Senate the first time it came up, passing 60-36, the minimum needed under Senate rules. In contrast, the House voted 298 to 119 to provide the initial \$1 billion for the program. On Friday the vote to add \$2 billion more was 316 to 109.

The Senate Republican leader, Mitch McConnell of Kentucky, said Monday on the Senate floor that the Obama administration had botched the execution of the program by miscalculating how popular it would be. This was a reason to be more deliberate in acting on a health care overhaul, he said.

Mr. McConnell did not, however, speak out against adding \$2 billion to the clunker program, though his spokesman, Don Stewart, said some Republicans had “real objections to it,” because it was borrowing the \$2 billion from one loan program – at the Energy Department – and funneling it to another.

The program, formally known as the Car Allowance Rebate System, was meant to last until Nov. 1 or as long as the money lasted. But the program basically ran out of money within the first week as dealers submitted applications to the Transportation Department for a quarter-million cars they had sold in July.

Auto dealers have been uncertain about how to handle new applications for the program since Thursday night, when the administration sent mixed signals about the future of the program.

In Houston on Monday, one dealer, George DeMontrond, said, “We are not going to do anymore until we get further information.”

Noting the two potential levels of rebates, he said, “at \$3,500 to \$4,500 a car, that is the difference between making a little money and losing a lot. We’re not prepared to take that risk until we fully understand what’s going to happen next.”

In Detroit, the automakers acknowledged sales were certain to drop off again when the trade-in program ended – whether immediately or later this year – and they conceded that there was a long way to go before the industry could climb out of its disastrous slump.

At the Ford Motor Company, sales rose 2.3 percent in July, the company’s first year-over-year sales increase in nearly two years and the first for any of the six largest automakers since last August. Ford’s compact sedan, the Focus, was the top-selling vehicle bought by those who turned in a clunker to be scrapped, the government said.

“We’re seeing people that we haven’t seen in years and years and years, coming back to where they bought the car 10 years ago,” said Patrick Dazzo, the general manager of Joe Rizza Ford Lincoln Mercury in North Riverside, Ill. “I had every person in my dealership working nonstop. It was great. Very encouraging.”

Three other automakers – Hyundai, Kia and Subaru – also reported increases. Detroit’s other car companies, Chrysler and General Motors, still sold fewer vehicles than they did a year ago, but the declines of 9 percent and 19 percent, respectively, were much smaller than in recent months.

No automaker revealed how many of its sales were to people who traded in a clunker, except Hyundai, which said the program accounted for 22 percent of sales. Ford and others said they did not know which sales were part of the program but could tell that it was a significant factor based on the types of vehicles sold, the fact that sales suddenly jumped after July 24 and anecdotal reports from dealers.

Even so, sales are down 32 percent compared with the first seven months of 2008.

108 Findings May Explain Gap in Cancer Survival

Scientists say they have made a discovery that may help explain the racial gap in cancer survival, providing clues to why white patients often outlive blacks even when they have what appear to be the same cancers.

The insights come from research at the University of Maryland into throat cancer and squamous-cell cancers of the head and neck, which have been increasing sharply in recent years, apparently because of the human papillomavirus – the same sexually transmitted virus that causes cervical cancer and is the target of a vaccine for girls.

The virus can also be spread through oral sex, causing cancer of the throat and tonsils, or oropharyngeal cancer.

The new research builds on earlier work suggesting that throat cancer tumors caused by the virus behave very differently from other throat cancers, and actually respond better to treatment. And the new research suggests that whites are more likely than blacks to have tumors linked to the virus, which may explain the poor outcomes of African-Americans with HPV-negative tumors.

University of Maryland researchers did the study after finding that their white patients with throat cancer were surviving 70 months on average,

compared with 25 months for their black patients, even though all were treated at the same hospital.

The racial disparity in survival for oropharyngeal cancers explained most of the gap between blacks and whites for all head and neck cancers, the researchers said.

“We were shocked to see this in our own institution, where more than half of the patients we treat are African-American,” said Dr. Kevin J. Cullen, director of the Greenebaum Cancer Center at University of Maryland and senior author of the new study, in the September issue of Cancer Prevention Research. Around the same time, the Maryland researchers were analyzing specimens of head and neck tumors gathered from participants in a treatment trial called the TAX 324 study, to determine how many tumors were linked to HPV.

The results were striking: the TAX 324 patients whose tumors were caused by the virus responded much better to treatment with chemotherapy and radiation. And they were also overwhelmingly white.

While about one-half of the white patients’ throat tumors were HPV-positive, only one of the black patients had a tumor caused by the virus, Dr. Cullen said.

“There was no difference in the survival between black and white patients in the TAX 324 trials if you subtracted out the HPV-positive patients,” he said.

The racial gap has often been explained as a result of late diagnosis among African-Americans, lack of access to care and less aggressive treatment, but experts said that in the case of oropharyngeal cancer, there appeared to be distinct biological differences between the tumors.

This suggests that the racial gap in survival for this particular cancer may trace back to social and cultural differences between blacks and whites, including different sexual practices, experts said.

At a briefing for reporters, leading cancer experts called the new report a landmark paper that would transform the treatment of oropharyngeal cancers and challenge doctors to develop new treatment options for patients with HPV-negative tumors.

Dr. Otis Brawley, medical director of the American Cancer Society, who wrote an editorial accompanying the report, said that changing sexual practices were increasing rates of head and neck cancers, and perhaps others as well.

“There is a huge public health message here,” he said.

109 Doctors in Cuba Start Over in the U.S.

In 1991, Carlos Domínguez, a family doctor in one of Havana’s poorest neighborhoods, bought a boat for 12,000 pesos – the equivalent of saving his entire paycheck for three years – to escape the government that had trained him to be an international doctor.

The boat was old and needed to be outfitted with the transmission from a 1952 Ford, one of the many American cars that still cruise the streets of Havana. The mechanic warned him there was no reverse gear. The boat could only go forward.

“Perfect,” Dr. Domínguez, now 46, said he replied. “I don’t plan on coming back. From now on, I’m just going forward.”

And so, armed with his grandfather’s World War II compass, he left Cuba and made his way to Miami, rowing the last seven hours after the gasoline ran out. He was 28 years old and ready to resume his life as a doctor.

But first he needed to pass four exams given only in English, and then put in several years of training as a hospital resident.

Dr. Domínguez, who had been taught Russian in his military school in Cuba, knew no English. Still, he passed one exam before failing the second by a few points. Already married and saddled with family responsibilities, he put away his medical school books, and signed up for a program to become a nurse in one year. Since 2001 he has worked as a hospice admissions nurse, a job that allows him to work with patients while avoiding the hurdles that doctors have to overcome to practice medicine in the United States.

While the rest of the country is suffering from a shortage of primary care physicians, Miami is awash⁴³ with Cuban doctors who have defected in recent years. By some estimates, 6,000 medical professionals, many of them physicians, have left Cuba in the last six years.

Cuban doctors have been fleeing to South Florida since Fidel Castro seized power in 1959, but the pace intensified after 2006, when the Department of Homeland Security began a program that allowed Cuban medical personnel “who study or work in a third country under the direction of the Cuban government” to travel to the United States legally. The program has effectively turned a crowning achievement of Cuba’s foreign policy on its head.

In the 50 years since the revolution, Cuba has sent more than 185,000 health professionals on medical missions to at least 103 countries. About 31,000, most of them doctors, are in Venezuela, where they work in exchange for cheap oil and other trade benefits for the Cuban government.

And more are in the pipeline. Cuba’s official news agency reported that more than 25,000 health professionals graduated this year, “the largest graduation ever.”

But many doctors on the island are now vying to be tapped for an international mission, in part because they know that no matter where they are sent, they will be one step closer to a visa to the United States.

The missions have earned Cuba much recognition, goodwill and bargaining power. President Obama told reporters at the end of a recent hemispheric meeting in Trinidad that he found it “interesting” to learn from Latin American leaders “about the thousands of doctors from Cuba that are dispersed all throughout the region, and upon which many of these countries heavily depend.”

Yet for many Cuban doctors, who earn the equivalent of \$25 a month, the lure³³⁶ of a life of freedom and opportunities in the United States is too strong to resist. And so these children of the revolution, educated by a Communist regime to reject capitalism and embrace socialism, have ended up in Miami, often tending to elderly Cubans who fled the island before the doctors were born.

Ana Carbonell, chief of staff for Representative Lincoln Diaz-Balart, Republican of Florida, said more than 2,000 Cubans had already settled in the United States under the parole program.

“It brings to our community highly qualified professionals at a time of great need,” Ms. Carbonell said. “They work alongside U.S.-trained doctors, and they enhance any practice or wherever they work.”

Many have been able to obtain licenses and practice medicine. Others have chosen to settle for careers in the medical field but not as physicians, and some work in fields that have nothing to do with medicine.

“I know neurosurgeons who are working in warehouses or factories or as gas attendants,” said Julio César Alfonso, 40, who graduated from medical school in Cuba in 1992 and works as a clinic manager in Miami. “But I know many more who are working as nurses, medical assistants and technicians.”

Lianete Pérez, 37, works as a medical assistant in the office of a pediatrician in Miami. A former anesthesiologist, Dr. Pérez longed to leave Cuba, arrived in 2002 and is studying to take the medical exams later this year. Unlike other doctors who resent having their skills tested years after medical school, she said she welcomed the chance to go back to the books.

“There are enormous differences between medicine in Cuba and in the United States,” she said. “I can’t tell you that Cuban doctors are not well trained, but I can tell you that the books we used were edited in 1962, and for me, coming here was like starting all over again.”

Aside from old books, Cuban medical students and doctors must contend with a lack of modern equipment and, often, of drugs and diagnostic tools taken for granted in developed countries. But many expatriate doctors say their dealings with patients in Cuba were more humane and less rushed than they are in the United States.

Foreign doctors trained in languages other than English face immense challenges getting a license to practice in the United States. Not only must they relearn their profession in English, but many, like Dr. Domínguez, must also work to support themselves and their families. Cuban doctors,

in particular, tend to be older by the time they arrive in the United States, sometimes too old to dedicate years to studying for exams and finding and completing a residency program.

Finding a residency program is almost impossible, they say, in part because most hospitals seek young doctors who can work long hours for little pay. A 40-year-old doctor is often deemed too old to be accepted in a residency program. Dr. J. Donald Temple, an associate professor of medicine at the University of Miami, said foreign-trained doctors faced the widespread perception that medical schools abroad are not as rigorous as medical schools in this country.

“They are not going to be accepted as readily as American-trained doctors are for some of the more competitive residency programs,” said Dr. Temple, who runs a training program for Latin American and Caribbean doctors to become leaders in the medical field in their own countries. “Many programs would not even consider them.”

Their loss is Miami’s gain. Just about any hospital in Miami can boast of having highly trained Cuban doctors working as nurses or medical assistants or even lab technicians.

Carlos Pérez-Sedano, 40, is one of them. He said he was sent to Ghana in September 2005. A year later, just two months after the parole program was announced, he applied for a United States visa. By December 2006, he was in Miami.

He now works as a case manager at Kendall Regional Hospital and is studying to take the exams for his Florida medical license. He says that half of the case managers in his department are Cuban doctors, and that at least 50 Cuban doctors work in other areas of the hospital, not all of them as physicians. Hospital officials at Kendall Regional say they keep no record of the nationality of their employees.

One out of every four doctors in the United States was trained overseas, said an American Medical Association official who deals with international doctors, but who is not authorized to speak to reporters and declined to give her name.

“We feel that international medical graduates are an integral part of our work force, and we don’t see that changing any time soon,” she said. “We rely very heavily on them because they take positions that are in underserved areas and go into primary care. Without them our country would be in dire straits, especially minority populations and the poor.”

This is the path that Dr. Juan A. Bereao took when he came from Cuba 11 years ago. A surgeon in Cuba, he now works as a house doctor in several South Florida hospitals, including Kendall. For three years before that, he was a resident in internal medicine at Bronx-Lebanon Hospital in New York City, where most of his patients were poor and from ethnic or racial minorities.

Dr. Domínguez, the hospice nurse, said he was mostly at peace with the fact that no one calls him “Doctor” anymore, except some old patients from Cuba he sometimes runs into in Miami. He earns more than \$100,000 a year, sends his two children to private schools and vacations with his family in France and Spain. But he said a part of him would always pine for the profession – and the title.

“I’ve had to get used to think as a nurse, but it’s difficult,” he said. “Deep down, I’m still a doctor.”

110 Divorce, It Seems, Can Make You!

Married people tend to be healthier than single people. But what happens when a marriage ends?

New research shows that when married people become single again, whether by divorce or a spouse’s death, they experience much more than an emotional loss. Often they suffer a decline in physical health from which they never fully recover, even if they remarry.

And in terms of health, it’s not better to have married and lost than never to have married at all. Middle-age people who never married have fewer chronic health problems than those who were divorced or widowed.

The findings, from a national study of 8,652 men and women in their 50s and early 60s, suggest that the physical stress of marital loss continues long after the emotional wounds have healed. While this does not mean that people should stay married at all costs, it does show that marital history is an important indicator of health, and that the newly single need to be especially vigilant about stress management and exercise, even if they remarry.

“When your spouse is getting sick and about to die or your marriage is getting bad and about to die, your stress levels go up,” said Linda Waite, a sociology professor at the University of Chicago and an author of the study, which appears in the September issue of *The Journal of Health and Social Behavior*. “You’re not sleeping well, your diet gets worse, you can’t exercise, you can’t see your friends. It’s a whole package of awful events.”

The health benefits of marriage, documented by a wealth of research, appear to stem from several factors. Married people tend to be better off financially and can share in a spouse’s employer health benefits. And wives, in particular, act as gatekeepers for a husband’s health, scheduling appointments and noticing changes that may signal a health problem. Spouses can offer logistical support, like taking care of children while a partner exercises or shuttling a partner to and from the doctor’s office.

But in the latest study, researchers sought to gauge the health effects of divorce, widowhood and remarriage in a large cohort of people over time.

Among the 8,652 people studied, more than half were still married to their first spouse. About 40 percent had been divorced or widowed; about half of that group were remarried by the time of the study. About 4 percent had never married.

Over all, men and women who had experienced divorce or the death of a spouse reported about 20 percent more chronic health problems like heart disease, diabetes and cancer, compared with those who had been continuously married. Previously married people were also more likely to have mobility problems, like difficulty climbing stairs or walking a meaningful distance.

While remarrying led to some improvement in health, the study showed that most married people who became single never fully recovered from

the physical declines associated with marital loss. Compared with those who had been continuously married, people in second marriages had 12 percent more chronic health problems and 19 percent more mobility problems. A second marriage did appear to heal emotional wounds: remarried people had only slightly more depressive symptoms than those continuously married.

The study does not prove that the loss of a marriage causes health problems, only that the two are associated. It may be that people who don't exercise, eat poorly and can't manage stress are also more likely to divorce. Still, researchers note that because the effect is seen in both divorced and widowed people, the data strongly suggest a causal relationship.

One reason may be changes at the cellular level during times of high stress. In an Ohio State University study, scientists analyzed blood samples of people undergoing the stress of caring for a loved one with Alzheimer's disease. The research focused on telomeres, which insulate and protect the ends of chromosomes; with aging, telomeres shorten and the activity of a related enzyme also declines.

Compared with a control group, the Alzheimer's caregivers showed telomere patterns associated with a four- to eight-year shortening of life span. Dr. Waite said the stress of divorce or widowhood might take a similar toll, leading to chronic health and mobility problems.

None of this suggests that spouses should stay in a bad marriage for the sake of health. Marital troubles can lead to physical ones, too.

In a series of experiments, scientists at Ohio State studied the relationship between marital strife and immune response, as measured by the time it takes for a wound to heal. The researchers recruited married couples who submitted to a small suction device that left eight tiny blisters on the arm. The couples then engaged in different types of discussions – sometimes positive and supportive, at other times focused on a topic of conflict.

After a marital conflict, the wounds took a full day longer to heal. Among couples who exhibited high levels of hostility, the wound healing took two days longer than with those who showed less animosity.

“I would argue that if you can’t fix a marriage you’re better off out of it,” said Janice Kiecolt-Glaser, an Ohio State scientist who is an author of much of the research. “With a divorce you’re disrupting your life, but a long-term acrimonious marriage also is very bad.”

111 Senate Is Expected to Extend ‘Clunker’ Trade-Ins

The secretary of transportation and the Senate majority leader both expressed confidence Tuesday that the Senate would revive the “cash for clunkers” program by voting to infuse it with another \$2 billion, as the House did last week.

The Senate minority leader said the Senate would hold a vote, although he did not predict the result.

The Senate is scheduled to go home on Friday and simply getting the bill to the floor before then requires a consensus¹¹⁸ among the senators. If the bill were amended¹⁷, it would effectively kill the program until Labor Day, since the House has already begun its August recess and would be unlikely to return to approve the Senate version.

But administration officials and Senate Democratic leaders said the Senate would approve the House version, giving more Americans a chance to get rebates by trading in gas guzzlers for more fuel-efficient vehicles.

“There obviously is a real pent-up demand in America,” said Ray LaHood, the transportation secretary. “People love to buy cars, and we’ve given them the incentive to do that. I think the last thing that any politician wants to do is cut off the opportunity for somebody who’s going to be able to get a rebate from the government to buy a new automobile.”

Harry Reid, Democrat of Nevada and the Senate majority leader, said, “We’ll pass cash for clunkers.” And Mitch McConnell, Republican of Kentucky, who is the minority leader, said there would be a vote, but did not say how it would come out.

Even Senator Jim DeMint, Republican of South Carolina, a vehement⁵⁷⁶ opponent of the program, said he would not block a vote.

But it was not clear Tuesday evening when the Senate might actually take up the issue. It was scheduled to take up the confirmation of Judge Sonia Sotomayor for a Supreme Court seat on Wednesday morning.

Mr. LaHood said that the clunkers program was still operating but would run out of money at the end of the week without a fresh infusion. Dealers around the country, though, said they had stopped making deals under the program because they were not confident that there would be any money left from the original \$1 billion allocated by Congress. Dealers have mostly been advancing the amount of the rebate, \$3,500 to \$4,500, to their customers and waiting for repayment from Washington.

The dealers said they believed that about 250,000 cars had been sold under the clunkers program, but data entry has lagged sales.

Mr. LaHood said on Tuesday that 157,000 transactions had been entered in the computer system, with a rebate value of \$664 million. The predominant transaction so far has been to trade in a pickup, S.U.V. or van for a sedan⁴⁹², he said, with the result that the new vehicles go 61 percent further on a gallon than the old vehicles did.

Some senators had argued that the terms of the program were too lenient, and that the government should specify tighter mileage standards. But the actual fuel economy improvement between the vehicles junked and their replacements were far better than the law required.

Another concern is when to end the program. Congress had expected the first billion dollars to last for months, but it was consumed in about one month. Senator Ben Nelson, Democrat of Nebraska, a fiscal conservative, said: "I don't see how you ever shut it down. You just keep feeding the kitty and just keep putting more money into it unless you have a way to end it."

112 Giant Particle³⁹³ Collider Struggles

The biggest, most expensive physics machine in the world is riddled⁴⁷⁰ with thousands of bad electrical connections.

Many of the magnets meant to whiz high-energy subatomic particles around a 17-mile underground racetrack have mysteriously lost their ability to operate at high energies.

Some physicists are deserting the European project, at least temporarily, to work at a smaller, rival machine across the ocean.

After 15 years and \$9 billion, and a showy “switch-on” ceremony last September, the Large Hadron Collider, the giant particle accelerator outside Geneva, has to yet collide any particles at all.

But soon?

This week, scientists and engineers at the European Center for Nuclear Research, or CERN, are to announce how and when their machine will start running this winter.

That will be a Champagne moment. But scientists say it could be years, if ever, before the collider runs at full strength, stretching out the time it should take to achieve the collider’s main goals, like producing a particle known as the Higgs boson thought to be responsible for imbuing other elementary particles with mass, or identifying the dark matter that astronomers say makes up 25 percent of the cosmos.

The energy shortfall could also limit the collider’s ability to test more exotic ideas, like the existence of extra dimensions beyond the three of space and one of time that characterize life.

“The fact is, it’s likely to take a while to get the results we really want,” said Lisa Randall, a Harvard physicist who is an architect of the extra-dimension theory.

The collider was built to accelerate protons to energies of seven trillion electron volts and smash them together in search of particles and forces that

reigned earlier than the first trillionth of a second of time, but the machine could run as low as four trillion electron volts for its first year. Upgrades would come a year or two later.

Physicists on both sides of the Atlantic say they are confident that the European machine will produce groundbreaking science – eventually – and quickly catch up to an American rival, even at the lower energy. All big accelerators have gone through painful beginnings.

“These are baby problems,” said Peter Limon, a physicist at the Fermi National Accelerator Laboratory in Batavia, Ill., who helped build the collider.

But some physicists admit to being impatient. “I’ve waited 15 years,” said Nima Arkani-Hamed, a leading particle theorist at the Institute for Advanced Study in Princeton. “I want it to get up running. We can’t tolerate another disaster. It has to run smoothly from now.”

The delays are hardest on younger scientists, who may need data to complete a thesis or work toward tenure. Slowing a recent physics brain drain from the United States to Europe, some have gone to work at Fermilab, where the rival Tevatron accelerator has been smashing together protons and antiprotons for the last decade.

Colliders get their oomph from Einstein’s equivalence of mass and energy, both expressed in the currency of electron volts. The CERN collider was designed to investigate what happens at energies and distances where the reigning theory, known as the Standard Model, breaks down and gives nonsense answers.

The collider’s own prodigious energies are in some way its worst enemy. At full strength, the energy stored in its superconducting magnets would equal that of an Airbus A380 flying at 450 miles an hour, and the proton beam itself could pierce 100 feet of solid copper.

In order to carry enough current, the collider’s magnets are cooled by liquid helium to a temperature of 1.9 degrees above absolute zero, at which point the niobium-titanium cables in them lose all electrical resistance and become superconducting.

Any perturbation, however, such as a bad soldering job on a splice, can cause resistance and heat the cable and cause it to lose its superconductivity in what physicists call a “quench.” Which is what happened on Sept. 19, when the junction between two magnets vaporized in a shower of sparks, soot and liberated helium.

Technicians have spent most of the last year cleaning up and inspecting thousands of splices in the collider. About 5,000 will have to be redone, Steve Myers, head of CERN’s accelerator division, said in an interview.

The exploding splices have diverted engineers’ attention from the mystery of the underperforming magnets. Before the superconducting magnets are installed, engineers “train” each one by ramping up its electrical current until the magnet fails, or “quenches.” Thus the magnet gradually grows comfortable with higher and higher current.

All of the magnets for the collider were trained to an energy above seven trillion electron volts before being installed, Dr. Myers said, but when engineers tried to take one of the rings’ eight sectors to a higher energy last year, some magnets unexpectedly failed.

In an e-mail exchange, Lucio Rossi, head of magnets for CERN, said that 49 magnets had lost their training in the sectors tested and that it was impossible to estimate how many in the entire collider had gone bad. He said the magnets in question had all met specifications and that the problem might stem from having sat outside for a year before they could be installed.

Retraining magnets is costly and time consuming, experts say, and it might not be worth the wait to get all the way to the original target energy. “It looks like we can get to 6.5 relatively easily,” Dr. Myers said, but seven trillion electron volts would require “a lot of training.”

Many physicists say they would be perfectly happy if the collider never got above five trillion electron volts. If that were the case, said Joe Lykken, a Fermilab theorist who is on one of the CERN collider teams, “It’s not the end of the world. I am not pessimistic at all.”

For the immediate future, however, physicists are not even going to get that. Dr. Myers said he thought the splices as they are could handle 4 trillion electron volts.

“We could be doing physics at the end of November,” he said in July, before new vacuum leaks pushed the schedule back a few additional weeks.

“It’s not the design energy of the machine, but it’s 4 times higher than the Tevatron,” he said.

Pauline Gagnon, an Indiana University physicist who works at CERN, said she would happily take that energy level. “The public pays for this,” she said in an e-mail message, “and we need to start delivering.”

113 Korean Police Raid Occupied Factory

Firing water cannons, the police raided Ssangyong Motor Company on Tuesday to reclaim the plant, which had been occupied for more than two months by hundreds of workers resisting layoffs.

After a day of battles, with workers firing nuts and bolts with slingshots and police helicopters showering workers from above with tear-gas-laced water, the police gained control of all but one of the factory buildings, where some 500 workers continued to make a last stand.

The workers also hurled fire bombs from rooftops. At least 23 police officers were injured, the police said, while the union said “many” workers were inside the factory were also injured.

Dark smoke billowed from the factory in Pyeongtaek, 45 miles south of Seoul. Workers burned tires when thousands of riot police officers moved in behind plastic shields. Police helicopters hovered overhead, throwing water laced with tear gas on the workers.

After hours of fighting, the police occupied several buildings but retreated from a paint shop, where at least 520 workers made their last stand. The building is stocked with inflammable²⁹⁵ material.

Ssangyong, the country’s fifth-largest carmaker, filed for bankruptcy in January amid falling sales and mounting debts.

The company has also had an acrimonious³ relationship with its Chinese owner, the Shanghai Automotive Industry Corporation, which bought a controlling share of the business in 2004. Shanghai Auto, China's largest carmaker, was seeking to expand overseas at a time when South Korea was beginning to embrace China as an economic partner.

As the company's fortunes waned⁵⁹³, management laid off hundreds of workers in 2006, leading to cross-national recriminations and a strike in which workers took over the plant and locked out management for nearly two months.

In December, union members held several Shanghai Auto officials hostage for seven hours, accusing them of absconding¹ with proprietary technology.

In April, the company announced plans to shed 36 percent of its workforce. About 900 employees barricaded themselves inside the paint shop and other buildings on May 22.

As the police siege on the factory persisted, many workers broke ranks and deserted the factory. But the protesters rejected the management's latest offer to reduce the number of layoffs. They said in a statement that rather than being divided, they would "die together."

Ssangyong threatened to seek liquidation if the workers prolong the occupation.

114 Opposition Woos⁵⁹⁵ Japan's Voters With Costly Vows

In a recent YouTube video posted by Japan's governing party, a smooth talker with an uncanny resemblance to the country's main opposition leader, woos his date with sweet promises: a life without worries about child care costs or retirement, if only she will marry him.

The wide-eyed woman asks how he will pay for such a carefree lifestyle.

“Just choose me,” the suitor snaps. “I’ll sort out the details after we’re married.”

The not-so-subtle message from the governing Liberal Democratic Party is that the opposition Democratic Party of Japan is offering voters much the same kinds of promises. The voters have seemed ready to be wooed.

The opposition party is riding a surge in popularity before elections for the lower house of Parliament on Aug. 30. Its platform promises more cash in hand for Japanese struggling through a deep recession: cash allowances to families with children, free tuition and more social security – all without adding to the country’s growing debt.

The Liberals have called the plan nonsensical and sure to bankrupt Japan. Instead, they promise to stimulate the economy by investing in strategic industries, like solar power and “green” cars. Growth will then quickly trickle down to the common people, the Liberals say.

The opposition “focuses on giving out money with no strategy for economic growth,” Prime Minister Taro Aso said of the Democrats. “We can no longer afford to pass our debt onto our children and grandchildren.”

The two parties are, in essence, pushing two versions of how Japan, the world’s second-largest economy, should work: as it has for the last half-century, by propping up its corporations, or by distributing wealth to the people.

If voters embrace the Democrats, Japan’s economy could shift from a long reliance on exports for growth, a model that has been largely discredited in the recent collapse of exports in the global downturn. Instead, a Democratic Party victory could result in a redistribution of wealth to ordinary Japanese to spur consumer spending.

“We will not pursue a traditional growth model – that is, rely on exports to grow our economy,” Katsuya Okada, secretary general of the Democratic Party of Japan, told reporters on Monday. “First and foremost, we need to improve peoples’ livelihoods.”

But the party's smorgasbord of policies – which include yearly allowances of 312,000 yen (\$3,297) per child, free tuition at public high schools and an end to highway tolls and gasoline tax – will not come cheap.

The Democrats say the program will cost 7.1 trillion yen to start next April, and an additional 16.8 trillion yen in 2011. That comes to more than 3 percent of Japan's 510-trillion-yen economy.

With its public debt already surpassing 180 percent of gross domestic product, Japan cannot afford such spending. By some measures, its debt-to-G.D.P. ratio is second only to Zimbabwe's.

But the party's proposals have proved attractive. The Kumano family in central Tokyo, for instance, would receive 624,000 yen (\$6,593) in child benefits a year for its two boys, now 8 and 9, until they are about 16. The father, Eiichi Kumano, who runs a child care business, says the money would be a relief.

"The boys are getting older, and we have to start thinking about college," Mr. Kumano said. "In the short term, we're thankful for the cash. But I do worry about how the government will pay for all this in the long run."

The Democrats say they intend to finance their program by eliminating the governing party's wasteful public spending, a legacy of decades of pork-barrel politics.

"We intend to rebuild the entire budget from scratch," said Masaharu Nakagawa, the Democrats' shadow finance minister. "We will eliminate all that's wasteful." Economists agree that the opposition party would have a freer hand in uprooting vested interests and writing a more efficient budget. The party has, until now, been virtually ignored by corporate Japan. In 2007, Keidanren, the country's main business federation, contributed almost 2.9 billion yen to the governing Liberals, and just 80 million yen to the Democrats.

"A growth strategy that focuses on ordinary citizens could be better than current policy, which is constrained by longstanding business interests," said Ryutaro Kono, chief economist for Japan at BNP Paribas.

The opposition is also exploring raising money by eliminating generous tax breaks and subsidies that have long supported weak Japanese companies at the expense of the wider economy. About two-thirds of Japanese companies, and half of large companies, do not pay corporate taxes because of obscure tax subsidies for research, investment incentives or because they lose money, according to the Organization for Economic Cooperation and Development.

By changing corporate tax policies and tapping idle government funds, the opposition party hopes to avoid raising Japan's 5 percent consumption tax. The Liberals insist it will soon be necessary to raise that tax to meet government expenditures.

Businesses say the Democrats' proposals would hobble Japanese companies in international competition. Executives are already stepping up the pressure on the opposition to ease its tough stance on corporations, which includes much tighter emissions goals for greenhouse gases.

"The economy will stall, or even worse – backslide," Tetsuya Nomura, president of the construction company Shimizu Corporation and the leader of the industry's main lobbying group, told reporters. "None of us can put food on the table," he said.

Some analysts question the ability of the opposition party, which has never been in office, to navigate Japan's complex economy. Formed a decade ago, the party is a mix of lawmakers from a spectrum of political views, including socialists and free-market advocates. Its agenda is likely to face fierce resistance from Japan's powerful bureaucrats, whom the Democrats have vilified as keepers of the status quo.

Economists note that neither party has a viable plan for long-term growth. With the elections for Parliament's more powerful lower chamber looming, neither side has addressed some of the more painful changes that Japan must make to build a more productive economy, including bringing more competition to domestic industries, revising rigid labor laws and increasing efficiency in financial markets.

115 ESPN Limits Social Networking

Soon after ESPN issued 12 guidelines to its employees about social networking on Tuesday, Ric Bucher, one of its N.B.A. writers and analysts, wrote on Twitter, “The hammer just came down, tweeps: ESPN memo prohibiting tweeting info unless it serves ESPN.”

He then added, “My guess is I can still tweet about my vacation/car shopping, etc.”

The guidelines are more detailed than Bucher described them. But they restrict the freedom that ESPN employees might previously have enjoyed.

“We’ve been in the social networking space for a long time, and will continue to be there,” said Chris LaPlaca, an ESPN spokesman. “But we want to be smarter about how we do it.” He said that Bucher’s “interpretation of the policy is mistaken.”

The guidelines say that on-air talent, reporters and writers are prohibited from having sports-related blogs or Web sites and that they will need a supervisor’s approval to discuss sports on any social networking sites. They will also be restricted from discussing internal policies or detailing how stories are “reported, written, edited or produced.”

The guide that Bucher focused on reads, “The first and only priority is to serve ESPN-sanctioned efforts, including sports news, information and content.” Violating the new guidelines could lead to suspension or dismissal.

ESPN will soon deploy modules to simultaneously link ESPN employees’ tweets and other social networking feeds to various ESPN’s Web sites. “The key phrase is write it once, publish it everywhere,” LaPlaca said. He said the policy is “not meant to diminish our having conversations with fans, but to do them so that if you’re not on Facebook, you can still get the information.”

116 Hot Story to Has-Been: Tracking News via Cyberspace

Like a lot of new ideas, Media Cloud started with a long-running argument among friends. Ethan Zuckerman and a handful of his colleagues at the Berkman Center for Internet and Society at Harvard Law School found themselves in endless disputes about the mainstream media and newer digital variations. Who sets the agenda? How is public debate shaped? What topics are covered or ignored?

Anecdotes favoring one side or another were as plentiful as pop-ups, but a comprehensive and reliable database that could track the daily rhythm of the news cycle over time and was available for public use didn't exist. So Mr. Zuckerman and others at Berkman decided to create one.

The result is Media Cloud, a system that tracks hundreds of newspapers and thousands of Web sites and blogs, and archives the information in a searchable form. The database, at mediacloud.org, will eventually enable researchers to search for key people, places and events – from Michael Jackson to the Iranian elections – and find out precisely when, where and how frequently they are covered, said Mr. Zuckerman, whose official title is senior researcher, though he acknowledges that a more accurate label would be computer geek and international development specialist. (At the moment only a small sample of Media Cloud's tools are on the public Web site.)

The findings, which can be graphed or mapped, can demonstrate the evolution of a report and variations in coverage. Users get to “do the fun part, which is analyzing the data,” Mr. Zuckerman said, “while we do the hard part of this, which is collecting it.” Eventually users will be able to compare the top 10 news events covered by Fox News, The Atlanta Journal-Constitution and the BBC, for example, or chart the terms that appear most frequently in The New York Times, compared with leading blogs, or create a world map showing which countries receive the most media attention, or follow the path of a particular report to see if it dominates the news or dies out.

For the past decade or so, many researchers have used link analysis to figure out how information spreads, said Yochai Benkler, a Harvard Law School professor at Berkman who has been involved in creating Media Cloud. You could identify which Web sites were linked to most frequently and infer whose sites were most influential. But researchers have pretty much squeezed all that they can from that approach, Mr. Benkler said. Although Media Cloud is still in its early stages, it is among “the next generation of tools that actually look at what people are saying,” he said, adding, it is “a better microscope.”

There are other kinds of media trackers. Cornell University researchers, for example, have developed MemeTracker, which maps the daily news cycle by grabbing repeated quotations from one million online sources. (A meme is anything – an idea, a phrase – that spreads by imitation from one person to another.)

Its graphs, which can be viewed at memetracker.org, display the reports that are competing against one another for attention on a given day, as well as those that have staying power or quickly disappear. A recent paper on MemeTracker’s experience during the presidential campaign was hailed by experts as a landmark piece of work.

Pew Research Center’s Project for Excellence in Journalism offers a news-coverage index, which is laboriously compiled by having 14 people sample leading reports produced by 55 outlets. Media Cloud is much less exact, Mr. Zuckerman said, but it can automatically scan hundreds, and eventually thousands, of sources.

Amy S. Mitchell, deputy director of Pew’s journalism project, said Media Cloud “offers the public a great opportunity to play around with looking at a wide swath of media at more of a surface level.” But, she added, it cannot really capture the nuances of the news agenda of the news media. “There are certain things that computer algorithms cannot do that individuals can,” she said.

Since every method has virtues and drawbacks, she added, “I think there is tremendous value in having both approaches.”

What Media Cloud offers that no one else does is a tool anyone can use to answer all sorts of questions about the media landscape. One topic that

Mr. Benkler and Mr. Zuckerman have long been debating is whether the Internet has helped open up the public sphere to more voices, or whether it just serves as an echo chamber, simply repeating information and views that the mainstream media already circulate.

Mr. Benkler is using Media Cloud to test his theory that digital media is widening the circle of voices somewhat. Sites that he characterizes as “one link out” from the most visible (like The Huffington Post, Talking Points Memo and Instapundit) are entering into the conversation, he argues.

Who has the power to place an idea on the national agenda is another question that Mr. Benkler said Media Cloud could help answer. For instance, how is the conversation about the recession and the financial crash shaped? Using some of the database’s more specialized tools, Mr. Benkler investigated who first floated the idea for a temporary takeover of the financial system by the government, as was done in Sweden in the 1990s.

Paul Krugman, a columnist for The New York Times, first raised the idea in September 2008, but it was a cluster of influential economic and political bloggers like Brad DeLong and Matthew Yglesias who kept the idea alive. After the subject disappeared for a couple of months, the bloggers then resurrected it early this year as Washington began discussing the details of a bank rescue plan. To Mr. Benkler, this preliminary evidence suggests that the network of public media has given a voice to some people who in the past may have had useful ideas but were, as a practical matter, unable to inject them into the national conversation.

“If you’re actually trying to map where an idea starts and how it moves through the public sphere, you need a database like we’re developing, with time-stamped data,” Mr. Benkler said, explaining that services like Google and Lexis/Nexis are not as comprehensive or do not provide that level of detailed information. Media Cloud also enables more fine-grained analyses by examining language and context. “How does rhetoric change over time, and what’s the role of the Internet and the mainstream media in that?” Mr. Zuckerman asked.

Some of his colleagues, for example, have been tracking the frequency of the words bailout and stimulus to pinpoint when one term overtook the other. Media Cloud mapped the results to show how the term bailout, used

constantly in the news in the fall, eventually gave way to the word stimulus after President Obama took office. The results were graphed, illustrating precisely when the two lines crossed – where, as Mr. Zuckerman would say, “one meme took over from the other.”

Media Cloud’s founders have put out an open call on their Web site for research ideas. The system provides a platform, Mr. Zuckerman said, on which others can build using their own kinds of tracking software. The point is to start with facts rather than impressions.

As Mr. Zuckerman noted, a lot of anecdotes don’t necessarily add up to the truth.

117 In Release of Journalists, Both Clintons Had Key Roles

Former President Bill Clinton left North Korea on Wednesday morning after a dramatic 20-hour visit, in which he won the freedom of two American journalists, opened a diplomatic channel to North Korea’s reclusive government and dined with the North’s ailing leader, Kim Jong-il.

Mr. Clinton departed from Pyongyang, the capital, around 8:30 a.m. local time, along with the journalists, Laura Ling, 32, and Euna Lee, 36, on a private jet bound for Los Angeles, according to a statement from the former president’s office.

The North Korean government, which in June sentenced the women to 12 years of hard labor for illegally entering North Korean territory, announced hours earlier that it had pardoned the women after Mr. Clinton apologized to Mr. Kim for their actions, according to the North Korean state media.

President Obama contacted the families of the women on Tuesday evening, according to administration officials, but the White House said it would withhold public comment until the former president landed on American soil.

Mr. Clinton's mission to Pyongyang was the most visible by an American in nearly a decade. It came at a time when the United States' relationship with North Korea had become especially chilled, after North Korea's test of its second nuclear device in May and a series of missile launchings.

It ended a harrowing ordeal for the two women, who were stopped on March 17 by soldiers near North Korea's border with China while researching a report about women and human trafficking. They faced years of imprisonment in the gulaglike confines of a North Korean prison camp.

And it catapulted Mr. Clinton back on to the global stage, on behalf of a president who defeated his wife, Hillary Rodham Clinton, in a bitter primary campaign last year, and who later asked her to be his secretary of state.

Mrs. Clinton was deeply involved in the case, too. She proposed sending various people to Pyongyang – including Mr. Clinton's vice president, Al Gore – to lobby for the release of the women, before Mr. Clinton emerged as the preferred choice of the North Koreans, people briefed on the talks said.

About 10 days ago, these people said, Mr. Gore, who co-founded Current TV, the San Francisco-based media company that employs Ms. Ling and Ms. Lee, called Mr. Clinton to ask him to undertake the trip. Mr. Clinton agreed, as long as the Obama administration did not object.

The riveting⁴⁷⁴ tableau⁵⁴⁰ of a former president, jetting into a diplomatic crisis while his wife was embarking on a tour of Africa in her role as the nation's chief diplomat, underscored the unique and enduring role of the Clintons, even in the Obama era.

On Wednesday in Nairobi, Kenya, Mrs. Clinton said, "I'm very happy and relieved to have these two young women, Laura Ling and Euna Lee, on their way home to their families."

"I spoke to my husband on the airplane and everything went well; we are extremely excited they will be reunited," she said, adding, "it was just a good day to be able to see this happen." She said she would have more to

say on the matter later, when the journalists and her husband landed in America.

Mr. Clinton's trip to Pyongyang came just two weeks after North Korea issued a harsh personal attack on Mrs. Clinton, in response to comments she made comparing its nuclear test and missile launchings to the behavior of an attention-seeking teenager.

The North Korean Foreign Ministry objected to her "vulgar remarks" and called her "a funny lady" who was neither intelligent nor diplomatic. "Sometimes she looks like a primary-school girl and sometimes a pensioner going shopping," a spokesman said.

The episode evidently did not stop consideration of sending her husband as an envoy¹⁹⁶. But the initiative was cloaked¹⁰⁵ in secrecy and came after weeks of back-channel talks between the United States and North Korea through its United Nations mission. In addition to Mr. Gore, the White House's list of potential candidates included Gov. Bill Richardson of New Mexico.

North Korea signaled its desire to have Mr. Clinton act as a special envoy in conversations with Ms. Ling and Ms. Lee, who relayed that message to their families in the middle of July, according to a senior administration official. The message was passed to Mr. Gore, who contacted the White House, which then explored whether such a mission would be successful.

Mr. Obama did not speak directly with Mr. Clinton before the mission. But his national security adviser, Gen. James L. Jones, contacted the former president to sound him out. The senior official said the administration did "due¹⁸³ diligence" with the North Koreans to ensure that if Mr. Clinton went, he would return with the journalists. He also denied that Mr. Clinton apologized as a condition of obtaining the pardons from the government.

As president, Mr. Clinton had sent Mr. Kim a letter of condolence¹¹⁴ on the death of his father, Kim Il-sung, according to a former official. For Mr. Kim, the former official said, freeing the women was a "reciprocal humanitarian gesture."

Mr. Kim is believed to have suffered a stroke last year. American officials said they thought his declining health had set off a succession struggle, complicating the Obama administration's dealings with the North.

The families of the American journalists issued a statement saying they were "overjoyed" by news of the pardon and thanked Mr. Obama and Mrs. Clinton. "We especially want to thank President Bill Clinton for taking on such an arduous³² mission and Vice President Al Gore for his tireless efforts to bring Laura and Euna home," the statement said.

Current TV said in a statement that it too was "overjoyed" and that the hearts of its employees went out to Ms. Ling and Ms. Lee for "persevering through this horrible experience."

The Obama administration said Ms. Ling and Ms. Lee were in good health.

Administration officials said Mr. Clinton went to North Korea as a private citizen, did not carry a message from Mr. Obama for Mr. Kim and had the authority to negotiate only for the women's release.

"This was 100 percent about the journalists," said a senior administration official, who spoke on the condition of anonymity because of the delicacy of the matter. "We knew Kim Jong-il would probably seek a meeting with Clinton. But that's not what this visit was about."

Still, North Korea, clearly seeing a propaganda opportunity at home and a rare chance for a measure of favorable publicity abroad, welcomed Mr. Clinton with the fanfare of a state visit. It broadcast a group portrait, as well as photos of Mr. Kim gesturing and talking to Mr. Clinton; of the former president accepting flowers from a North Korean girl; and of Mr. Clinton, seated across a negotiating table from Mr. Kim, each flanked by their aides. Among those greeting Mr. Clinton at the airport was Kim Kye-gwan, North Korea's chief nuclear negotiator.

Among those accompanying Mr. Clinton was David Straub, a former director of the Korea desk at the State Department, who had held talks with the North Koreans through what is known as the "New York connection."

Also on hand was John Podesta, an informal adviser to the Obama administration who served as Mr. Clinton's chief of staff in the final years of his

presidency, when the former president yearned to travel to North Korea to clinch a deal that would have curbed its nuclear program.

That visit never happened – partly because the White House concluded that a deal was not assured – and President George W. Bush put the brakes on direct talks with North Korea, setting the stage for eight years of largely fruitless efforts to stop the North's nuclear ambitions.

Given Mr. Clinton's stature and his long interest in the North Korean nuclear issue, experts said it was likely that his discussions in North Korea ranged well beyond obtaining the release of Ms. Ling and Ms. Lee.

"It would be someplace between surprising and shocking if there wasn't some substantive discussion between the former president, who is deeply knowledgeable about the nuclear issue, and Kim Jong-il," said Robert L. Gallucci, who negotiated with North Korea in the Clinton administration.

Mr. Clinton has sought to find the right place in the Obama era, eager to play a role without stepping on the toes of the new president or certainly of his secretary of state.

The last time the two spoke, said the White House press secretary, Robert Gibbs, was in March, when Mr. Obama invited Mr. Clinton to a ceremony in Washington for signing legislation expanding the AmeriCorps program created by Mr. Clinton.

In interviews last spring, Mr. Clinton said that he would be happy to do anything Mr. Obama asked him to do, but that "I try to stay out of their way."

Mr. Clinton's mission may be less of an issue for Mr. Obama than for Mrs. Clinton. The same day he landed in North Korea, she arrived in Kenya, kicking off an 11-day journey through Africa – a visit now largely eclipsed by her husband's travels.

118 China Tries Campaigner On '08 Quake

Human rights advocates are calling on the Chinese government to cancel the criminal trials of two men who pushed for official investigations into the causes of widespread school collapses during the devastating 2008 earthquake in Sichuan Province.

The trial of one man, Huang Qi, began Wednesday but adjourned⁶ without a verdict. Mr. Huang, a well-known blogger and civil rights campaigner, is accused of possessing state secrets, which carries a sentence of five years to life. The second defendant, Tan Zuoren, a writer and also a prominent rights advocate, faces a potential five-year sentence for subversion and is to go on trial Aug. 12. The charges are broad ones the Chinese government often uses to silence people who publicly challenge the government.

“These trials are not about a reasonable application of the law, but about silencing government critics whose work has considerable public benefit and sympathy,” Sophie Richardson, the Asia advocacy director at Human Rights Watch, an advocacy group based in New York, said in a written statement released Tuesday. “The government is likely seeking to squelch⁵²³ those who cause it embarrassment, but in the process it is undermining domestic and international confidence in its ability to cope in a transparent way with natural disasters.”

Mr. Huang’s wife, Zeng Li, said in a telephone interview that her husband’s trial began at 10:30 a.m. and continued for three hours. It was unclear Wednesday night when the trial, closed to the public, would resume.

The May 2008 earthquake was the most devastating natural disaster in China in decades, killing nearly 69,000 people and leaving about 18,000 missing, all presumed dead, according to official estimates. Initial reports from official news media said about 7,000 schoolrooms collapsed, and as many as 10,000 schoolchildren may have perished.

Many of the schools collapsed even though buildings next to them remained standing, which grieving parents and advocates attributed to shoddy⁴⁹⁷ construction and corruption. Officials in Sichuan blamed the earthquake itself, not bad construction.

Mr. Huang, who tried to help five bereaved fathers push for investigations and compensation, was detained by the police in June 2008 and formally charged the next month. Mr. Huang ran the Tianwang Human Rights Center, an informal advocacy group, in Chengdu, the provincial capital of Sichuan, and discussed rights issues on his Web site, www.64tianwang.com.

Mr. Tan was detained in March and charged the next month. The charge of subversion is related to his attempts to investigate construction of the schools and to organize an event to observe the 20th anniversary of the killing of civilians by the government during the Tiananmen Square protests of June 1989, according to Human Rights Watch.

119 Streets Empty in Plague-Stricken Town

Public buses were ordered off the roads of a remote Chinese town to control the possible spread of pneumonic plague that has killed three people and seemed poised to claim a fourth victim, residents and the authorities said Wednesday.

One patient hospitalized with the highly infectious lung disease was “near death” while another person was in serious condition, according to a notice from the health bureau of the northwestern province of Qinghai, where the stricken town of Ziketan is located.

Seven others infected were “basically stable,” the notice said.

The police have set up checkpoints around Ziketan, a farming town of 10,000 people in an ethnically Tibetan area, sealing it off to prevent the spread of the disease that can kill in as little as 24 hours if left untreated. Residents have reported that some people have tried to flee the town on foot, though it is unclear whether they made it past the checkpoints.

The authorities have set up a cordon ¹²⁹ with a 28-kilometer, or 17-mile, radius around Ziketan, more than 480 kilometers west of Beijing, residents said. Calls to the town and provincial public security bureaus rang unanswered.

Public buses were pulled off the streets, and few shops were open, according to a food seller in Ziketan, surnamed Han. Residents have been told to disinfect their homes and shops, he said.

“Yesterday afternoon there were police patrolling on the streets, advising the shops to close,” said Mr. Han, who gave only his surname because of the sensitivity of the issue. “I took a stroll out of my shop earlier this morning and found that only around 20 shops are open in town. There are few people or vehicles on the streets.”

China has had previous cases of plague, a disease that circulates mainly among small animals. Experts have said most cases in China’s northwest occur when hunters are contaminated while skinning infected animals. Pneumonic plague is the least common and most deadly form of the disease. It can be directly spread between humans because the bacteria is airborne. But if treated early with antibiotics, it is curable.

120 A Small-Business Guide to Intellectual Property

The two most precious resources for any small-business owner are time and money. That’s why when the subject of intellectual property comes up, many owners run in the other direction. They see images of expensive lawyers and use that as an excuse to ignore the topic, reasoning that it is a problem for big companies to worry about.

The trouble is, with the rise of competition through the Internet and on the global market, understanding intellectual property is more critical than ever for small-business owners. Let’s explore some of the common fallacies:

1. For small-business owners, it’s not worth the time or effort to secure intellectual property rights.

Daniel Lubetzky, chief executive of New York City-based Kind Snacks, had high hopes when he and his company attended the Natural Products Expo

West in Anaheim, Calif., in March. And who could blame him, since his Kind Plus bars had been named the best new product at the Natural Products Expo East last October?

But it didn't take long before Mr. Lubetzky knew something had gone wrong: He kept hearing how one of his competitors had copied the packaging, look and feel of his bars.

Fortunately for Mr. Lubetzky, he had secured crucial components of intellectual property like trademarks, trade dress (the look and feel of a product) and Web addresses after founding his company. Unlike a patent, which can cost up to \$25,000 to secure, trademarks and Web addresses can be obtained relatively cheaply and without the aid of a lawyer.

With the legal documentation to back up his intellectual property rights, Mr. Lubetzky sent the offending company a cease-and-desist letter, which achieved the desired result. "Too many entrepreneurs forget there is more to I.P. than just patents," said Mr. Lubetzky, who happens to be a lawyer.

2. Once I get a trademark, my brand is safe.

It may be. But consider what happened to Tracey Deschaine, who runs a restaurant called Dixie Picnic in Ocean City, N.J.

When Ms. Deschaine opened her business in 2006, she secured trademarks on her business name and logo and on the name of her signature item, "upcakes," which are upside-down frosted cupcakes. The problem, she says, was that even though she had obtained the trademarks, someone monitoring the activity on the United States Patent and Trademark Office's Web site had spotted her application and secured upcakes.com as the Web address, or U.R.L., before she could.

"I had no idea that even though I have a trademark, someone else could just go register the U.R.L.," she said. "I wish I had planned ahead and bought the site before I did that."

3. Having a patent gives me the right to produce something.

This is a very fundamental misunderstanding. Actually, what a patent does is give you the right to prevent someone else from producing what your

patent covers. “Having a strong I.P. position helps ensure that other people pay you for your innovation like they would a toll on a road,” Mr. Kocher said.

But even if you do have a patent, there’s no guarantee that someone won’t try to get around it. There’s also no guarantee that you will win if you fight that person. But if you have your I.P. ducks in a row and a commitment to do whatever you can to defend those rights, you do have a fighting chance – even in a fight against a much larger company.

Consider the example of Cryptography Research, a 20-employee technology firm in San Francisco that specializes in data security. Beginning in 2004, the company made the decision to pursue litigation against the credit card giant Visa, which Cryptography asserted was infringing on its patents covering smart cards. To pursue the case against Visa, however, Cryptography’s founder, Paul Kocher, knew he needed a serious war chest in addition to his patent portfolio.

That’s why he decided to sell off another piece of his business, patents covering technology that protects Blu-ray discs from piracy, to Macrovision, which is now known as Rovi, in 2007 for \$45 million. “All of a sudden we became a formidable opponent for someone who thought we couldn’t fight,” Mr. Kocher said. In the end, the gamble paid off, as the two companies settled out of court, with Visa’s agreeing to license the technology from Cryptography.

4. If I have a patent or trademark in the United States, I don’t need to worry about the rest of the world.

It depends on your business model. Intellectual property rights, which also include country-specific U.R.L.’s, need to be obtained country by country, some of which protect them better than others. The cost can vary, too.

In Japan, for example, it is notoriously expensive to acquire patents. In addition, the annual fees required to maintain the patents there are often prohibitively expensive for small businesses, said Gary Johnson, chief executive of Blue Spark Technologies, a manufacturer based in West Lake, Ohio, that makes small, flexible batteries used in things like radio frequency identification tags.

“What we have done is to develop a strategy to go after I.P. protection in a limited number of countries that we think we are most likely to sell or manufacture in, like the U.S. and China,” he said. “A lot of the choice comes down to what your business plan tells you.” To decide what your international I.P. strategy should be, consult a lawyer and conduct some cost-benefit analysis to see if expanding your I.P. rights makes sense.

5. People who collect patents but don’t actually make anything are “patent trolls,” parasites who can make money only by filing lawsuits against real businesses.

The term “patent troll” was coined in the wake of the epic lawsuit fought between NTP, a small holding company, and Research in Motion, which makes the hugely popular BlackBerry. The focal point of the dispute was a patent for wireless e-mail delivery held by NTP – something that R.I.M. eventually would pay millions of dollars to license. But what most people remember about the story is the lawsuits and the notion that NTP was somehow in the wrong for trying to enforce its patent, mostly because it didn’t make any products itself.

But consider that many inventors never set out to build a company, only to partner with someone who would bring their products to life. Thomas Edison, for instance, received more than 1,000 patents – many of which he licensed to other companies. “He created what we might consider the first innovation factory,” says Mark Blaxill a co-founder of 3LP Advisors, an intellectual property consulting company based in Boston.

A more recent example is Trident Design, a company founded by an inventor, Chris Hawker, which patented and then licensed the design for the PowerSquid. Like Edison, Mr. Hawker’s company invents products, builds an intellectual-property wall around them and then licenses them to other companies.

The PowerSquid is now manufactured by a division of Phillips Electronics and sold by a spinoff of Trident called Flexity. “Our entire business model is leveraging our I.P.,” Mr. Hawker said.

121 Bill Clinton and Journalists in Emotional Return to U.S.

Former President Bill Clinton arrived in the United States Wednesday morning after a dramatic 20-hour visit to North Korea, in which he won the freedom of two American journalists, opened a diplomatic channel to North Korea's reclusive government and dined with the North's ailing leader, Kim Jong-il.

The private plane carrying Mr. Clinton and the journalists, Laura Ling, 32, and Euna Lee, 36, landed at 5:50 a.m. Pacific Daylight Time at Bob Hope Airport in Burbank, just outside Los Angeles.

The two women stepped off the plane in jeans and sweaters, rushing down the stairs to be reunited with their families, who clustered around them. Ms. Lee, in tears, embraced her husband, Michael Saldade, and knelt to hug her 4-year-old daughter, Hana. Ms. Ling kissed her husband, Iain Clayton. Mr. Clinton stepped off the plane a few moments later, embracing former Vice President Al Gore, the founder of the media company that employs the journalists.

"Thirty hours ago, Euna Lee and I were prisoners in North Korea," Ms. Ling said in brief remarks to reporters, blinking back tears. "We feared that at any moment we could be prisoners in a hard labor camp. Then suddenly we were told that we were going to a meeting.

"We were taken to a location and when we walked through the doors, we saw standing before us President Bill Clinton," she said, recounting the final moments of her ordeal³⁸⁰. "We were shocked, but we knew instantly in our hearts that the nightmare of our lives was finally coming to an end. And now we stand here home and free."

Mr. Gore then spoke. "President Obama and countless members of his administration have been deeply involved," in the effort to bring the women home, he said. "To everybody who has played a part in this," he said, "we are so grateful."

The North Korean government, which in June sentenced the women to 12 years of hard labor for illegally entering North Korean territory, announced hours before the jet's departure from North Korea that it had pardoned the women after Mr. Clinton apologized to Mr. Kim for their actions, according to the North Korean state media.

Mr. Clinton's wife, Secretary of State Hillary Rodham Clinton, said Wednesday that the administration was "extremely excited" that the women would be reunited with their families. But she denied that her husband had apologized.

President Obama, who contacted the families of the women on Tuesday evening, said that he, too, was "extraordinarily relieved" at the journalists' return.

"I want to thank President Bill Clinton – I had a chance to talk to him – for the extraordinary humanitarian effort that resulted in the release of the two journalists," Mr. Obama said outside the White House on Wednesday morning.

Mr. Clinton's mission to Pyongyang was the most visible by an American in nearly a decade. It came at a time when the United States' relationship with North Korea had become especially chilled, after North Korea's test of its second nuclear device in May and a series of missile launchings.

It ended a harrowing ordeal for the two women, who were stopped on March 17 by soldiers near North Korea's border with China while researching a report about women and human trafficking. They faced years of imprisonment in the gulag-like confines of a North Korean prison camp.

And it catapulted Mr. Clinton back on to the global stage, on behalf of a president who defeated Mrs. Clinton in a bitter primary campaign last year, and who later asked her to be his secretary of state.

Mrs. Clinton was deeply involved in the case, too. She proposed sending various people to Pyongyang – including Mr. Gore – to lobby for the release of the women, before Mr. Clinton emerged as the preferred choice of the North Koreans, people briefed on the talks said.

About 10 days ago, these people said, Mr. Gore called Mr. Clinton to ask him to undertake the trip. Mr. Clinton agreed, as long as the Obama administration did not object.

In an interview Wednesday with NBC's "Today" show in Nairobi, Kenya, Mrs. Clinton said the final request to Mr. Clinton had come from the White House.

"When the message came to us from the young women themselves, to their families, to former Vice President Gore, and then to the administration that sending my husband would be the best way to ensure their release, of course we took that very seriously, discussed it," she said, according to a transcript. "The White House reached out, as they said, to my husband, to ask him if he would be willing to do that."

The riveting⁴⁷⁴ tableau⁵⁴⁰, of a former president jetting into a diplomatic crisis while his wife was embarking on a tour of Africa in her role as the nation's chief diplomat, underscored the unique and enduring role of the Clintons, even in the Obama era.

At a news conference in Nairobi on Wednesday, Mrs. Clinton said the case of the captured Americans had been handled separately from America's dispute with North Korea over its nuclear program.

"We have been working hard on the release of the two journalists, and we have always considered that a separate issue," she said. The future of the United States' relationship with Pyongyang, she continued, was "really up to them."

Mr. Clinton's trip to Pyongyang came just two weeks after North Korea issued a harsh personal attack on Mrs. Clinton, in response to comments she made comparing its nuclear test and missile launchings to the behavior of an attention-seeking teenager.

The North Korean Foreign Ministry objected to her "vulgar remarks" and called her "a funny lady" who was neither intelligent nor diplomatic. "Sometimes she looks like a primary-school girl and sometimes a pensioner going shopping," a spokesman said.

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North Korea signaled its desire to have Mr. Clinton act as a special envoy in conversations with Ms. Ling and Ms. Lee, who relayed that message to their families in the middle of July, according to a senior administration official. The message was passed to Mr. Gore, who contacted the White House, which then explored whether such a mission would be successful.

Mr. Obama did not speak directly with Mr. Clinton before the mission. But his national security adviser, Gen. James L. Jones, contacted the former president to sound him out. The senior official said the administration did "due diligence" with the North Koreans to ensure that if Mr. Clinton went, he would return with the journalists.

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Mr. Kim is believed to have suffered a stroke last year. American officials said they thought his declining health had set off a succession struggle, complicating the Obama administration's dealings with the North.

The families of the American journalists issued a statement saying they were "overjoyed" by news of the pardon and thanked Mr. Obama and Mrs. Clinton. "We especially want to thank President Bill Clinton for taking on such an arduous mission and Vice President Al Gore for his tireless efforts to bring Laura and Euna home," the statement said.

Current TV said in a statement that it was also "overjoyed" and that the hearts of its employees went out to Ms. Ling and Ms. Lee for "persevering through this horrible experience."

Mr. Clinton and the journalists traveled on a private jet owned by Stephen Bing, a real estate heir and a major Democratic Party contributor, who donated the use of the jet as a favor, said Andy Meyers, the chief executive officer of Shangri-la Industries, which was founded by Mr. Bing.

Administration officials said Mr. Clinton went to North Korea as a private citizen, did not carry a message from Mr. Obama for Mr. Kim and had the authority to negotiate only for the women's release.

"This was 100 percent about the journalists," said a senior administration official, who spoke on the condition of anonymity because of the delicacy of the matter. "We knew Kim Jong-il would probably seek a meeting with Clinton. But that's not what this visit was about."

Still, North Korea, clearly seeing a propaganda⁴³³ opportunity at home and a rare chance for a measure of favorable publicity abroad, welcomed Mr. Clinton with the fanfare²¹⁹ of a state visit. It broadcast a group portrait, as well as photos of Mr. Kim gesturing and talking to Mr. Clinton; of the former president accepting flowers from a North Korean girl; and of Mr. Clinton, seated across a negotiating table from Mr. Kim, each flanked by aides. Among those greeting Mr. Clinton at the airport was Kim Kye-gwan, North Korea's chief nuclear negotiator.

Among those accompanying Mr. Clinton was David Straub, a former director of the Korea desk at the State Department, who had held talks with the North Koreans through what is known as the "New York connection."

Also on hand was John Podesta, an informal adviser to the Obama administration who served as Mr. Clinton's chief of staff in the final years of his presidency, when the former president yearned to travel to North Korea to clinch a deal that would have curbed its nuclear program.

That visit never happened – partly because the White House concluded that a deal was not assured – and former President George W. Bush put the brakes on direct talks with North Korea, setting the stage for eight years of largely fruitless efforts to stop the North's nuclear ambitions.

Given Mr. Clinton's stature and his long interest in the North Korean nuclear issue, experts said it was likely that his discussions in North Korea ranged well beyond obtaining the release of Ms. Ling and Ms. Lee.

"It would be someplace between surprising and shocking if there wasn't some substantive discussion between the former president, who is deeply

knowledgeable about the nuclear issue, and Kim Jong-il,” said Robert L. Gallucci, who negotiated with North Korea in the Clinton administration.

Mr. Clinton has sought to find the right place in the Obama era, eager to play a role without stepping on the toes of the new president or, certainly, the secretary of state.

The last time the two had spoken, said the White House press secretary, Robert Gibbs, was in March, when Mr. Obama invited Mr. Clinton to a ceremony in Washington for signing legislation expanding the AmeriCorps program created by Mr. Clinton.

In interviews last spring, Mr. Clinton said that he would be happy to do anything Mr. Obama asked him to do, but that “I try to stay out of their way.”

Mr. Clinton’s mission may be less of an issue for Mr. Obama than for Mrs. Clinton. The same day he landed in North Korea, she arrived in Kenya, beginning an 11-day journey through Africa – a visit now largely eclipsed by her husband’s travels.

122 Clinton and Gore, Together Again

It was a gripping moment: Bill Clinton, the former president, and Al Gore, his vice president, sharing a lengthy embrace as Mr. Clinton delivered two journalists who worked for Mr. Gore back to American soil from captivity in North Korea.

The tableau at the airport in Burbank, Calif., on Wednesday morning was a visible reminder of how circumstances had conspired over the past few days to bring the reigning – and sometimes warring – names of the Democratic Party together around the drama of Mr. Clinton’s trip to North Korea. There on the tarmac⁵⁴⁵ were the two dominant Democrats of the 1990s, Mr. Gore and Mr. Clinton, who had played a critical role negotiating the end of an international crisis on behalf of President Obama and Hillary Rodham Clinton, the secretary of state and Mr. Obama’s rival for the nomination in 2008.

Mr. Clinton and Mr. Gore did not linger³²⁹ together in public on Wednesday. They have had relatively little contact after their unhappy parting nearly nine years ago, according to associates of the two men. Still, over eight years, they have both built post-White House identities and reputations that seem to have left them at peace with their shared pasts and, it would seem, with each other.

“A special thanks to President Clinton,” Mr. Gore said, as Mr. Clinton gazed at him, his head nodding. “My partner and friend. So grateful.”

Mike Feldman, a Democratic consultant who has worked for both men, said: “Look, they’ve both gone off and done different things. But when you work side by side as they did, that’s a pretty strong bond and that doesn’t go away. People say they don’t spend a lot of time together – well, they live in different cities.”

For just a moment – even with extra heft and grayer hair – it was easy to recall the happier and era-defining time when Mr. Clinton and Mr. Gore captured the attention of the nation, campaigning in a bus caravan in 1992 as the Democratic candidates for president and vice president.

On the campaign trail, and later in the White House, the two men and their spouses presented themselves as friends: Sharing a bus and jokes and warm embraces, Mr. Gore introducing Mr. Clinton at every stop on the way, feeding off each other’s riffs and energies. Still, associates of both men said, that relationship was always more pragmatic⁴²¹ than personal, a recognition by two very ambitious men, whose similar backgrounds almost ensured a rivalry, that they had stumbled across a chemistry that could deliver them the White House.

The tensions that seem to invariably sour relationships between presidents and vice presidents by the end emerged in the Clinton White House, building to the moment when Mr. Gore made clear to associates his revulsion after learning that Mr. Clinton had had an affair with an intern.

Mr. Gore confronted Mr. Clinton in the Oval Office after Mr. Gore ran for president in 2000 and lost the electoral college vote to George W. Bush on a ruling by the Supreme Court. In the course of a brutal one-hour exchange, aides to both men said, Mr. Gore blamed Mr. Clinton for his loss –

suggesting he had been dragged down by the burden of Mr. Clinton's impeachment proceedings – and Mr. Clinton angrily attacked Mr. Gore for distancing himself from Mr. Clinton and his record.

Mr. Gore avoided appearing with Mr. Clinton in the first years after his defeat, and was viewed in Clinton circles as implicitly supporting Mr. Obama in his competition last year with Mrs. Clinton – though one associate of Mr. Clinton said the former president was appreciative in the end that Mr. Gore had sat it out.

But much of that had passed by the time Mr. Gore called Mr. Clinton 10 days ago and asked for his help.

And while they have crossed paths from time to time, there has clearly been nothing like the moment on Wednesday when Mr. Gore – spotting Mr. Clinton at the top of the steps coming off the aircraft – walked forward, clapping his hands loudly, leading the audience in applause. They shook hands first, and then hugged for a full five seconds, Mr. Clinton patting his hand along Mr. Gore's back, lingering, before Mr. Clinton went on to greet the waiting family members.

123 After Clinton Trip, U.S. Studies Signals From N. Korea

A day after former President Bill Clinton's flight into North Korea to win the freedom of two American journalists, the Obama administration moved Wednesday to send a stern⁵²⁸ message to the North Korean government: nothing has changed.

While President Obama celebrated the emotional reunion of the journalists, Laura Ling and Euna Lee, with their families, he said Mr. Clinton's "humanitarian mission" did not ease the demands of the United States and many allies that North Korea alter its behavior if it wants to escape its isolation.

But even as the administration took pains through its statements to assure allies abroad and voters at home that it would not be lured naïvely into

yet another round of fruitless talks with the North Korean government, officials were busily calculating whether the psychology in the North had changed in a way that might create opportunities for resolving the long confrontation over its nuclear ambitions.

They were also evaluating preliminary impressions brought back by Mr. Clinton and the other Americans on the trip about North Korea's reclusive leader, Kim Jong-il, and any diplomatic signals Mr. Kim might have been trying to convey.

Administration officials said the White House had no plans to change its strategy for negotiating with North Korea, which involves imposing strict sanctions on the government and inviting it back to multiparty negotiations only if it agrees to give up its nuclear weapons program.

"We have said to the North Koreans that there's a path to better relations," Mr. Obama said in an interview with MSNBC. "We just want to make sure the government of North Korea is operating within the basic rules of the international community that they know is expected of them."

Mr. Obama's message, repeated by Secretary of State Hillary Rodham Clinton, illustrated the determination of the White House not to allow Mr. Kim to turn Mr. Clinton's visit to his advantage in talks with the United States and other countries.

Still, the events of the past two weeks show that relations between the United States and the North are, if nothing else, rich in diplomatic theater, with a new American administration working to find the right tone and strategy for dealing with a country that has confounded multiple presidents, including Mr. Clinton.

Officials said the administration's restatement of its policy did not mean that it was blind to the opportunities that could flow out of the mission's happy outcome.

"How this impacts the psychology of the North Koreans, no one can tell," said a senior administration official, who spoke on the condition of anonymity because of the delicacy of the issue.

The White House began to debrief Mr. Clinton later on Wednesday, after he had short phone conversations with Mr. Obama and Mrs. Clinton, who is traveling in Africa. After delivering Ms. Ling and Ms. Lee to their families at an airport in Burbank, Calif., Mr. Clinton flew to his home in Chappaqua, N.Y.

Among other issues, administration officials said, there is no established protocol for a face-to-face debriefing of a busy former president about intelligence and diplomatic matters. Do you summon ⁵³⁵ him to the White House, or do you send a delegation to visit him?

Mr. Clinton has not spoken publicly about the trip, which was cloaked in secrecy until just before he arrived in North Korea.

He flew across the Pacific and back on a Boeing 737 that belongs to Steve Bing, a film producer and friend of the former president. Mr. Bing has been a major donor to Democratic candidates.

For all the talk of the North's isolation, the United States and North Korea hold regular back-channel talks through North Korea's United Nations mission. The so-called New York connection laid the groundwork for Mr. Clinton's visit and will probably play a part in what comes next.

The release of the journalists could break an impasse between the United States and North Korea because, officials and outside experts said, there was virtually no prospect of reviving nuclear negotiations as long as the women appeared to be headed to a North Korean prison camp.

At the same time, Mr. Kim is likely to expect some kind of payback for the pardons, political analysts said.

How the United States responds to Mr. Kim's expectations may determine whether Mr. Clinton's visit leads to a genuine opening between the countries.

"They're going to expect us to take our foot off the pedal," said Victor Cha, who negotiated with North Korea in the Bush administration. "If China calls and says North Korea is willing to come back to six-party talks in Beijing if we relax the sanctions, this becomes a tough call."

In a sign of the administration's sensitivity, a senior official said the United States had briefed officials at the highest levels of the Chinese and Russian governments last weekend about the nature of Mr. Clinton's mission, to reassure them that the White House did not intend the visit to lead to bilateral talks with North Korea.

One American official noted that Mr. Clinton, in his talks with Mr. Kim, broached the issue of Japanese and South Koreans abducted by North Korea – politically emotive matters for those countries, in their dealings with the North.

Some of the administration's calculations will be influenced by Mr. Clinton's observations about Mr. Kim's health and mood. He suffered a stroke last year, and his diminished health led to speculation that the North was caught up in a struggle to succeed him.

American officials are also eagerly interviewing David Straub, a former director of the State Department's Korea desk, who accompanied Mr. Clinton. Mr. Straub speaks Korean and took part in back-channel communications with North Koreans when he was in the government.

As the administration deliberates over North Korea, there are reports that the North is suspected of spreading its technology. The Sydney Morning Herald in Australia reported last week that Myanmar was building a nuclear reactor and plutonium extraction plant, with help from North Korea.

The acting State Department spokesman, Robert A. Wood, said Tuesday, "We're obviously looking into these types of reports." Mrs. Clinton said recently that there was concern about possible transfers of nuclear technology from North Korea to Myanmar.

124 Intimate³⁰⁵ Homecoming Is Played Out in Public

For months, Laura Ling's uncle sent her scores of unanswered e-mail messages, suggesting that she practice meditation while held in confinement in North Korea. For weeks at a time, Ms. Ling's family in California would hear nothing, plunged into dark worries about her health and future yet unable to do anything about her well-being.

And so, after Ms. Ling's return to the United States on Wednesday as part of an extraordinary diplomatic mission, her mother brought her soup.

"Laura loves this soup," said Mary Ling, standing in front of her daughter's house in North Hollywood with a bouquet of flowers and some nourishment. "It's a special Chinese herbal soup."

Exhausted, emotionally drained and clearly moved to be reunited with their families after a long plane trip home with former President Bill Clinton, the American journalists Laura Ling, 32, and Euna Lee, 36, began the rest of their lives in Los Angeles on Wednesday, their loved ones elated and, for now, on the other side of the cameras.

It was an intimate homecoming remarkably played out in a public setting that intertwined politics, the Clinton family, journalism and the secrecy of a spy novel.

Both women wept as they descended the steps of the private airplane they rode with Mr. Clinton from North Korea, Ms. Lee bending over for a second as if overcome with joy, Ms. Ling pumping two fists in the air. Both were met at the bottom by their husbands, whom they grabbed and clung to tightly, and Ms. Lee bent over to gaze at her 4-year-old daughter, Hana, whose little arms she grasped.

Ms. Ling had called her sister Lisa from the airplane, and Lisa urged her to remember to mention her surprise at seeing Mr. Clinton in North Korea when she hit the tarmac in Burbank early Wednesday morning. And then the sisters got to wrap their arms around each other. "I can't ever describe what my whole body went through," Lisa Ling said.

Laura Ling said she and Ms. Lee had sensed the support for them while in prison, even without constant communication.

"We could feel your love all the way in North Korea," Ms. Ling said. "It is what sustained us in our darkest hours. We are very grateful we were granted amnesty by the government of North Korea."

Iain Clayton, Ms. Ling's husband, said that "it was the best feeling of my life" to see his wife descend from the plane to his arms. "I looked in her

eyes,” Mr. Clayton said, “and saw she was seeing her family at the bottom of the steps, and I saw the joy and relief in her.”

The two women were arrested on March 17 near the North Korean border with China while reporting on human trafficking for Current TV, a San Francisco-based media company co-founded by former Vice President Al Gore. In June, the women were sentenced to 12 years of hard labor for illegally entering the country, but they were freed Tuesday after Mr. Clinton negotiated their release.

During the women’s captivity, supporters held vigils⁵⁸² in San Francisco, Washington and other cities. Lisa Ling, a former co-host of “The View” and correspondent for “The Oprah Winfrey Show,” played a pivotal role in drawing news media attention to their plight.

Lisa Ling said her sister and Ms. Lee had been held in isolation for most of their detention, without any knowledge of each other’s well-being. North Korean authorities permitted the women to call their families on a few occasions. At one point, Ms. Ling told her family on the phone to write to Ms. Lee “and tell her I’m thinking about her and I love her.”

And during a July call, Ms. Ling and Ms. Lee told their families that the North Koreans had told them that they would be willing to grant them amnesty if “an envoy in the person of President Clinton would agree to come to Pyongyang and seek their release,” according to a senior Obama administration official who briefed reporters.

The proposal was then reported to Mr. Gore, who passed it on to Mr. Clinton.

After their daybreak return to Los Angeles, both women sequestered themselves inside their homes on Wednesday, enjoying their reunions with their families. Attached to a wall outside Ms. Lee’s home was a sign that read “Welcome Home Euna” placed by a neighbor. Los Angeles police officers stood outside keeping the news media at bay.

Ms. Ling’s family was the more forthcoming. “She’s been in isolation for three and a half months,” Lisa Ling said about her sister. “She’s trying to decompress. She hasn’t been able to speak freely in months. Before she

wants to speak her story, she wants to make sure of her state of mind. She is lethargic³²⁵ and tired now.”

Dr. Jerry Wang, a brother of Ms. Ling’s mother, said he sent e-mail to Ms. Ling throughout her imprisonment, though he knew she could not respond.

“Even though it’s been hard, it’s been a very good experience for our family,” Dr. Wang said. “It brought the family closer in a lot of ways just to be together in our thoughts and prayers for Laura.”

Ms. Lee made a call to the journalism unit at Current TV around 11 a.m. and employees gathered around a speakerphone to hear her. She told the employees that she was grateful to be home, and thanked them for the letters that reached her in prison, via the Swedish ambassador, which she said she had read over and over.

Questions will inevitably arise about whether the women will return to their journalism careers. The trip to China was the first overseas assignment for Ms. Lee, who speaks Korean. Ms. Ling sometimes worked 12-hour days and shuttled frequently between the San Francisco headquarters of Current TV and Los Angeles. Dr. Wang said he was sure his niece would continue with journalism because it “has always been her passion.”

For now, there is food. “She is really anxious to have fresh fruit and food,” Lisa Ling said of her sister. “She told us there were rocks in her rice,” while in detention, she said. “There will be a sushi dinner sometime really soon.”

125 For Today’s Graduate, Just One Word: Statistics

At Harvard, Carrie Grimes majored in anthropology²⁷ and archaeology³⁰ and ventured to places like Honduras, where she studied Mayan settlement patterns by mapping where artifacts were found. But she was drawn to what she calls “all the computer and math stuff” that was part of the job.

“People think of field archaeology as Indiana Jones, but much of what you really do is data analysis,” she said.

Now Ms. Grimes does a different kind of digging. She works at Google, where she uses statistical analysis of mounds of data to come up with ways to improve its search engine.

Ms. Grimes is an Internet-age statistician, one of many who are changing the image of the profession as a place for dronish number nerds. They are finding themselves increasingly in demand – and even cool.

“I keep saying that the sexy job in the next 10 years will be statisticians,” said Hal Varian, chief economist at Google. “And I’m not kidding.”

The rising stature of statisticians, who can earn \$125,000 at top companies in their first year after getting a doctorate, is a byproduct of the recent explosion of digital data. In field after field, computing and the Web are creating new realms of data to explore – sensor signals, surveillance tapes, social network chatter, public records and more. And the digital data surge only promises to accelerate, rising fivefold by 2012, according to a projection by IDC, a research firm.

Yet data is merely the raw material of knowledge. “We’re rapidly entering a world where everything can be monitored and measured,” said Erik Brynjolfsson, an economist and director of the Massachusetts Institute of Technology’s Center for Digital Business. “But the big problem is going to be the ability of humans to use, analyze and make sense of the data.”

The new breed of statisticians tackle that problem. They use powerful computers and sophisticated mathematical models to hunt for meaningful patterns and insights in vast troves⁵⁶⁴ of data. The applications are as diverse as improving Internet search and online advertising, culling¹³⁹ gene sequencing information for cancer research and analyzing sensor and location data to optimize the handling of food shipments.

Even the recently ended Netflix contest, which offered \$1 million to anyone who could significantly improve the company’s movie recommendation system, was a battle waged with the weapons of modern statistics.

Though at the fore, statisticians are only a small part of an army of experts using modern statistical techniques for data analysis. Computing and numerical skills, experts say, matter far more than degrees. So the new data sleuths⁵⁰⁷ come from backgrounds like economics, computer science and mathematics.

They are certainly welcomed in the White House these days. “Robust, unbiased data are the first step toward addressing our long-term economic needs and key policy priorities,” Peter R. Orszag, director of the Office of Management and Budget, declared in a speech in May. Later that day, Mr. Orszag confessed in a blog entry that his talk on the importance of statistics was a subject “near to my (admittedly wonkish) heart.”

I.B.M., seeing an opportunity in data-hunting services, created a Business Analytics and Optimization Services group in April. The unit will tap the expertise of the more than 200 mathematicians, statisticians and other data analysts in its research labs – but that number is not enough. I.B.M. plans to retrain or hire 4,000 more analysts across the company.

In another sign of the growing interest in the field, an estimated 6,400 people are attending the statistics profession’s annual conference in Washington this week, up from around 5,400 in recent years, according to the American Statistical Association. The attendees, men and women, young and graying, looked much like any other crowd of tourists in the nation’s capital. But their rapt exchanges were filled with talk of randomization, parameters, regressions and data clusters. The data surge is elevating a profession that traditionally tackled less visible and less lucrative work, like figuring out life expectancy rates for insurance companies.

Ms. Grimes, 32, got her doctorate in statistics from Stanford in 2003 and joined Google later that year. She is now one of many statisticians in a group of 250 data analysts. She uses statistical modeling to help improve the company’s search technology.

For example, Ms. Grimes worked on an algorithm to fine-tune Google’s crawler software, which roams the Web to constantly update its search index. The model increased the chances that the crawler would scan frequently updated Web pages and make fewer trips to more static ones.

The goal, Ms. Grimes explained, is to make tiny gains in the efficiency of computer and network use. “Even an improvement of a percent or two can be huge, when you do things over the millions and billions of times we do things at Google,” she said.

It is the size of the data sets on the Web that opens new worlds of discovery. Traditionally, social sciences tracked people’s behavior by interviewing or surveying them. “But the Web provides this amazing resource for observing how millions of people interact,” said Jon Kleinberg, a computer scientist and social networking researcher at Cornell.

For example, in research just published, Mr. Kleinberg and two colleagues followed the flow of ideas across cyberspace. They tracked 1.6 million news sites and blogs during the 2008 presidential campaign, using algorithms that scanned for phrases associated with news topics like “lipstick on a pig.”

The Cornell researchers found that, generally, the traditional media leads and the blogs follow, typically by 2.5 hours. But a handful of blogs were quickest to quotes that later gained wide attention.

The rich lode³³² of Web data, experts warn, has its perils⁴⁰¹. Its sheer volume can easily overwhelm statistical models. Statisticians also caution that strong correlations of data do not necessarily prove a cause-and-effect link.

For example, in the late 1940s, before there was a polio⁴¹⁹ vaccine⁵⁷¹, public health experts in America noted that polio cases increased in step with the consumption of ice cream and soft drinks, according to David Alan Grier, a historian and statistician at George Washington University. Eliminating such treats was even recommended as part of an anti-polio diet. It turned out that polio outbreaks were most common in the hot months of summer, when people naturally ate more ice cream, showing only an association, Mr. Grier said.

If the data explosion magnifies longstanding issues in statistics, it also opens up new frontiers.

“The key is to let computers do what they are good at, which is trawling these massive data sets for something that is mathematically odd,” said Daniel Gruhl, an I.B.M. researcher whose recent work includes mining medical data to improve treatment. “And that makes it easier for humans to do what they are good at – explain those anomalies.”

126 U.S. to Reform Policy on Detention¹⁵⁹ for Immigrants

The Obama administration intends to announce an ambitious plan on Thursday to overhaul the much-criticized way the nation detains immigration violators, trying to transform it from a patchwork of jail and prison cells to what its new chief called a “truly civil detention system.”

Details are sketchy⁵⁰⁴, and even the first steps will take months or years to complete. They include reviewing the federal government’s contracts with more than 350 local jails and private prisons, with an eye toward consolidating many detainees in places more suitable for noncriminals facing deportation – some possibly in centers built and run by the government.

The plan aims to establish more centralized authority over the system, which holds about 400,000 immigration detainees over the course of a year, and more direct oversight of detention centers that have come under fire for mistreatment of detainees and substandard – sometimes fatal – medical care.

One move starts immediately: the government will stop sending families to the T. Don Hutto Residential Center, a former state prison near Austin, Tex., that drew an American Civil Liberties Union lawsuit and scathing news coverage for putting young children behind razor wire.

“We’re trying to move away from ‘one size fits all,’ ” John Morton, who heads the Immigration and Customs Enforcement agency as assistant secretary of homeland security, said in an interview on Wednesday. Detention on a large scale must continue, he said, “but it needs to be done thoughtfully and humanely.”

Hutto, a 512-bed center run for profit by the Corrections Corporation of America under a \$2.8 million-a-month federal contract, was presented as a centerpiece of the Bush administration’s tough approach to immigration enforcement when it opened in 2006. The decision to stop sending families there – and to set aside plans for three new family detention centers

– is the Obama administration’s clearest departure from its predecessor’s immigration enforcement policies.

So far, the new administration has embraced many of those policies, expanding a program to verify worker immigration status that has been widely criticized, bolstering⁶⁵ partnerships between federal immigration agents and local police departments, and rejecting a petition for legally binding rules on conditions in immigration detention.

But Mr. Morton, a career prosecutor, said he was taking a new philosophical approach to detention – that the system’s purpose was to remove immigration violators from the country, not imprison them, and that under the government’s civil authority, detention is aimed at those who pose a serious risk of flight or danger to the community.

Janet Napolitano, the secretary of homeland security, said last week that she expected the number of detainees to stay the same or grow slightly. But Mr. Morton added that the immigration agency would consider alternative ways to assure that those who face deportation – and are not dangerous – do not flee.

Reviewing and redesigning all facilities, programs and standards will be the task of a new Office of Detention Policy and Planning, he said. Dora Schriro, special adviser to Ms. Napolitano, will become the director, assisted by two experts on detention management and medical care. The agency will also form two advisory boards of community groups and immigrant advocates, one focusing on detention policies and practices, the other on detainee health care.

Mr. Morton said he would appoint 23 detention managers to work in the 23 largest detention centers, including several run by private companies, to ensure that problems are promptly fixed. He is reorganizing the agency’s inspection unit into three regional operations, renaming it the Office of Detention Oversight, and making its agents responsible for investigating detainee grievances as well as conducting routine and random checks.

“A lot of this exists already,” he said. “A lot of it is making it work better” while Dr. Schriro’s office redesigns the detention system, which he called

“disjointed” and “very much dependent on excess capacity in the criminal justice system.”

Asked if his vision could include building new civil detention centers, he said yes. The current 32,000-bed network costs \$2.4 billion a year, but the agency is not ready to calculate the cost of a revamped system.

Vanita Gupta, an American Civil Liberties Union lawyer who led the lawsuit against the Hutto center, was jubilant over the decision to stop sending families there, but cautious about the other measures.

“The ending of family detention at Hutto is welcome news and long overdue,” she said in an e-mail message. “However, without independently enforceable standards, a reduction in beds, or basic due process before people are locked up, it is hard to see how the government’s proposed overhaul of the immigration detention system is anything other than a reorganization or renaming of what was in place before.”

Ms. Gupta said the changes at Hutto since 2006 illustrated the importance of enforceable rules. Before the A.C.L.U. lawsuit was settled in 2007, some children under 10 stayed as long as a year, mainly confined to family cells with open toilets, with only one hour of schooling a day. Children told of being threatened by guards with separation from their parents, many of them asylum-seekers from around the world.

Only through judicial enforcement of the settlement, she said, have children been granted such liberties as wearing pajamas at night and taking crayons into family cells. The settlement also required the agency to honor agency standards that had been ignored, like timely reviews of the decision to detain a family at all. Some families have been deported, but others were released or are now awaiting asylum decisions in housing run by nonprofit social service agencies.

That kind of stepped-up triage could be part of the more civil detention system envisioned by Mr. Morton and Dr. Schriro, who has been reviewing the detention system for months and is expected to report her recommendations soon.

But the Hutto case also points to the limits of their approach, advocates say. Under the settlement, parents and children accused of immigration

violations were detained when possible at the country's only other family detention center, an 84-bed former nursing home in Leesport, Pa., called the Berks Family Shelter Care Facility. The number detained at Hutto has dropped sharply, to 127 individuals from as many as 450.

Advocates noted that Berks, though eclipsed by the criticism of Hutto – the subject of protest vigils, a New Yorker article and a documentary – also has a history of problems, like guards who disciplined children by sending them across the parking lot to a juvenile detention center, and families' being held for two years.

The Hutto legal settlement expires Aug. 29. In the most recent monitoring report last month, Magistrate Judge Andrew W. Austin wrote: "Although the use of this facility to hold families is not a violation of the settlement agreement, it seems fundamentally wrong to house children and their non-criminal parents this way. We can do better."

Mr. Morton, a career prosecutor, seemed to agree. Hutto will be converted into an immigration jail for women, he said, adding: "I'm not ruling out the possibility of detaining families. But Berks is the better facility for that. Hutto is not the long-term answer."

127 On the Fairway, New Lessons in Saving Water

Six years ago, when Georgia's state government rewrote its rules for water use during droughts, it cut no slack for an obvious culprit¹⁴¹: golf courses.

With emerald¹⁹⁰ fairways that glistened²⁵⁷ even in the most blistering⁵⁹ conditions, they were a tempting target.

Yet golf course managers were indignant²⁹³. They argued that they were reining in water use in dozens of ways, like planting native grasses and auditing sprinkler spray patterns. Instead of being penalized, they said, they should be emulated¹⁹³.

It took a while, but from the South to the arid³³ West, their wish is coming true. Mindful that global warming could provoke more and longer dry spells, state governments are increasingly consulting golf courses on water strategies.

In Georgia, golf course managers have emerged as go-to gurus on water conservation for both industries and nonprofit groups.

Marriott International is applying lessons learned at its golf course here to its resort properties in other states. Habitat for Humanity is landscaping front yards with drought-tolerant plants recommended by golf superintendents.

“Look, if you want to learn how to irrigate³⁰⁷, these are the guys to ask,” said Garith Grinnell, who recently retired from the Southern Nevada Water Authority.

Such accolades² are a turnabout for a business that is often faulted for harming the environment through excess use of water and pesticides⁴⁰⁴.

In Georgia, the shift in perspective came about largely because of a crippling drought that peaked in 2007. By that year, 97 percent of the clubs that belonged to the Georgia Golf Course Superintendents Association had voluntarily adopted what are viewed as best-management practices for water use, reducing consumption, they estimated, by 25 percent in just three years.

Lake Lanier, Atlanta’s main source of water, had meanwhile dropped to record low levels, exposing muddy bottom not seen in half a century. It dawned on state and local water managers that golf courses might have some useful know-how.

Golfing grounds managers “are great technical assistance to me,” said Kathy Nguyen, president of the Georgia Water Wise Council, a state association of water professionals that encourages conservation. “I can call them up and talk to them about different technologies.” (Georgia’s drought eased significantly this year.)

Ms. Nguyen has relied on golf superintendents in drafting guidelines for homeowners like letting grass grow longer, fixing leaks in hoses as promptly

as possible and keeping lawn mower blades razor sharp. (Grass cut by duller blades is more frayed and requires more water to stay healthy.)

The golf industry still draws strong criticism from environmentalists. Turf is, after all, the thirstiest of plants. The average American golf course drinks up some 50 million gallons of water a year – comparable to the yearly usage of 1,400 people. In the West, the figures are higher.

Yet that reality, coupled with rising water prices, is what led to strides like irrigating golf courses with “gray water,” or nonindustrial wastewater that is recycled for other purposes.

Tom Bancroft, chief scientist with the National Audubon Society, says that for all the progress golf has made, it remains a deeply problematic industry. Many courses “use fertilizers that can run off into fresh water, and many use pesticides in lawn and grass,” Mr. Bancroft said. (Audubon International, a separate group, works with golf courses to encourage wildlife preservation.)

Mark Esoda, superintendent of the Atlanta Country Club in suburban Marietta, where initiation fees are \$85,000, acknowledges that practices among the nation’s courses range from indifferent to conscientious. But Mr. Esoda maintains that he and other superintendents have a lot to teach municipalities about watering their ball fields and homeowners about tending to their yards.

Zippering around the course on pine-shaded paths, Mr. Esoda stopped abruptly near the seventh hole. He gestured toward a patch of newly laid turf of zoysia, a warm-weather shade grass native to Southeast Asia and Australia. On shady parts of the course it is replacing fescue, a genus of cold-weather shade grass that can live through the winter and thus requires five months’ more watering and mowing.

Mr. Esoda said he had also installed affordable monitors that prevent automatic sprinklers from activating during or right after a rain.

And when isolated dry spots appear on the greens, he said, he sends staff members out with watering cans rather than turning on the sprinkler system.

Finally, Mr. Esoda has made an aesthetic adjustment after years of savoring the green glow of a perfect lawn. “Crispy around the edges is O.K.,” he confided.

Water is just one area where golf courses and environmentalists may find a rapprochement, said Anthony L. Williams, director of grounds at Marriott’s Stone Mountain public courses just outside Atlanta.

As metropolitan areas sprawl outward, golf courses may be the only large-scale green space for miles around, offering crucial potential habitat for migrating birds and other wildlife.

Mr. Williams, who has a degree in local horticulture, has been letting native grasses take over his lawns. Off the fairways he does not even bother to mow, and on the greens he is maintaining grass at one-sixteenth of an inch higher than typical courses. It makes playing slow, he allows, but “consistent.” He has also replaced all the flowering annuals with perennials, which generally require less water, choosing those that are attractive to native wildlife.

Since he took charge of the two courses in 2005, Mr. Williams has cut water consumption by 45 percent, he said, and witnessed the return of some wildlife species like the red-tailed hawk.

The changes have come with a price, like the occasional large brown spot on the fairway. But Mr. Williams says the golfers do not mind.

“I just stand out there on the greens and explain, ‘We are doing this so your grandchildren can come out here and play,’ ” he said. “People understand that.”

128 China Faces Delicate Task of Reining⁴⁵⁰ in Bank Lending

When China announced three weeks ago that its economy had grown by 7.1 percent in the first half of this year, this country appeared to be a lone bright spot during the global recession.

But many economists now worry that too much of China's growth was fueled by aggressive, state-directed lending that could eventually result in a soaring number of bad loans and mounting government debt.

While banks in the United States and Europe are still reluctant to make loans because of fears they will not get their money back, Chinese banks issued a record 7.4 trillion yuan, or \$1.1 trillion, in loans during the first six months of this year, mostly to big state-owned companies and government infrastructure projects.

Here are just a few examples of the largess: In March, the city of Guangzhou was given a loan of 81.3 billion yuan to improve road transportation; in May, China's Aviation Industry Corporation said it would receive 100 billion yuan to help the company export high-technology equipment; and a few weeks ago, the China National Nuclear Corporation received loan approval for nearly 100 billion yuan to advance the development of nuclear power.

"They opted for a very quick fix," said Stephen Roach, an economist and chairman of Morgan Stanley Asia. "Surging investment, fueled by the most rapid bank lending in history, accounted for nearly 90 percent of China's G.D.P. growth in the first half of this year. And that is worrisome."

Mr. Roach said China's growth remained too heavily weighted toward investment, rather than consumption, creating unhealthy, imbalanced growth.

Analysts say that in China, new loans have grown this year at nearly three times the pace of a year ago and that some of those loans may have been funneled into the resurgent Chinese stock and property markets, creating the risk of new asset bubbles. The Shanghai stock market is up about 84 percent this year.

A similar lending binge in the 1990s led to an explosion of bad debt that left the biggest state-owned Chinese banks nearly insolvent after the Asian financial crisis, until they were bailed out by the government in a series of moves that ended in 2004.

This unprecedented move to stimulate the economy through bank lending now appears far more ambitious than the \$586 billion economic stimulus package that Beijing announced last December.

In the United States, political leaders debate the extent to which the government ought to intervene in the financial market. In China, there is little debate. The government simply orders banks to lend – and it happens almost instantly.

Some economists, including Mr. Roach, fear that these moves could prove unsustainable and hinder the long-term growth prospects for China.

But not everyone is so bearish. Some economists say that China's growth this year – coming in at 7.9 percent in the second quarter – is a positive sign for the global economy and a stunning turnaround after the slowdown last year. They also say that Beijing is adept at changing course and finding new policy tools for dealing with threats to growth. While China's growth rates have never been exact and debate about the precise pace of expansion has persisted, no other big economy has grown faster during the past three decades.

But if China's growth falters²¹⁸ later this year or early next year, some experts believe, the global recession could deepen and lengthen. After all, many economists had forecast that much of global growth over the next decade would come from China.

There is one thing economists agree on: The pace of lending in China must slow significantly in the second half of this year, if Beijing is to avert a crisis.

Nicholas Lardy, an economist and China specialist at the Peterson Institute for International Economics in Washington, contends¹²² that China's investments in infrastructure have been more prudent⁴³⁷ than in the 1990s and that lending will slow significantly in the second half of this year. Still, he cautions: "If that does not happen, I will become much more pessimistic⁴⁰³."

Chinese regulators have already begun to acknowledge the risks of overly aggressive lending.

Last month, the Chinese central bank called for stricter supervision of bank loans because some stimulus spending appeared to be directed toward wasteful government projects. The China Banking Regulatory Commission also recently took steps to lower risk by ordering Chinese banks to raise their bad-loan reserve ratios by the end of the year.

“Rapid expansion of bank loans in the first half year boosted the country’s economic growth,” Liu Mingkang, the country’s top banking regulator said in a speech in late July. “But it also increased the possibilities of financial risks.”

Still, Beijing seems unlikely to tighten monetary policy sharply. The government needs to keep the economy on pace for 8 percent growth this year, quickly enough to create jobs and prevent social instability, particularly before celebrations this October on the 60th anniversary of the founding of the People’s Republic of China.

At a high-level Politburo meeting last month, President Hu Jintao called for the country to maintain a “relatively loose” monetary policy and signaled that the direction of macroeconomic policy “should be maintained.”

The question is whether economic planners can strike a balance in encouraging growth. Restricting lending could stall the recovery and make it difficult for Beijing to meet its growth target. Allowing the lending boom to continue could sow the seeds of financial disaster.

“They’ve got to ensure there’s enough loans for the real economy,” said Wang Tao, an economist at UBS Securities in Beijing. “But they also have to slow down the loan growth to prevent an asset bubble or future increase in nonperforming loans.”

In the first half of this year, China’s bank loans were up more than 300 percent from a year ago, to more than 7 trillion yuan, about equivalent to 25 percent of China’s gross domestic product in 2008.

Chinese banks were able to do this because they have strong balance sheets relative to Western banks. Bad loans were cleared off the books years ago and initial public stock offerings in recent years pumped billions into many of China’s big banks. The banks had also avoided many of the toxic assets American and European banks held.

Through June, China’s banking regulators said nonperforming loans at China’s commercial banks accounted for just 1.74 percent of outstanding loans – down slightly from the beginning of the year.

But many experts say that could change in the coming years, as these new loans come due. They suspect that government pressure on banks to make loans this year will eventually result in a spike⁵¹⁸ in loan defaults.

“If you tell bankers, lend as much as you like – lend, lend, lend, and don’t worry about the risk, never in history has there not been a large increase in misallocated capital,” said Michael Pettis, a professor of finance at Peking University. “It’s never happened.”

Indeed, Fitch Ratings, the credit rating agency, warned in May that Chinese banks were facing new risks, particularly because this year loan growth skyrocketed at a time when corporate profits were weakening. “Ordinarily, falling corporate earnings are met with tightened lending,” the rating agency said in its report. “But in China precisely the reverse is evident, illustrating that despite years of reform Chinese banks still retain an important policy function in upholding local enterprises.”

Andy Xie, an economist based in Shanghai, said that one of the side effects of this huge lending spree⁵²¹ was speculation⁵¹⁷ in commodities, stocks and property – all of which could saddle the banks and local governments with huge debts, once prices fell.

“This could be a national debt issue,” Mr. Xie, a former Morgan Stanley economist, said. “All of this is government money.”

Recently, big state-owned property developers, flush with loans from state-owned banks, have made record bids at state land auctions. And the rise in the Shanghai stock market is a feverish turnaround following the sell-off last year.

No one has precise statistics or even clear proof that loans are flowing into the stock market, but most analysts seem to believe that to be the case. Besides, they say, there was tremendous evidence that in 2006 and 2007 many state-owned companies, even power producers, had set up independent units to invest in stocks.

Among economists, though, an even bigger worry is that China is not doing more to rebalance its economy, away from investment and exports and toward consumption. The country, they say, needs a new growth model.

With exports down more than 20 percent from a year ago, China appears to be stimulating growth with loans to state-owned companies and government works. But how long can that last? Mr. Roach, the Morgan Stanley economist, said not for long. China needs to stimulate its consumers.

129 China Investigates Top Nuclear Official

The top official of China's civilian and military nuclear power programs is being investigated for "grave violations of discipline," a phrase often used in corruption inquiries, the Chinese Communist Party's disciplinary committee has announced.

The official, Kang Rixin, is the general manager and Communist Party secretary of China National Nuclear Corporation, a vast holding company that is spearheading plans to increase the nation's capacity to generate nuclear power at least sixfold in the next decade.

Mr. Kang, 56, also is a member of the Communist Party Central Committee, the party's senior ruling body, and sits on the same party disciplinary committee that is investigating him.

The announcement, issued late Wednesday, gave no indication of the accusations against Mr. Kang. The Beijing-based business journal *Caijing* and *China Business News Daily* quoted unidentified sources as saying the inquiry centered on about \$263 million in company funds that apparently were invested and lost in the stock market.

The publications also stated that investigators were looking into suspected bidding irregularities in nuclear power plant contracts.

The inquiry is the latest in a series of investigations, involving high-ranking Chinese officials, that some experts believe are supported by President Hu Jintao, who has often called for a nationwide crackdown on corruption.

It was unclear whether Mr. Kang had been suspended from his corporate or party posts. A press official at the nuclear corporation hung up in the midst of a request to comment on the report.

With more than 100 sub-units, 14 scientific institutes and 280,000 employees, China National Nuclear is among a select group of state-owned companies whose business is monitored at the highest levels of the national government. Its businesses cover everything from uranium mining to reactor design and construction to the building of nuclear weapons.

The company has increasingly focused on nuclear power, and turned a profit of \$701 million last year. China has 11 nuclear power plants, with another 24 on the drawing boards or under way, according to the World Nuclear Association, an industry group.

Mr. Kang took over the reins at China Nuclear with a pledge to transform it from a stodgy state-owned enterprise to a modern profit-oriented company. The company's Hong Kong subsidiary, CNNC international Limited, recently bought a Canadian uranium mining firm, Western Prospector Group Ltd.

Mr. Kang was named one of China's top business managers in 2007.

Several members of China's powerful elite have fallen to corruption charges in the past year, led by Xu Zongheng, the politically connected mayor of Shenzhen, who lost his job in mid-June. Last month saw the conviction of Chen Tonghai, the former chairman of the Chinese oil company Sinopec, on charges of taking some \$29 million in bribes from 1999 to mid-2007.

130 In First Return to Japan Court, Jurors³¹⁶ Convict and Sentence

Japan's first jury trial in more than a half-century concluded Thursday as a panel of three judges and six lay jurors convicted a Tokyo man of murder and then sentenced him to 15 years in prison.

The jury in Tokyo District Court convicted Katsuyoshi Fujii, 72, of fatally stabbing a 66-year-old female neighbor with a survival knife.

Mr. Fujii had pleaded guilty, saying he attacked the woman after she knocked down bottles of water he had placed around his house to ward off cats, according to local news reports.

In the most dramatic change to Japan's criminal justice system since the end of World War II, juries are now empowered to decide guilt and sentencing. And in marked contrast to most Western judicial systems, jurors may directly question witnesses, defendants and victims.

Although reticent⁴⁶³ at first, all six lay jurors asked questions during the trial, which lasted just four days. Criminal trials in Japan sometimes drag on for years, and the lack of transparency in the judicial process has often been frustrating to the public.

The verdict closed a week of intensive coverage by Japanese media, with up-to-the-minute reports from the courthouse about details such as the questions being asked and the jurors' facial expressions as they looked at bloody photos from the scene.

Juries in criminal trials were discontinued in Japan in 1943, as World War II intensified. A 2004 law reinstituted the jury system, beginning in 2009.

But opinion polls have shown the Japanese public to be highly skeptical of the jury system, primarily because of deep cultural aversions⁴¹, including a reluctance to express one's opinions in public, to argue with colleagues and to question authority. Many Japanese have also expressed reluctance to participate in cases involving capital punishment.

To educate and win over the public, Japanese courts have held hundreds of mock³⁵⁵ trials in recent years.

The jurors, known as "saiban-in," are selected from the election rolls and must be at least 20 years old. They also must have at least a junior-high level education. Politicians and lawyers are excluded.

Six lay jurors are teamed with three professional judges, with each of the nine having one vote. Even if all three judges vote that a defendant is guilty, a not-guilty ruling by at least five of the jurors will prevail⁴²⁸. But even if

all six jurors vote guilty, the ruling will not stand unless at least one of the judges agrees.

Some legal analysts are concerned that the judges will dominate the jury deliberations and perhaps skew the verdicts. Others see them as providing valuable guidance to uncertain citizen-jurors.

“The notion that judges should serve as educators for lay judges was supported by the long-standing belief among Japanese elites that the average Japanese citizen lacks the political maturity to participate in governance,” the legal scholar Ingram Weber wrote in the *East Asia Law Review*. “It was this notion that was used to torpedo⁵⁵⁵ previous attempts to introduce lay participation in criminal justice.”

The new system, Mr. Weber said, has been “designed to democratize the criminal legal process” and serve as a way of “injecting a measure of common sense and public values into court decisions by giving lay persons a determining power over fact-finding and sentencing.”

According to people at the court cited Thursday by Kyodo News, four of the six jurors were women – an office worker, 50; a piano teacher, 51; a nutritionist, 41; and a contract employee, 38. The two men were an office worker, 43, and a part-time worker, 61.

After the trial, the part-timer was quoted by Kyodo as saying, “I feel I have carried out an important duty.”

131 Sotomayor Confirmed by Senate, 68-31

Voting largely along party lines, the Senate on Thursday confirmed Judge Sonia Sotomayor as the 111th justice of the Supreme Court. She will be the first Hispanic and the third woman to serve on the court.

Chief Justice John G. Roberts Jr. was expected to administer the oath³⁷⁴ of office to Judge Sotomayor, 55, in the next few days, with a formal ceremony likely in September. She succeeds Justice David H. Souter, who retired in June.

Democrats celebrated the successful nomination and relatively smooth confirmation process as a bright spot in a summer when they have been buffeted by several challenges, including rocky progress on their attempts to overhaul the nation's health care system, President Obama's falling approval ratings, the climbing unemployment rate and other lingering economic problems.

Shortly after the vote, President Obama said he was "deeply gratified" and confident that Judge Sotomayor would become an outstanding justice. The ideals of "justice, equality, opportunity" that guide the high court are the very ones that made the judge's "uniquely American story" possible in the first place, the president said.

Judge Sotomayor's confirmation was never in much doubt, given Democrats' numerical advantage in the Senate. But the final vote – 68 to 31 – represented a partisan divide. No Democrat voted against her, while all but 9 of the chamber's 40 Republicans did so. Senator Edward M. Kennedy, Democrat of Massachusetts, is ailing¹⁰ and did not vote.

During three days of debate on the Senate floor, Republicans labeled Judge Sotomayor a liberal judicial activist, decrying several of her speeches about diversity and the nature of judgments, as well as her votes in cases involving Second Amendment rights, property rights and a reverse-discrimination claim brought by white firefighters in New Haven.

"Judge Sotomayor is certainly a fine person with an impressive story and a distinguished background," the Senate minority leader, Mitch McConnell, Republican of Kentucky, said this week. "But a judge must be able to check his or her personal or political agenda at the courtroom door and do justice evenhandedly, as the judicial oath requires. This is the most fundamental test. It is a test that Judge Sotomayor does not pass."

But Democrats portrayed Judge Sotomayor as a mainstream and qualified judge whose life – rising from a childhood in a Bronx housing project to the Ivy League and now the Supreme Court – is a classic American success story. And they called her judicial record moderate and mainstream.

"Judge Sotomayor's career and judicial record demonstrates that she has always followed the rule of law," Senator Patrick J. Leahy, Democrat of

Vermont and chairman of the Senate Judiciary Committee, said Thursday. “Attempts at distorting that record by suggesting that her ethnicity or heritage will be the driving force in her decisions as a justice of the Supreme Court are demeaning to women and all communities of color.”

From the moment Mr. Obama chose her in May, many political strategists warned Republicans that opposing the first Latina nominated to the Supreme Court would jeopardize the party in future elections. In the waning days of the debate, some Democrats sought to portray Republican opposition as a grave insult to Latinos.

“Republicans will pay a price for saying ‘no’ to this judge,” Senator Robert Menendez, Democrat of New Jersey, said in Spanish at a news conference Wednesday.

And in July, the National Rifle Association, which historically has stayed out of judicial nomination fights, came out against Justice Sotomayor and said it would include senators’ confirmation vote in its legislative scorecard on gun-rights issues for the 2010 election – a pointed threat to Democrats from conservative-leaning states.

But attempts to appeal to interest-group politics in the confirmation process largely faltered²¹⁸.

The final vote was “a triumph of party unity over some of the interest group politics that you would have expected to play a bigger role,” said Curt Levey, executive director of the conservative Committee for Justice, which opposed Judge Sotomayor’s confirmation.

Many Republicans took pains to emphasize that their vote against Judge Sotomayor did not mean they were anti-Latino. They praised her credentials and her biography, saying they were troubled only by what they said was her judicial philosophy.

Before announcing his opposition to her nomination, Senator John McCain of Arizona, last year’s Republican presidential nominee who has been sympathetic to calls by Latinos and others for reforming the nation’s immigration laws, first described her as an “immensely qualified candidate” with an “inspiring and compelling” life story. And he dwelled on his support for

Miguel Estrada, an appeals-court nominee of President George W. Bush whom Democrats blocked from a vote even though “millions of Latinos would have taken great pride in his confirmation,” Mr. McCain said.

Many other Republicans echoed Mr. McCain’s approach in explaining their votes. On Thursday, for example, Senator Orrin G. Hatch, Republican of Utah, spoke at length about the “unfair and disgraceful” treatment of Mr. Estrada, while criticizing Judge Sotomayor’s record.

“I wish President Obama had chosen a Hispanic nominee whom all senators could support,” Mr. Hatch said.

Juan Hernández, who served as Hispanic outreach coordinator for Mr. McCain’s presidential campaign, said most Republicans had not done enough to persuade Hispanics that they were welcome in the party.

“It’s not good enough to give two or three lines about Hispanics and then say, ‘No, I’m not going to vote for Sotomayor,’ “ he said. “We’re just losing Hispanics left and right. It’s amazing, in the Republican Party – we’re doing it to ourselves.”

But Manuel A. Miranda, chairman of the Third Branch Conference, a coalition of conservatives who opposed the Sotomayor nomination, said Hispanics were ideologically diverse and would understand that Republican opposition to a particular liberal-leaning judge did not mean they were hostile to Hispanics – especially since her confirmation hearing was civil, he said.

“Hispanics are not going to be offended by the opposition because Republicans didn’t torment her,” Mr. Miranda said. “Republicans can take this vote because they treated her well.”

For many Hispanic voters, the symbolism of the first Latina joining the Supreme Court – and the memory of who opposed her – could be all that lingers, said Janet Murguía, president of the National Council of La Raza, an Hispanic advocacy group.

“This is a singularly definitive historic moment,” she said. “So it is a vote, I think, that will matter to the Latino community and will be remembered by the Latino community.”

A few people have argued that Justice Benjamin Cardozo, who served in the 1930s, should be considered technically the first Hispanic on the Supreme Court. He was a Sephardic Jew whose family believed its ancestors came from Portugal.

But the term “Hispanic” was uncommon during that era, and it usually means people from the Americas with a Spanish-language heritage. On Thursday, the Hispanic National Bar Association hailed her as the first Hispanic justice

What also remains to be seen is whether Democratic senators – especially those from conservative-leaning states and those who have received high ratings from the National Rifle Association in the past – will pay a political price for voting to confirm Judge Sotomayor despite the group’s opposition.

Andrew Arulanandam, an N.R.A. spokesman, declined to comment about the vote, but he did say it was too early to know how much weight his group would give to the Sotomayor vote when putting together its scores and endorsements for the 2010 election cycle.

Still, despite the seeming impotence of the gun-rights group’s ability to intervene in the nomination fight, Mr. Miranda said he believed the threat of lower ratings might have had led more Republicans to vote against Judge Sotomayor, noting that many had cited her alleged lack of support for Second Amendment rights in explaining their votes.

“That was a seismic⁴⁹³ shift,” Mr. Miranda said.

Matthew Dowd, a former political adviser to Mr. Bush who had warned Republicans to be civil, disagreed. He said the Supreme Court confirmation process had simply become increasingly polarized along party lines, regardless of a nominee’s qualifications or the stance of groups like the National Rifle Association.

“My view is that gun rights had nothing to do with it,” he said. “Supreme Court nominations have become dodgeball games, with Democrats lining up on one side and Republicans lining up on our side.”

132 Journalists Entered N. Korea, Sister Says

One of the two journalists held captive for months in North Korea conceded to relatives after her release on Wednesday that she had “very briefly” crossed into the Communist country, her sister said Thursday.

Lisa Ling, the television personality, revealed that her sister – Laura Ling, 32, a reporter with Current TV – planned to write an editorial explaining the events that led North Korean authorities to detain her and a fellow American journalist, Euna Lee, 36. But Ms. Ling, speaking by telephone on CNN Thursday evening in her first interview since the release, revealed that the two women did apparently cross into North Korea from China as they were researching a story on human trafficking on March 17. The women were subsequently convicted and sentenced to 12 years hard labor.

“She did say that they touched North Korean territory very, very briefly,” Ms. Ling said of her sister, adding later, “She said that it was maybe 30 seconds, and everything just got sort of chaotic. It’s a very powerful story and she does want to share it.”

Ms. Ling, a former co-host of *The View*, said that she would leave it to her sister to divulge the remaining details for her captivity.

The women’s return to the United States on Wednesday was set in motion by former president Bill Clinton, who traveled to the reclusive country earlier this week to negotiate their release with the North Korean leader, Kim Jong-il, who granted them a pardon. But until Thursday, it was unclear whether the women had actually crossed the border into North Korea or had simply been captured on the Chinese side.

Either way, what followed were more than two months of harrowing confinement, Ms. Ling said on Thursday. She said that her sister had spent much of her time in isolation, with only three small meals a day that consisted primarily of rice with rocks mixed in, small vegetables, and fragments of fried fish “which she developed a reaction to.” Ms. Ling was confined to a small cell, where she would walk in circles for exercise, read books, and occasionally bathe.

“Bathing was a little bit difficult because they didn’t have hot water,” Ms. Ling said, “So she would fill up buckets and she would say, ‘O.K., on Saturday I’m going to wash my hair.’”

Among Ms. Ling’s only human contact, her sister said, was with the guards who were assigned to her cell.

“I think she won a lot of her captors over,” Ms. Ling said. “She had some really lovely things to say about the people who were watching her. She had two guards in her room at all times. And even though they couldn’t speak together, they developed a sort of strange kinship.”

In her short time home, Ms. Ling has been racked by a fear of being alone. On Wednesday, exhausted from her ordeal, Ms. Ling wanted to take a brief nap but pleaded for her sister to be there when she woke up, her sister said. She added that her sister’s colleague, Ms. Lee, has also been trying to adjust to her new life at home with her family.

“I hear that Euna’s 4-year old daughter does not want her to leave her sight,” Ms. Ling said. “She keeps following her from room to room.”

133 Migrants to China’s West Bask⁵⁰ in Prosperity

They marched through the streets of Beijing, Shanghai and countless small towns propelled by patriotic cheers and thumping drums. It was 1956, and Mao Zedong was calling on China’s youth to “open up the west,” the vast borderland known as Xinjiang that for centuries had defied subjugation.

After a monthlong journey by train and open-air truck, thousands arrived at this Gobi Desert army outpost to find that the factory jobs, hot baths and telephones in every house were nothing but empty promises to lure them to a faraway land.

“We lived in holes in the ground, and all we did night and day was hard labor,” recalled Han Zuxue, a sun-creased 72-year-old who was a teenager

when he left his home in eastern Henan Province. “At first we cried every day but over time we forgot our sadness.”

More than five decades of toil later, men and women like Mr. Han have helped transform Shihezi into a tree-shaded, bustling oasis whose canned tomatoes, fiery²²⁶ grain alcohol and enormous cotton yields are famous throughout China.

This city of 650,000 is a showcase of the Xinjiang Production and Construction Corps, a uniquely Chinese conglomerate¹¹⁶ of farms and factories that were created by decommissioned Red Army soldiers at the end of the civil war.

“Put your weapons aside and pick up the tools of construction,” one popular slogan went. “Develop Xinjiang, defend the nation’s borders and protect social stability.”

With a total population of 2.6 million, 95 percent of it ethnic Han Chinese, Shihezi and a string of other settlements created by the military are stable strongholds in a region whose majority non-Han populace has often been unhappy under Beijing’s rule. Last month, that discontent showed itself during vicious ethnic rioting that claimed 197 lives in Urumqi, the regional capital, which is a two-hour drive away.

The government says that most of the dead were Han Chinese bludgeoned by mobs of Uighurs, Muslims of Turkish ancestry whose presence in Xinjiang has been steadily diluted by migration from China’s densely populated east.

“Ever since we arrived they’ve resented us and had no appreciation for how we’ve improved this place,” said He Zhenjie, 76, who has spent his adult life leveling sand dunes, planting trees and digging irrigation ditches. “But we’re here to stay. The Uighurs will never wrest Xinjiang away.”

Even if many Uighurs view the settlers as nothing more than Chinese colonists, many Chinese consider the bingtuan, meaning soldier corps, a major success. In one fell swoop Mao deployed 200,000 idle soldiers to help develop and occupy a resource-rich, politically strategic region bordering India, Mongolia and the Soviet Union, a onetime ally turned menace³⁴⁹.

Shihezi and other bingtuan settlements quickly became self-sufficient, a relief to a government lacking resources, and its “reclamation warriors” worked without pay those first few years, steadily turning thousands of acres of inhospitable scrubland into some of the country’s most fertile terrain.

With an annual output of goods and services of \$7 billion, the settlements run by the bingtuan include five cities, 180 farming communities and 1,000 companies. They also report directly to Beijing and run their own courts, colleges and newspapers.

“During peaceful times, they are a force for development, but if anything urgent happens, they will step out and maintain social stability and combat the separatists,” said Li Sheng, a researcher at the Chinese Academy of Social Sciences and a former bingtuan member who writes about the region’s history.

In those early years, the ranks of the bingtuan were fortified by petty criminals, former prisoners of war, prostitutes and intellectuals, all sent west for “re-education.” During the mid-1950s, 40,000 young women were lured to Xinjiang with promises of the good life: they arrived to discover their main purpose was to relieve the loneliness of the male pioneers and cement the region’s Han presence through their progeny.

Demographics have always been a tactical⁵⁴¹ element of the campaign to pacify the region. In 1949, when the Communists declared the establishment of the People’s Republic of China, there were just 300,000 Han Chinese in Xinjiang. Today, the number of Han has grown to 7.5 million, just over 40 percent of the region’s population. The percentage of Uighurs has fallen to 45 percent, or about 8.3 million.

Their grievances have multiplied even as Xinjiang has grown more prosperous, thanks in part to its huge reserves of natural gas, oil and minerals. Many Uighurs complain about the repression of their Islamic faith, official policies that marginalize their language and a lack of job opportunities, especially at government bureaus and inside the bingtuan.

During a recent visit to Shihezi, armed paramilitary policemen stopped every car and bus entering the city. But only Uighurs were made to step out of vehicles for identification checks and searches.

Neatly laid out on a grid, its sidewalks graced by apple trees and elms, the city is populated by the sturdy and defiantly proud who think of Xinjiang as China's version of Manifest Destiny, the doctrine undergirding the westward expansion of the United States in the 19th century. But just beneath the self-satisfaction runs a deep vein of bitterness, especially among those who arrived in the 1950s and 1960s.

"I thought I was going to be a nurse, but I ended up sweeping the streets and cleaning toilets," said Yue Caiying, who moved here in 1963, and, like many of those with an education, was forced to set aside personal ambition.

Lu Yiping, an author who spent five years interviewing women trucked into Xinjiang from Hunan Province, tells of girls lured with promises of Russian-language classes and textile-mill jobs. In an interview published online, he told the story of arriving women greeted by Wang Zhen, the famously hard-line general who helped tame the region. "Comrades, you must prepare to bury your bones in Xinjiang," he quoted Mr. Wang as telling the women.

Still, for many early settlers, Xinjiang offered an escape from the deprivation that stalked many rural areas between 1959 and 1962, when Mao's disastrous attempt to start up China's industrialization led to famine that killed millions.

Early settlers like Ma Xianwu, who arrived here in 1951 and helped dig the first thatch-covered pits that served as shelter, offer a typical mix of conflicted emotions. He expressed wonder at the city he had helped create, but also sorrow over the hardship he and others had endured.

"People would lose ears and toes to frostbite," said Mr. Ma, who is 94 and nearly toothless.

But any sense of bitterness has faded. "We were serving the motherland," he said, waving off the adulation of a visitor. "The glory belongs to the party. I'm just one drop of water in the ocean."

134 Lawyer's Detention Shakes China's Rights Movement

China's nascent³⁶⁷ legal rights movement, already reeling⁴⁴⁷ from a crack-down on crusading¹³⁶ lawyers, the kidnapping of defense witnesses and the shuttering of a prominent legal clinic, has been shaken by the detention of a widely respected rights defender who has been incommunicado since the police led him away from his apartment 12 days ago.

The man who was detained, Xu Zhiyong, 36, a soft-spoken and politically shrewd⁴⁹⁸ legal scholar who has made a name representing migrant workers, death row inmates²⁹⁸ and the parents of babies poisoned by tainted milk, is accused of tax evasion²⁰⁹. The charge is almost universally seen here as a cover for his true offense: angering the Communist Party leadership through his advocacy of the rule of law.

If convicted, he could face up to seven years in prison.

"We're all shocked by his detention, because Xu Zhiyong has always tried to avoid taking on radical and politically sensitive cases," said Teng Biao, a colleague. "His only interest is fighting for the rights of the vulnerable and trying to enhance China's legal system."

Mr. Teng helped Mr. Xu establish the Open Constitution Initiative, a six-year-old nonprofit legal center that the authorities closed last month, charging that it was improperly registered and that it failed to pay taxes.

Mr. Xu is not the first rights advocate in China to face the wrath⁵⁹⁷ of the authorities in recent years. Gao Zhisheng, a vocal lawyer, vanished into police custody six months ago, and Chen Guangcheng, a blind lawyer, was beaten and then jailed after exposing abuses in China's birth-control program.

Although rights lawyers and grass-roots social organizations have always been tightly controlled here, the pressure has intensified in recent weeks. More than 20 lawyers known for taking on politically tinged⁵⁵¹ cases were effectively disbarred¹⁶⁵, and the police raided a group that works to ease discrimination against people with Hepatitis B.

Last week, China's justice minister gave a speech saying that lawyers should above all obey the Communist Party and help foster a harmonious society. To improve discipline, the minister said, all law firms in the country would be sent party liaisons³²⁶ to "guide their work."

But given Mr. Xu's international stature and reputation for working within the law, legal scholars both in China and abroad say his prosecution suggests a new level of repression.

"What makes his detention particularly disturbing is that he's a special figure in so many ways," said Paul Gewirtz, director of the China Law Center at Yale Law School, which helped Mr. Xu establish his legal center, known here by its Chinese name, Gongmeng. "He's at the forefront of advancing the rule of law, which is something everyone agrees China needs for its ongoing development."

After 30 years of reform, China's legal system is at a critical juncture³¹³. Law schools continue to pump out thousands of graduates each year, and the courts, even if imperfect, have increasingly become a forum for resolving disputes. Late last month the Supreme People's Court announced reforms intended to markedly reduce executions.

But as lawyers here discover, there are limits to China's embrace of judicial reform.

The Constitution, which includes guarantees of free speech and human rights, is unenforceable in court. Judges routinely ignore evidence, making determinations based on political considerations. And when it comes to vaguely defined offenses like "subversion of state power" or the invoking of "state secrets" laws, even the best-trained lawyers are powerless to defend the accused.

He Weifang, a law professor and legal adviser to Gongmeng, said conservative forces in the Communist Party were increasingly wary of lawyers, who they suspect are ultimately seeking to challenge one-party rule. Their greatest fear, Mr. He said, is that advocacy lawyers and civil society organizations could one day lead a pro-democracy movement among the poor and disenfranchised¹⁶⁸ citizens they represent.

“What the authorities don’t appreciate, though, is that lawyers are leading these people to the courts, where their complaints can be resolved by rule of law,” he said. “People like Xu Zhiyong can only help the government solve some of the problems it faces.”

According to Gongmeng, Mr. Xu is being held at the Beijing No. 1 Detention Center, although public security officials have not confirmed that he is in their custody¹⁴⁴. Peng Jian, a lawyer who is advising Gongmeng, said the authorities had imposed a \$208,000 penalty for nonpayment of taxes due on donations from Yale.

A day after the raid on Gongmeng’s office, Mr. Xu held a news conference to say that the accusations were baseless. He described the attack on his research center as a battle between corrupt officials and society’s most vulnerable citizens. “We believe conscience will surely triumph over the evil forces,” he said.

A week later, police officers came to his door and led him away. Another employee of the research center, Zhuang Lu, was also taken away the same day.

Soon after graduating from Peking University law school, Mr. Xu became immersed²⁸⁰ in the case of a 27-year-old graphic artist who was beaten to death in 2003 in police custody in the southern city of Guangzhou. The artist, Sun Zhigang, had been arrested under vagrancy⁵⁷² laws that allowed the police to detain people for traveling outside their registered hometowns without a permit.

Mr. Xu led a campaign to end the practice, which gained widespread media attention. A few months later, the State Council abolished the system.

That same year Mr. Xu rose to the defense of a muckraking editor jailed in Guangzhou after his newspaper, Southern Metropolis, ran a series of articles about Mr. Sun’s death. The editor, Cheng Yizhong, said Mr. Xu helped rally lawyers and journalists, leading to his release five months later. “Only Xu had the courage to take on my case,” he said.

More recently, he tried to build a case against black jails, the illegal holding cells that some officials use to silence persistent critics. Last year, friends

say, he was roughed up several times while gathering evidence from petitioners who had come to Beijing to press their grievances to the central government.

Raised in a Christian home in Henan Province, Mr. Xu was fond of noting his birth in a county called Minquan, which translates as “civil rights.” In an interview last year with *The Economic Observer*, a Chinese weekly, he said this had a profound impact on his social consciousness.

“I strive to be a worthy Chinese citizen, a member of the group of people who promote the progress of the nation,” he said. “I want to make people believe in ideals and justice, and help them see the hope of change.”

135 Online Market Flourishes in China

In the months leading up to his college graduation in June, Yang Fugang spent most of his days away from campus, managing an online store that sells cosmetics, shampoo and other goods he often buys from local factories.

Today, his store on Taobao.com – China’s fast-growing online shopping bazaar – has 14 employees, two warehouses and piles of cash.

“I never thought I could do this well,” said Mr. Yang, 23, who earned \$75,000 last year. “I started out selling yoga mats and now I’m selling a lot of makeup and cosmetics. The profit margins are higher.”

Taobao fever has swept Mr. Yang’s school, Yiwu Industrial and Commercial College, where administrators say a quarter of its 8,800 students now operate a Taobao shop, often from a dorm room.

Across China, millions of others – recent college graduates, shopkeepers and retirees – are also using Taobao to sell clothes, mobile phones, toys and just about anything else they can find at neighborhood stores and wholesale markets or even smuggle out of factories.

Internet analysts say this booming marketplace – reminiscent of the early days of eBay, when Americans started emptying their attics³⁵ for online auctions – has turned Taobao into China’s newest Internet darling.

Though just six years old, Taobao (Chinese for “to search for treasure”) already has 120 million registered users and 300 million product listings. Its merchants produced nearly \$15 billion in sales last year.

The company claims that sales through its Web site are already larger than any Chinese retailer. And, Internet analysts say, sales on its site this year will surpass Amazon.com’s expected sales of about \$19 billion.

“This is the next big segment for China’s Internet,” said Jason Brueschke, an Internet analyst at Citigroup in Hong Kong. “It’s their Amazon and eBay combined.”

Like eBay, Taobao does not sell anything itself; it simply matches buyers and sellers. It has a firm foothold in China because many parts of the country still have poor transportation and some local authorities favor their own government-owned outlets, making the retailing system inefficient.

The global recession also left once-booming factories overflowing with goods the rest of the world does not seem to want.

The so-called Taobao addicts are helping to pick up the slack in a sluggish economy. “I can’t live without Taobao,” said Zhang Kangni, a graduate student in Shanghai. “First, it’s cheaper. I found a dress at a store in Shanghai. It’s a Hong Kong brand that sells for \$175. I found it on Taobao for \$33.”

But skeptics⁵⁰³ ask: Can Taobao actually make a profit and emerge as a true Web powerhouse?

The company is not publicly traded and therefore does not disclose financial information, but listings are free on Taobao and the company makes no money from online transactions. Almost all Taobao’s \$200 million in revenue comes from advertising, which the company says covers virtually all its operational costs.

The company has been criticized, however, for contributing to a flourishing trade in counterfeit¹³⁰ goods. Taobao brushes aside such criticism, saying it has a new program that is effectively cracking down on counterfeits.

Company executives also say Taobao is poised⁴¹⁸ to earn huge profits, but that their first priority is creating an online community.

“Our vision for Taobao is to build a consumer’s paradise, where people can shop online and have fun,” Jonathan Lu, Taobao’s president, said. “If you make the company better and better, profits will naturally follow.”

His confidence in Taobao’s future comes from the company’s lineage³²⁸. It is a division of the Alibaba Group, which was founded by Jack Ma. In the past decade, Mr. Ma has created an Internet conglomerate¹¹⁶ with strong financial backing from Yahoo, Goldman Sachs and the Softbank Group of Japan. Yahoo owns about 40 percent of Alibaba.

Alibaba.com – the conglomerate’s flagship Web site – connects small businesses from around the world with Chinese exporters. Taobao.com does something similar for consumers who want to sell to other consumers.

When Taobao was founded in 2003, it appeared to have no chance. eBay and its Chinese partner, EachNet, controlled 90 percent of China’s on-line shopping. But Mr. Ma, a former English teacher, quickly undermined eBay’s fee-based service by offering free listings on Taobao, essentially giving away ads to anyone who wanted to sell.

At the time, eBay executives ridiculed the strategy, with many repeating that “free is not a business model.”

But almost immediately, the site took off, and in 2006, eBay pulled out of China, citing dwindling market share and large losses. Today, it is Taobao that commands 80 percent of China’s e-commerce market, according to iResearch.

“Taobao is dominant,” said Richard Ji, an Internet analyst at Morgan Stanley in Hong Kong. “They’re like an online Wal-Mart.” Mr. Ji says Taobao is a threat not only to traditional retailers but also to big Chinese Internet

companies, like Baidu, a leading search engine, because they are competing with Taobao for many of the same advertisers.

Taobao has thrived, Internet analysts say, because people do not need much capital to start online stores. This year, Taobao says its site could help create half a million new jobs, mostly among young people opening new online stores.

Bao Yifen, a 23-year-old recent college graduate, opened her clothing shop with a \$5,000 investment in 2007. Today, her Taobao store has sales of about \$4,000 a month.

“Three times a week I go to the wholesale market,” Ms. Bao said. “It’s a huge market. About 70 to 80 percent of the stuff is factory leftovers. There are even some brands, but they just cut the labels off.”

Items smuggled into China from Hong Kong, Europe or the United States are also sold on Taobao, evading high import duties and enabling sellers to profit by undercutting the prices of merchandise in regular stores. An Apple MacBook Air that sells for \$2,225 in Beijing, for instance, costs just \$1,508 in Hong Kong, a difference of 33 percent.

Counterfeit goods are also readily available, even though Taobao claims to have removed two million “fake branded goods” from the site.

Nevertheless, many Taobao sellers acknowledge dealing in illegal goods.

“I work in an O.E.M. factory that produces laptops and electronic devices for Sony,” said one such seller, who identified himself Mr. Feng, referring to an original equipment manufacturer that produces goods for global companies. “We have Sony’s core technology and exactly the same raw materials and components, so we set up our own store selling netbooks and laptops on Taobao.”

A spokesman for Sony, Takashi Uehara, said the company had no comment but was looking into the matter.

Here in Yiwu, which claims to be the site of the world’s biggest wholesale market, Taobao has started to change the look of Yiwu Industrial and Commercial College.

The school's vice dean, Jia Shaohua, points out an area designated as a start-up site for students seeking to get rich. He points to students taking orders by computer, packaging products, sorting inventory and taking photos of the items for display online, then adds, "Around the school now, there is a whole Taobao industrial chain."

Every afternoon, even this summer, when the school should be relatively empty, one can hear the ripping sounds of tape being wrapped around boxes in a building that could pass for a United Parcel Service shipping terminal.

"The students don't need a lot of money," Mr. Jia said. "They just get orders and go find the items at local factories."

Mr. Yang, the cosmetics seller, has become a campus hero. He operates his own warehouses a few miles from the school, in the basements of a pair of residential buildings.

Standing in his crowded warehouse, near boxes of Neutrogena sun block, hairpins, toothbrushes and a wide assortment of cosmetics, Mr. Yang says business could not be better.

"Soon, I'll reach \$150,000 a month in sales," he said, flashing a big grin.

136 In a Digital Future, Textbooks Are History

At Empire High School in Vail, Ariz., students use computers provided by the school to get their lessons, do their homework and hear podcasts of their teachers' science lectures.

Down the road, at Cienega High School, students who own laptops can register for "digital sections" of several English, history and science classes. And throughout the district, a Beyond Textbooks initiative encourages teachers to create – and share – lessons that incorporate their own PowerPoint presentations, along with videos and research materials they find by sifting through reliable Internet sites.

Textbooks have not gone the way of the scroll yet, but many educators say that it will not be long before they are replaced by digital versions – or supplanted altogether by lessons assembled from the wealth of free courseware, educational games, videos and projects on the Web.

“Kids are wired differently these days,” said Sheryl R. Abshire, chief technology officer for the Calcasieu Parish school system in Lake Charles, La. “They’re digitally nimble. They multitask, transpose and extrapolate. And they think of knowledge as infinite.

“They don’t engage with textbooks that are finite, linear and rote,” Dr. Abshire continued. “Teachers need digital resources to find those documents, those blogs, those wikis that get them beyond the plain vanilla curriculum in the textbooks.”

In California, Gov. Arnold Schwarzenegger this summer announced an initiative that would replace some high school science and math texts with free, “open source” digital versions.

With California in dire straits, the governor hopes free textbooks could save hundreds of millions of dollars a year.

And given that students already get so much information from the Internet, iPods and Twitter feeds, he said, digital texts could save them from lugging around “antiquated, heavy, expensive textbooks.”

The initiative, the first such statewide effort, has attracted widespread attention, since California, together with Texas, dominates the nation’s textbook market.

Many superintendents are enthusiastic.

“In five years, I think the majority of students will be using digital textbooks,” said William M. Habermehl, superintendent of the 500,000-student Orange County schools. “They can be better than traditional textbooks.”

Schools that do not make the switch, Mr. Habermehl said, could lose their constituency¹²⁰.

“We’re still in a brick-and-mortar, 30-students-to-1-teacher paradigm,” Mr. Habermehl said, “but we need to get out of that framework to having 200 or 300 kids taking courses online, at night, 24/7, whenever they want.”

“I don’t believe that charters and vouchers are the threat to schools in Orange County,” he said. “What’s a threat is the digital world – that someone’s going to put together brilliant \$200 courses in French, in geometry by the best teachers in the world.”

But the digital future is not quite on the horizon in most classrooms. For one thing, there is still a large digital divide. Not every student has access to a computer, a Kindle electronic reader device or a smartphone, and few districts are wealthy enough to provide them. So digital textbooks could widen the gap between rich and poor.

“A large portion of our kids don’t have computers at home, and it would be way too costly to print out the digital textbooks,” said Tim Ward, assistant superintendent for instruction in California’s 24,000-student Chaffey Joint Union High School District, where almost half the students are from low-income families.

Many educators expect that digital textbooks and online courses will start small, perhaps for those who want to study a subject they cannot fit into their school schedule or for those who need a few more credits to graduate.

Although California education authorities are reviewing 20 open-source high school math and science texts to make sure they meet California’s exacting academic standards in time for use this fall – and will announce this week which ones meet state standards – quick adoption is unlikely.

“I want our teachers to have the best materials available, and with digital textbooks, we could see the best lessons taught by the most dynamic teachers,” said John A. Roach, superintendent of the Carlsbad, Calif., schools. “But they’re not going to replace paper texts right away.”

Whenever it comes, the online onslaught – and the competition from open-source materials – poses a real threat to traditional textbook publishers.

Pearson, the nation’s largest one, submitted four texts in California, all of them already available online, as free supplements to their texts.

“We believe that the world is going digital, but the jury’s still out on how this will evolve,” said Wendy Spiegel, a Pearson spokeswoman. “We’re agnostic, so we’ll provide digital, we’ll provide print, and we’ll see what our customers want.”

Most of the digital texts submitted for review in California came from a nonprofit group, CK-12 Foundation, that develops free “flexbooks” that can be customized to meet state standards, and added to by teachers. Its physics flexbook, a Web-based, open-content compilation, was introduced in Virginia in March.

“The good part of our flexbooks is that they can be anything you want,” said Neeru Khosla, a founder of the group. “You can use them online, you can download them onto a disk, you can print them, you can customize them, you can embed video. When people get over the mind-set issue, they’ll see that there’s no reason to pay \$100 a pop for a textbook, when you can have the content you want free.”

The move to open-source materials is well under way in higher education – and may be accelerated by President Obama’s proposal to invest in creating free online courses as part of his push to improve community colleges.

Around the world, hundreds of universities, including M.I.T. and King Fahd University of Petroleum and Minerals in Saudi Arabia, now use and share open-source courses. Connexions, a Rice University nonprofit organization devoted to open-source learning, submitted an algebra text to California.

But given the economy, many educators and technology experts agree that the K-12 digital revolution may be further off.

“There’s a lot of stalled purchasing and decision making right now,” said Mark Schneiderman, director of federal education policy at the Software & Information Industry Association. “But it’s going to happen.”

For all the attention to the California initiative, digital textbooks are only the start of the revolution in educational technology.

“We should be bracing ourselves for way more interactive, way more engaging videos, activities and games,” said Marina Leight of the Center for

Digital Education, which promotes digital education through surveys, publications and meetings.

Vail's Beyond Textbooks effort has moved in that direction. In an Empire High School history class on elections, for example, students created their own political parties, campaign Web sites and videos.

"Students learn the same concepts, but in a different way," said Matt Donaldson, Empire's principal.

"We've mapped out our state standards," Mr. Donaldson said, "and our teachers have identified whatever resources they feel best covers them, whether it's a project they created themselves or an interesting site on the Internet. What they don't do, generally, is take chapters from textbooks."

137 Sotomayor Sworn In as Supreme Court Justice

Sonia Sotomayor took the judicial oath on Saturday, becoming the first Hispanic and the third woman to serve on the Supreme Court.

At just past 11 a.m., Chief Justice John G. Roberts Jr. administered a pair of oaths to her in two private ceremonies at the Supreme Court building, completing her ascent to a life-tenured position as the nation's 111th justice – the first to be nominated by a Democratic president since 1994.

In the first ceremony, she took the standard oath affirmed by all federal employees, swearing to "support and defend the Constitution of the United States against all enemies, foreign and domestic." Only the chief justice, Justice Anthony M. Kennedy, Justice Sotomayor's immediate family and a court photographer attended this ceremony. Her mother, Celina Sotomayor, held a Bible for the ritual.

They then walked to the court's East Conference Room for the judicial oath, joined by several dozen friends and family members, where Justice Sotomayor swore to "administer justice without respect to persons, and do

equal right to the poor and to the rich, and that I will faithfully and impartially discharge and perform all the duties incumbent upon me” under the Constitution and laws of the United States.

With that, Chief Justice Roberts – who smoothly recited the words of the oath, which he appeared to be reading from a paper as a precaution against the kind of stumble that prompted a do-over swearing-in after President Obama’s inauguration – shook her hand with a smile, congratulated her and welcomed her to the court, saying she could now “begin her work as an associate justice without delay.”

Justice Sotomayor hugged her mother and then shook the hands of several other people in the room. She made no statement.

Other witnesses included President Obama’s White House counsel, Gregory B. Craig; Cynthia Hogan, assistant White House counsel; Judge Robert A. Katzmann of the United States Court of Appeals for the Second Circuit; and Representative Nydia M. Velázquez, Democrat of New York, who is the chairwoman of the Congressional Hispanic Caucus and who, like Justice Sotomayor, is Puerto Rican.

The Supreme Court appointment of Justice Sotomayor, 55, capped a life story that began in a Bronx housing project, where she was raised by her widowed mother. She attended two Ivy League universities, worked as a prosecutor in the office of the Manhattan district attorney, and then left for a stint at a corporate law firm.

Throughout the 1980s, she became increasingly engaged in civic life, joining the board of the Puerto Rican Legal Defense and Education Fund and winning appointments to the New York City Campaign Finance Board and the board of the State of New York Mortgage Agency.

Her rise brought her to the attention of Senator Daniel Patrick Moynihan, Democrat of New York, who recommended that President George Bush appoint her to the federal bench, which she joined in 1992. President Bill Clinton later elevated her to the Court of Appeals for the Second Circuit. President Obama nominated her in May to succeed Justice David H. Souter.

Saturday’s ceremonies ended a 10-week confirmation battle in which Republicans called her a “judicial activist,” citing her speeches on topics like

foreign law and the role of diversity in the judiciary, including a now-famous comment about the superior judgment of a “wise Latina.”

They also criticized her votes in cases involving Second Amendment rights, property rights and a racial discrimination lawsuit brought by white firefighters in New Haven.

But Democrats insisted that she was a highly qualified, mainstream and moderate jurist. In the end, Democrats’ numerical advantage in the Senate virtually ensured her success. The Senate on Thursday voted 68 to 31 to confirm her. No Democrat voted against her, while all but 9 of the chamber’s 40 Republicans did so.

Justice Sotomayor can now prepare for her first case – a campaign-finance dispute left over from the last term – but she still has several rituals to attend.

President Obama, who did not attend Saturday’s events, will be at a White House reception on Wednesday in Justice Sotomayor’s honor.

And on Sept. 8, the Supreme Court will hold a special invitation-only investiture ceremony, a special sitting at which she will take her seat for the first time, probably followed by an appearance alongside Chief Justice Roberts for a traditional picture on the front steps of the court.

138 Coffee Can Wait. The Day’s First Stop Is Online.

Karl and Dorsey Gude of East Lansing, Mich., can remember simpler mornings, not too long ago. They sat together and chatted as they ate breakfast. They read the newspaper and competed only with the television for the attention of their two teenage sons.

That was so last century. Today, Mr. Gude wakes at around 6 a.m. to check his work e-mail and his Facebook and Twitter accounts. The two boys,

Cole and Erik, start each morning with text messages, video games and Facebook.

The new routine quickly became a source of conflict in the family, with Ms. Gude complaining that technology was eating into family time. But ultimately even she partially succumbed, cracking open her laptop after breakfast.

“Things that I thought were unacceptable a few years ago are now commonplace in my house,” she said, “like all four of us starting the day on four computers in four separate rooms.”

Technology has shaken up plenty of life’s routines, but for many people it has completely altered the once predictable rituals at the start of the day.

This is morning in America in the Internet age. After six to eight hours of network deprivation – also known as sleep – people are increasingly waking up and lunging for cellphones and laptops, sometimes even before swinging their legs to the floor and tending to more biologically urgent activities.

“It used to be you woke up, went to the bathroom, maybe brushed your teeth and picked up the newspaper,” said Naomi S. Baron, a professor of linguistics at American University, who has written about technology’s push into everyday life. “But what we do first now has changed dramatically. I’ll be the first to admit: the first thing I do is check my e-mail.”

The Gudes’ sons sleep with their phones next to their beds, so they start the day with text messages in place of alarm clocks. Mr. Gude, an instructor at Michigan State University, sends texts to his two sons to wake up.

“We use texting as an in-house intercom,” he said. “I could just walk upstairs, but they always answer their texts.” The Gudes recently began shutting their devices down on weekends to account for the decrease in family time.

In other households, the impulse to go online before getting out the door adds an extra layer of chaos to the already discombobulating morning scramble.

Weekday mornings have long been frenetic, disjointed affairs. Now families that used to fight over the shower or the newspaper tussle over access to the lone household computer – or about whether they should be using gadgets at all, instead of communicating with one another.

“They used to have blankies; now they have phones, which even have their own umbilical cord right to the charger,” said Liz Perle, a mother in San Francisco who laments the early-morning technology immersion of her two teenage children. “If their beds were far from the power outlets, they would probably sleep on the floor.”

The surge of early risers is reflected in online and wireless traffic patterns. Internet companies that used to watch traffic levels rise only when people booted up at work now see the uptick much earlier.

Arbor Networks, a Boston company that analyzes Internet use, says that Web traffic in the United States gradually declines from midnight to around 6 a.m. on the East Coast and then gets a huge morning caffeine jolt. “It’s a rocket ship that takes off at 7 a.m.,” said Craig Labovitz, Arbor’s chief scientist.

Akamai, which helps sites like Facebook and Amazon keep up with visitor demand, says traffic takes off even earlier, at around 6 a.m. on the East Coast. Verizon Wireless reported the number of text messages sent between 7 and 10 a.m. jumped by 50 percent in July, compared with a year earlier.

Both adults and children have good reasons to wake up and log on. Mom and Dad might need to catch up on e-mail from colleagues in different time zones. Children check text messages and Facebook posts from friends with different bedtimes – and sometime forget their chores in the process.

In May, Gabrielle Glaser of Montclair, N.J., bought her 14-year-old daughter, Moriah, an Apple laptop for her birthday. In the weeks after, Moriah missed the school bus three times and went from walking the family Labradoodle for 20 minutes each morning to only briefly letting the dog outside.

Moriah concedes that she neglected the bus and dog, and blames Facebook, where the possibility that crucial updates from friends might be waiting

draws her online as soon as she wakes. “I have some friends that are up early and chatting,” she said. “There is definitely a pull to check it.”

Some families have tried to set limits on Internet use in the mornings. James Steyer, founder of Common Sense Media, a nonprofit that deals with children and entertainment, wakes every morning at 6 and spends the next hour on his BlackBerry, managing e-mail from contacts in different parts of the world.

But when he meets his wife, Liz, and their four children, ages 5 to 16, at the breakfast table, no laptops or phones are allowed.

Mr. Steyer says he and his sons feel the temptation of technology early. Kirk, 14, often runs through much of his daily one-hour allotment of video-game time in the morning.

Even Jesse, 5, has started asking each morning if he can play games on his father’s iPhone. And Mr. Steyer said he constantly feels the tug of waiting messages on his BlackBerry, even during morning hours that are reserved for family time.

“You have to resist the impulse. You have to switch from work mode to parenting mode,” Mr. Steyer said. “But meeting my own standard is tough.”

139 As Health Care Debate Rages, Obama Takes to the Stump⁵³²

President Obama tried on Tuesday to defuse fears about his plan to overhaul the nation’s health care system, an issue at the center of one of the fiercest public-policy debates in decades, telling a friendly audience in New Hampshire that a lot of misinformation is being spread.

“If you like your health-care plan, you can keep your health-care plan,” the president told a gathering in Portsmouth, N.H. “You will not be waiting in any lines. This is not about putting the government in charge of your health insurance.”

“For all the chatter and the yelling and the shouting and the noise, what you need to know is this: If you don’t have health insurance, you will finally have quality, affordable options, once we pass reform. If you do have health insurance, we will make sure that no insurance company, or a government bureaucrat, gets between you and the care that you need.”

The president went on, to applause. “And we will do this without adding to our deficit over the next decade, largely by cutting out the waste and insurance company giveaways in Medicare that aren’t making any of our seniors healthier,” he said.

The president said some Republicans had been helpful, and that he hoped to achieve health care reform on a bipartisan basis, “but the most important thing is getting it done for the American people.”

The New Hampshire event was part of a campaign to fight questionable but potentially damaging charges that the president’s vision would inevitably lead to “socialized medicine,” “rationed care” and even forced euthanasia for the elderly.

The tone of the national debate over the future of health care has become increasingly emotional, even bitter, as reflected in comments by lawmakers across the political spectrum.

In introducing a Web site to defend the president’s proposals, White House officials were tacitly acknowledging a difficult reality: they are suddenly at risk of losing control of the public debate over a signature issue for Mr. Obama and are now playing defense in a way they have not since last year’s campaign.

Senator Bernard Sanders of Vermont, an independent who is one of the most liberal members in either House, said on Tuesday that “the Republicans are the party of do-nothingism, and because of them it is very hard to move forward.”

But Mr. Sanders said in an interview on MSNBC that “frankly, the Democrats have not handled this as clearly and effectively as they might have.”

A different perspective was offered by Representative Peter King, a Long Island Republican far to the right of Mr. Sanders. Mr. King said it was

quite understandable that many Americans are not enthusiastic about “the radical type of reform that President Obama’s talking about.”

The health care system should be changed “incrementally” rather than by major surgery, Mr. King said in another interview on MSNBC. The congressman said he thought the White House had made a tactical⁵⁴¹ error in its approach on health care. “It may not be perfect,” he said, conceding that Americans “may have problems with it.”

“But it’s not the rabid-type issue that had to be solved by Aug. 1 of this year, the way President Obama was saying,” Mr. King said.

And Senator Arlen Specter of Pennsylvania, a Republican-turned-Democrat, faced a crowd of emotional constituents in Lebanon, Pa. One participant drew loud applause when he said illegal immigrants should not be covered (Mr. Specter agreed), and another complained that the legislation was as complicated “as a Russian novel.”

Mr. Specter said the federal government has a “social compact” with the American people to “take care of people who need some help.” He pledged again not to vote for something that would add to the budget deficit, and he tried to reassure the crowd that people who are happy with their present health insurance do not have to worry about losing it.

“So far, no bill has passed the Congress,” Mr. Specter noted. “In the House of Representatives, five committees have passed bills, but the House has not passed a bill. In the Senate, we’re still working on a bill, trying to get bipartisanship.”

“I know the American people are sick and tired of Republicans and Democrats fighting, and the American people would like to see some bipartisanship and coming together in the public interest,” the senator said, in an appeal for calm that was not entirely successful.

President Obama, speaking at a summit of North American leaders in Mexico on Monday, sounded an optimistic note, predicting that “the American people are going to be glad that we acted to change an unsustainable system so that more people have coverage.”

But aides to Mr. Obama said the rapidly escalating²⁰⁰ threat to his health care plans had led him to order them to come up with a crisper message.

And Democratic Party officials enlisted in the fight by the White House acknowledged in interviews that the growing intensity of the opposition to the president's health care plans – within the last week likened on talk radio to something out of Hitler's Germany, lampooned by protesters at Congressional town-hall-style meetings and vilified in television commercials – had caught them off guard and forced them to begin an August counteroffensive.

In the process, the administration has had a harder time getting across the themes it wanted to strike in this period: that the current system is unsustainable and that Mr. Obama's plan holds concrete benefits for people who already have health insurance as well as for those who do not.

"We all had a good sense that some of this was going to take place," said Brad Woodhouse, the communications director for the Democratic National Committee. "To be fair, I think we were probably a little surprised – just a little – at the use of swastikas and the comparisons to Adolf Hitler and the Third Reich that even Rush Limbaugh has fanned the flames on. And we were a little surprised at the mob mentality." (Mr. Woodhouse's use of the phrase "mob mentality" was itself part of the Democratic effort to paint opponents speaking out against the plan as part of an unruly but organized effort.)

For some of Mr. Obama's supporters, the newly galvanized opposition to his proposed policies provided a troubling flashback to the successful effort to stop President Bill Clinton's similarly ambitious plans 16 years ago – a fight Mr. Obama's aides had studied carefully to avoid making the same fatal mistakes.

White House officials say such fears are unwarranted, arguing that the conservative protests are getting outsize coverage on cable news. "Don't associate loud with effective," Rahm Emanuel, the White House chief of staff, said in an interview, adding that he detected no anxiety from supportive lawmakers in politically vulnerable districts. "What is coming across is a lot of noise and a lot of heat without a lot of light."

And White House officials say their August counteroffensive is a break from the Clinton approach, which is now viewed as having failed to adequately address critics.

Mr. Obama will take the lead this week as he continues a series of public meetings to counter the opposition, events White House officials hope will offer a high-profile opportunity to confront and rebut critics.

As part of the effort, Speaker Nancy Pelosi and Representative Steny H. Hoyer, the House majority leader, wrote an opinion article in USA Today on Monday calling conservative protests at Congressional town-hall-style meetings “un-American” for “drowning out opposing views.” (That prompted a swift rebuke from the House minority leader, Representative John A. Boehner, among other Republicans.)

New television commercials disputing the conservative attacks are in the works, Mr. Woodhouse said, and allied members of Congress have been sent home for the August break with a set of poll-tested talking points intended to shift the focus to the administration’s advertised benefits of the plan from the scary situations opponents have laid out.

“There’s a whole set of rumors that the old playbook would tell you not to do anything about because you draw attention,” said Dan Pfeiffer, the White House deputy communications director. “The lesson we’ve learned is you ignore these rumors at your peril, and the right answer is to take them head on in as big a way as possible.”

It was only weeks ago that Mr. Obama was pressing both the House and the Senate to complete work on their versions of health legislation before recessing for the summer, a goal that went unmet as divisions erupted among Democrats as well as between the two parties.

After getting much of what he wanted on high-risk initiatives like the economic stimulus package and bailouts of banks and auto companies, Mr. Obama had yet to face the full force of conservative opposition to his policies. Some supporters now wonder whether his earlier glide path left him unprepared for the sudden surge of opposition from conservative groups, which have found a rallying point on health care.

“The expectation was that things have gotten so bad in the last 16 years that there would be consensus¹¹⁸ on the need to act this time,” said Howard Paster, who was Mr. Clinton’s chief lobbyist in 1993. “That was a mistake, that assumption.”

Mr. Obama’s team won early, high marks for diverging from the Clinton approach, specifically by emphasizing the need to control costs and improve coverage for those who are already insured instead of making the same moral-duty argument Mr. Clinton had about the need to cover the uninsured.

Yet once Congress started filling in the details this summer and its analysts began pricing the House and Senate packages, the estimates of the government’s cost caused sticker shock again.

And once again that drew taxpayers’ attention to the main reason for those costs: covering the uninsured, through more Medicaid spending and subsidies for people to buy insurance and small businesses to provide it.

That helped conservatives who had been struggling to gain traction⁵⁵⁷ on health care to speak to a constituency that has managed to gain significant anti-Obama attention this year, the fiscally hawkish “tea party” activists opposed to the president’s spending. They have dismissed Mr. Obama’s promises that his plan will be fully paid for through offsetting spending cuts or increased taxes, and have cast the plan as a costly takeover of health care by the government.

“I think the combination of spending a trillion dollars that we don’t have and another rushed process really triggered this,” said Matt Kibbe, the president of the conservative group FreedomWorks. “People started paying attention.”

140 China’s Incinerators Loom as a Global Hazard

In this sprawling metropolis in southeastern China stand two hulking brown buildings erected by a private company, the Longgang trash incinerators. They can be smelled a mile away and pour out so much dark

smoke and hazardous chemicals that hundreds of local residents recently staged an all-day sit-in, demanding that the incinerators be cleaner and that a planned third incinerator²⁸⁸ not be built nearby.

After surpassing the United States as the world's largest producer of household garbage, China has embarked on a vast program to build incinerators as landfills run out of space. But these incinerators have become a growing source of toxic emissions, from dioxin to mercury, that can damage the body's nervous system.

And these pollutants, particularly long-lasting substances like dioxin and mercury, are dangerous not only in China, a growing body of atmospheric research based on satellite observations suggests. They float on air currents across the Pacific to American shores.

Chinese incinerators can be better. At the other end of Shenzhen from Longgang, no smoke is visible from the towering smokestack of the Baoan incinerator, built by a company owned by the municipal government. Government tests show that it emits virtually no dioxin and other pollutants.

But the Baoan incinerator cost 10 times as much as the Longgang incinerators, per ton of trash-burning capacity.

The difference between the Baoan and Longgang incinerators lies at the center of a growing controversy in China. Incinerators are being built to wildly different standards across the country and even across cities like Shenzhen. For years Chinese government regulators have discussed the need to impose tighter limits on emissions. But they have done nothing because of a bureaucratic turf war, a Chinese government official and Chinese incineration experts said.

The Chinese government is struggling to cope with the rapidly rising mountains of trash generated as the world's most populated country has raced from poverty to rampant consumerism. Beijing officials warned in June that all of the city's landfills would run out of space within five years.

The governments of several cities with especially affluent, well-educated citizens, including Beijing and Shanghai, are setting pollution standards as

strict as Europe's. Despite those standards, protests against planned incinerators broke out this spring in Beijing and Shanghai as well as Shenzhen.

Increasingly outspoken residents in big cities are deeply distrustful that incinerators will be built and operated to international standards. "It's hard to say whether this standard will be reached – maybe the incinerator is designed to reach this benchmark, but how do we know it will be properly operated?" said Zhao Yong, a computer server engineer who has become a neighborhood activist in Beijing against plans for an incinerator there.

Yet far dirtier incinerators continue to be built in inland cities where residents have shown little awareness of pollution.

Studies at the University of Washington and the Argonne National Laboratory in Argonne, Ill., have estimated that a sixth of the mercury now falling on North American lakes comes from Asia, particularly China, mainly from coal-fired plants and smelters but also from incinerators. Pollution from incinerators also tends to be high in toxic metals like cadmium.

Incinerators play the most important role in emissions of dioxin. Little research has been done on dioxin crossing the Pacific. But analyses of similar chemicals have shown that they can travel very long distances.

A 2005 report from the World Bank warned that if China built incinerators rapidly and did not limit their emissions, worldwide atmospheric levels of dioxin could double. China has since slowed its construction of incinerators and limited their emissions somewhat, but the World Bank has yet to do a follow-up report.

Airborne dioxin is not the only problem from incinerators. The ash left over after combustion is laced with dioxin and other pollutants. Zhong Rigang, the chief engineer at the Baoan incinerator here, said that his operation sent its ash to a special landfill designed to cope with toxic waste. But an academic paper last year by Nie Yongfeng, a Tsinghua University professor and government adviser who sees a need for more incinerators, said that most municipal landfills for toxic waste lacked room for the ash, so the ash was dumped.

Trash incinerators have two advantages that have prompted Japan and much of Europe to embrace them: they occupy much less real estate than

landfills, and the heat from burning trash can be used to generate electricity. The Baoan incinerator generates enough power to light 40,000 households.

And landfills have their own environmental hazards. Decay in landfills also releases large quantities of methane, a powerful global warming gas, said Robert McIlvaine, president of McIlvaine Company, an energy consulting firm that calculates the relative costs of addressing disparate environmental hazards. Methane from landfills is a far bigger problem in China than toxic pollutants from incinerators, particularly modern incinerators like those in Baoan, he said.

China's national regulations still allow incinerators to emit 10 times as much dioxin as incinerators in the European Union; American standards are similar to those in Europe. Tightening of China's national standards has been stuck for three years in a bureaucratic war between the environment ministry and the main economic planning agency, the National Development and Reform Commission, said a Beijing official who insisted on anonymity because he was not authorized to discuss the subject publicly.

The agencies agree that tighter standards on dioxin emissions are needed. They disagree on whether the environment ministry should have the power to stop incinerator projects that do not meet tighter standards, the official said, adding that the planning agency wants to retain the power to decide which projects go ahead.

Yan Jianhua, the director of the solid waste treatment expert group in Zhejiang province, a center of incinerator equipment manufacturing in China, defended the industry's record on dioxin, saying that households that burn their trash outdoors emit far more dioxin.

"Open burning is a bigger problem according to our research," Professor Yan said, adding that what China really needs is better trash collection so that garbage can be disposed of more reliably.

Critics and admirers of incinerators alike call for more recycling and reduced use of packaging as ways to reduce the daily volume of municipal garbage. Even when not recycled, sorted trash is easier for incinerators to

burn cleanly, because the temperature in the furnace can be adjusted more precisely to minimize the formation of dioxin.

Yet the Chinese public has shown little enthusiasm for recycling. As Mr. Zhong, the engineer at the Baoan incinerator, put it, “No one really cares.”

141 G.M. Hopes New Lineup Brings Back Excitement

General Motors is focusing on smaller cars and more fuel-efficient vehicles to lure back consumers who had given up on the struggling auto giant.

On Tuesday, G.M. showed off a lineup that was decidedly leaner and greener than what the company offered in the months leading to its bankruptcy filing on June 1.

And just as G.M. has shed jobs, plants and operations, the company has plans to shrink its portfolio of gas-guzzling trucks and big cars in favor of smaller vehicles.

“Everything we are doing is consistent with the viability plan turned into the government,” said Thomas G. Stephens, G.M.’s vice chairman for global product development. “And everything we do has to be best-in-class in fuel economy.”

The government has committed about \$50 billion this year to rescue G.M. from financial collapse. In return, American taxpayers hold a 60 percent stake in the company.

But while the Obama administration helped clean up G.M.’s balance sheet, the company’s management team is faced with the tall task of bringing some excitement back to dealer showrooms.

G.M.’s sales in the United States have plunged 37 percent this year, and its market share has fallen just below 20 percent, a far cry from the company’s glory days in the 1960s, when it held a 50 percent share of the American market and dominated competitors. As part of its effort to reverse

that trend and return to profitability, G.M. also began selling new cars and trucks on the auction Web site eBay on Tuesday.

G.M. executives found out just how far the company had fallen on Monday, when more than 100 consumers – some of them vocal critics of the company – were invited to test its latest products.

The event, held at G.M.'s proving grounds outside Detroit, was as humbling for some executives as the months of debate over the company's federal bailout.

"I learned a lot," said Fritz Henderson, who became G.M.'s chief executive in April. "The awareness of our products was painfully, almost pitifully low."

Mr. Henderson has vowed to change both the perception of G.M.'s vehicles and make them more competitive with models from other auto companies.

"People are looking at us with a healthy degree of skepticism," Mr. Henderson said.

The company's core brands – Chevrolet, Cadillac, Buick and GMC – will be broadened to appeal to younger buyers who value fuel economy and technology more than size and horsepower.

The biggest change is coming at Buick. Once the bastion of large, four-door sedans marketed to consumers older than 60, the brand is getting a decidedly youthful makeover.

Buick's largest car, the Lucerne, will be discontinued. Within three years, the brand will add a compact car, a midsize sedan and two small crossover vehicles that combine the attributes of a car and a sport utility vehicle.

Chevrolet will also get two new cars – the tiny Spark and the compact Cruze – and the GMC brand may add a small crossover that mimics the boxy styling of vehicles produced by Toyota, Nissan and Hyundai.

G.M.'s strategy is similar to that employed by its largest domestic rival, the Ford Motor Company – the only American automaker that has not needed federal money to survive.

Ford is introducing a series of passenger cars that it hopes will ease its long dependence on pickup trucks and S.U.V.'s for profits.

Now that G.M. has come through bankruptcy with far less debt and a tighter cost structure, analysts said the company must move quickly to recast its image and products.

"G.M. has no choice at this point," said Ron Harbour, head of the automotive division of the consulting firm Oliver Wyman. "They have got to convince people that their cars are better and their brands are cool."

The company's restructuring plan calls for cutting the number of models in G.M. dealerships to 34, from 48, by next year. Several of the models will disappear when the Saturn, Pontiac, Hummer and Saab brands are closed or sold.

G.M. executives conceded that the company could no longer afford any lag-gards in its new lineup.

"We have to do great cars no matter what segment we enter," said Mr. Stephens, who succeeded Robert A. Lutz as G.M.'s product czar.

G.M.'s new board is pressing management to start increasing sales again after many years of decline. That will prove difficult in the current economic environment, in which vehicle sales have sunk to their lowest point in more than 25 years.

But the company has some promising entries already entering the market.

The Chevrolet Equinox crossover vehicle has been a hot seller, as has the Camaro muscle car. At Cadillac, a sharply restyled version of the SRX is winning raves from some consumers, even as its angular appearance polarizes others.

"You might call the design aggressive, where I call it distinctive," Mr. Stephens said. "Its looks are purely Cadillac. When you drive up, everybody knows what it is."

Design will play a critical role in G.M.'s comeback, particularly when it begins introducing smaller Buicks that could compete with the company's Chevy products.

Mr. Stephens said that Buick would be focusing on owners of some foreign luxury brands like Honda's Acura division. The new Buicks will be packed with new technology and upscale materials, which G.M. hopes will allow the brand to command higher prices.

But G.M. has run into trouble in the past when its brands overlapped and too many of its models looked alike.

"Ford has already started down this road, and the competition is hardly letting up," said Joseph Phillippi, a principal in the firm AutoTrends Consulting. "G.M. has obviously taken a lot of costs out. But lower costs aren't going to help them sell cars that people aren't crazy about."

142 No. 1 Fugitive²⁴⁶ of China Fears Death if Repatriated

The lawyer for China's most wanted man says that his admission of guilt to smuggling will not end his decade-long bid to stay in Canada.

The lawyer, David Matas, said Sunday that Lai Changxing's fight to stay in Canada was based on a fear of torture and possible execution in China, not on his guilt or innocence.

Mr. Lai's admission of guilt was published in a Canadian Chinese-language newspaper last week. He said that he had committed tax evasion and that he had circumvented Chinese customs by waiting until customs officers left for the day, and then unloading shipments of goods including gasoline and cigarettes.

Mr. Lai, who fled to Canada in 1999, has been described in Chinese news reports as the country's No.1 fugitive. The Chinese authorities accuse him

of masterminding a network that smuggled goods worth as much as \$10 billion, under the protection of corrupt government officials.

Reports of Mr. Lai's admission came to light after it was revealed that his former wife, Tsang Mingna, had returned to China with their eldest daughter. Mr. Matas said that Ms. Tsang had made a deal to return to China in exchange for all charges against her being dropped.

That approach by China could be an effort to convince Mr. Lai that he will receive lenient treatment should he return, Mr. Matas suggested. "It's pretty clear they're using the wife to get at him," he said.

China has given assurances that Mr. Lai will not face execution if he returns, but Mr. Matas said the assurances could not be believed. The two countries do not have an extradition treaty.

Mr. Lai, his former wife, and their three children applied for asylum³⁴ after arriving in Canada. They said that the refugee board that turned down their asylum requests in 2002 failed to see that they were at risk of political persecution in China.

The asylum case has proceeded through court challenges and appeals since then. Meanwhile, Mr. Lai was granted a Canadian work permit in February, and he reportedly works in real estate.

Mr. Matas said Mr. Lai was still awaiting a decision by Canadian immigration officials on whether to evaluate the risk he might face if sent back to China.

In 2001, Jiang Zemin, the Chinese president at the time, sent Prime Minister Jean Chrétien a note with assurances that Mr. Lai would not be executed. But Mr. Matas dismissed those assurances. "There's still no system in place to monitor assurances," Mr. Matas said. "They won't even let the Red Cross into the prisons."

China has repeatedly said that the Lai case is the country's biggest scandal. Exhibitions and television shows have detailed his alleged crimes and excesses. The authorities say that he plied officials with prostitutes and alcohol in a seven-story mansion built for that purpose.

Eight people connected to the case have already been executed in China. Several others have been jailed for sending funds to help Mr. Lai pay for his defense.

143 China Charges 4 Rio Tinto Employees; Spying Allegations Are in Question

China formally charged an Australian citizen and three other employees of the British-Australian mining giant Rio Tinto late Tuesday with commercial bribery and trade secrets infringement in a case that has rocked the global steel industry and created a diplomatic uproar.

But a brief statement on the case, reported by the official Xinhua news agency, did not mention the much more serious charges of espionage that Beijing had earlier alleged and that had frayed relations between China and Australia in recent weeks. It was unclear if the Chinese government included those charges in its more detailed filing on the case or had backed away from them under international pressure.

The case has generated significant anxiety among foreign corporations and investors worried that China could stifle business by pressing state secrets charges against executives.

In the statement released through Xinhua, prosecutors said the four Rio Tinto employees had used “improper means” to obtain commercial secrets from China’s government-controlled iron and steel industry. Although commercial bribery is a criminal charge, the sentence for anyone convicted of the crime is significantly shorter than those for state secrets violations.

The announcement came more than a month after the four employees were detained in Shanghai and accused of stealing state secrets from China’s steel industry and harming the nation’s economic interests. It followed weeks of diplomatic pressure from the Australian government, which had complained about a lack of transparency in the case.

After the detentions, Prime Minister Kevin Rudd of Australia had cautioned China to deal fairly, openly and judiciously with the employees because the world would be watching how it handled the case. Australian government officials did not reply early Wednesday to requests for comment on the statement of the charges.

If China indeed chose not to charge the employees with violating the country's state secrets law, it would drastically alter the case because legal scholars say that prosecutions under that law are not transparent and are notoriously difficult to defend against.

Jerome A. Cohen, a professor of law at New York University and an expert on China's legal system, said the language used in the prosecutor's announcement was unclear but suggested that Beijing might have chosen to downgrade the charges.

"It doesn't sound like they are doing this under the state secrets law," Mr. Cohen said after being read the Xinhua statement. "They may be trying to lower the temperature in the world by getting it out of the state secrets context."

The detentions of the four employees, including three Chinese citizens, had stunned many multinational companies doing business in the country because the government had invoked its murky espionage law in a case that many legal experts said involved allegations that sounded like commercial bribery rather than spying.

The accusations in the case have also caused turmoil⁵⁶⁶ in China's steel industry, the world's largest, and disrupted the country's already contentious annual iron-ore negotiations with some of the world's biggest producers, including Rio Tinto.

A spokesman at Rio Tinto's headquarters in London said late Tuesday that the company was not yet aware that the charges had been filed.

In recent weeks Rio Tinto has strongly denied any wrongdoing in the case and insisted that the company had no evidence that its employees, including Stern Hu, a Chinese-born Australian citizen, had ever engaged in bribery or wrongdoing.

Mr. Hu, the general manager of Rio Tinto's Shanghai office and the company's top iron ore salesman in China, is believed to be one of the highest ranking foreign executives ever charged with commercial bribery and trade secrets infringement involving a state-controlled industry.

144 China Scales Back Software Filter Plan

Chinese officials retreated on Thursday from a plan to install so-called anti-pornography software on every computer sold here, saying instead that Internet cafes, schools and other public places must use the program, but that individual consumers will be spared.

The industry and information technology minister, Li Yizhong, said the notion that the program, called Green Dam/Youth Escort, would be required on every new computer was “a misunderstanding” spawned by poorly written regulations.

The ministry order, first issued last May 19, had stirred an outcry from Chinese Internet users and foreign computer manufacturers alike, arguing that the software ran counter to China’s proclaimed goal of creating an information-based society.

The United States warned China that the installation requirement could be seen as a violation of world trade regulations.

Although the government insists that the program is meant to shield children from online pornography, its filter – automatically updated by the government – targeted many topics with political overtones. Free-speech advocates said that the program was a government attempt to extend its control of political opinions into people’s living rooms.

The information ministry previously had suspended the Green Dam pre-installation mandate on June 30, one day before it was to take effect, saying that computer makers needed more time to accommodate it in their manufacturing.

The Thursday statement by Mr. Li appeared to make that suspension permanent. Mr. Li said the government would neither require the program to come pre-installed on new computers or force computer makers to include the program on a CD with optional software.

A few Asian computer manufacturers, led by China-based Lenovo and Taiwan’s Acer, nevertheless include the software on computers sold in China.

Although Mr. Li's concession is a step backward for the Green Dam program, the software remains mandatory in schools, Internet cafes and other sites used by scores of millions of people. The government already takes extraordinary steps to monitor computer use in Internet cafes, which remain common in a nation where owning a computer remains a comparative luxury.

China has sought to increase government control over ordinary people's use of computers in recent months. The government has systematically blocked ordinary citizens from viewing foreign-based websites like Facebook, Flickr and YouTube that sometimes include comment critical of the government.

Domestic websites with political content also have increasingly been censored or blocked. Experts are divided over whether the increased censorship is a temporary measure in a year filled with sensitive events, including the coming 60th anniversary of modern China's founding, or is a permanent attempt to clamp down on unapproved speech.

The government recently proposed a requirement that all users of online chat rooms and bulletin boards use their real names when posting comments, a move that would stifle the sometimes-freewheeling debate on many sites. Until now, government censors have played a cat-and-mouse game with anonymous Internet users who posted comments that flout²³³ approved positions.

145 New Army Handbook Teaches Afghanistan Lessons

More than a year has passed since an Afghan police commander turned on coalition forces and helped insurgents carry out a surprise attack that killed nine Americans, wounded more than 30 United States and Afghan troops and nearly resulted in the loss of an allied outpost in one of the deadliest engagements of the war.

Within days of the attack, Army historians and tactical analysts arrived in eastern Afghanistan to review the debacle near Wanat, interviewing soldiers who survived the intense battle, in which outnumbered Americans exchanged gunfire for more than four hours with insurgents³⁰², often at distances closer than 50 feet.

Now, that effort to harvest lessons from the firefight of July 13, 2008, has contributed to a new battlefield manual that will be delivered over coming days to Army units joining the fight in Afghanistan with the troop increase ordered by President Obama.

The handbook, “Small-Unit Operations in Afghanistan,” strikes a tone of respect for the Taliban and other insurgent groups, which are acknowledged to be extremely experienced fighters; even more, American soldiers are warned that the insurgents rapidly adapt to shifts in tactics.

In page after page, the handbook draws on lessons from Wanat and other missions, some successful and some that resulted in death and injury for American and allied forces. The manual can be read as an effort to push the nuances³⁷³ of the complex counterinsurgency fight now under way in Afghanistan down from the generals and colonels to newly minted privates as well as to the sergeants and junior officers who lead small units into combat.

Copies of the 123-page handbook, produced by the Center for Army Lessons Learned, are being distributed throughout the service and are available to NATO allies and other nations with troops in Afghanistan. A copy was provided in advance to The New York Times by an official involved in the distribution, who said consideration was being given to a broader public release.

The manual includes a chapter titled “Cultural Engagements,” offering guidance to small-unit leaders on building relationships with wavering village elders and trust among distrustful village residents – a process that cannot be left to senior officers who may be back at headquarters.

Implicit in the instructions is a warning that troops are at risk if they are aloof¹⁵ from the locals and uncaring of their needs – and of the certain dangers if intelligence sources are used incorrectly.

One lesson of Wanat was that American troops, who had set up the firebase five days before the attack, were caught unaware of collusion between the district police chief and the Taliban.

The manual describes how to train better for the defense of remote forward operating bases in harsh Afghan terrain, especially in contested areas where the loyalties of local people are uncertain. The detailed “how to” lists include instructions on such battlefield techniques as deploying mortars³⁵⁹ more effectively than soldiers did at Wanat, where they did not take into account terrain that provided cover for attackers.

In the fight now under way in Afghanistan, even small platoons may be expected to patrol areas and conduct both combat operations and civilian reconstruction missions traditionally assigned to much larger combat units.

“Every soldier or leader involved in command post operations is one less soldier or leader available to send on patrol, provide security, or staff a quick-reaction force,” the handbook says. One lesson of Wanat was that the primitive forward firebase was understaffed.

The handbook’s publication days after the first anniversary of the Wanat battle was first noted by a blog operated by the Combined Arms Center, the Army’s headquarters for advanced learning and leader development at Fort Leavenworth, Kan.

The blogger, Frontier 6, said the handbook drew together lessons of successes in Afghanistan, as well as what has been gleaned from operations when Americans left the battlefield badly bloodied.

“Although the losses at Wanat were tragic, a close scrutiny⁴⁹⁰ of the action with an eye to lessons learned can save lives in the future,” the blogger wrote, noting that the handbook also built on analysis from an insurgent ambush of American troops this past April in the Korangal Valley, also in eastern Afghanistan.

It is perhaps one of the worst-kept secrets in the Army, but Frontier 6 is the Internet alias of Lt. Gen. William B. Caldwell IV, the Fort Leavenworth commander and occasional blogger, who previously served as the top military spokesman in Iraq.

Combat commanders acknowledge how much they rely on the analysis and lessons-learned manuals sent from headquarters back in the United States. “The education of our force is the best weapon we have,” said Gen. Stanley A. McChrystal, the new commander in Afghanistan. “Counterinsurgency is complex, nuanced and ever-changing, and success is dependent on a fighting force that can recognize these changes and adapt to them.”

In distilling ¹⁷⁷ lessons into practical advice for the troops, General Caldwell is building on an effort brought to popular attention by a predecessor, Gen. David H. Petraeus, now commander of American forces in the Middle East.

Under General Petraeus’s leadership at Fort Leavenworth, the military released a counterinsurgency field manual credited with helping turn around the war in Iraq and ending the armed services’ focus on heavily armored conventional warfare.

With that manual’s release, the American military was forced to embrace the messy irregular warfare that had been the core competency solely of a small specialty branch in the armed services – the Army Special Forces, known as Green Berets.

146 W.T.O. Rules Against China’s Limits on Imports

The World Trade Organization gave the United States a victory on Wednesday in its trade battle with China, ruling that Beijing had violated international rules by limiting imports of books, songs and movies.

The W.T.O. panel decision in Geneva buttresses growing complaints from the United States and Europe that China is becoming increasingly nationalistic in its trade policies. It also offers some hope that China will remove its restrictions on media and reduce rampant piracy⁴⁰⁹ of intellectual property, though the country can appeal.

But even if China changes its policy in light of the decision, Western companies could struggle to increase their sales anytime soon. The ruling does

not affect a quota that caps at 20 the number of foreign films that can be released in Chinese movie theaters each year.

Also, because of piracy, Chinese consumers are so accustomed to paying very little for DVDs, or downloading movies or songs free on the Internet, that American movie companies already sell authorized DVDs of their movies for much less in China than in the United States – and still struggle to find buyers.

Still, Ron Kirk, the United States trade representative, praised the panel's legal finding. "This decision promises to level the playing field for American companies working to distribute high-quality entertainment products in China," Mr. Kirk said, "so that legitimate American products can get to market and beat out the pirates."

For the American media industry, the ruling essentially means that the W.T.O. supports demands by United States movie studios, book and newspaper publishers, and record labels that they be allowed to sell more directly to the Chinese consumer, rather than first going through a middleman, often a state-owned enterprise, as China has required. It does not necessarily mean the Chinese consumer will have access to a broader array of American films, books and music – although those industries hope that may eventually occur.

"American companies now have the right to trade without going through a Chinese intermediary at the border," said James Bacchus, a lawyer at Greenberg Traurig in Washington who represented the China Copyright Alliance, a consortium of media companies, in the case.

Dan Glickman, chairman of the Motion Picture Association of America, acknowledged that the decision might not immediately result in a wider array of American movies available to the Chinese consumer.

"I wouldn't say it will have a night-and-day, revolutionary impact right away," he said. However, he added, "It's hard for me to believe that the import quota, which has been in effect for 10 years, will be there in perpetuity with this decision."

Either side may appeal the panel's ruling. It is difficult, although not impossible, for a panel decision like this one to clear the way for the petitioning country to impose trade sanctions on the country that broke the rules.

The ruling goes to the heart of one of the biggest trade issues pending between China and the West: whether intellectual property, like copyrighted songs, books and movies, should be granted the same kind of protection from discriminatory trade practices as manufactured goods.

China has enjoyed double-digit economic growth through most of the last three decades in part because of rapid expansion of exports, virtually all of which have been manufactured goods. But Chinese imports have grown much more slowly, particularly if imports of goods for export are excluded, like computer chips from Japan that are assembled in China into consumer electronics for shipment to the United States.

One reason for the slow growth in imports has been China's restrictions on imported books, movies and other content. Demand is met by pirated copies made in China; the latest Hollywood movies are on DVDs on street corners across China within days of their release, at a cost of \$1 or less – much less in inland cities and for the buyer who bargains aggressively.

The Chinese government had no immediate reaction to the decision, which was released late at night Beijing time. Chinese state media also initially ignored the decision. Officials sometimes wait a day or two to respond to adverse trade developments.

In its petition to the W.T.O., the United States criticized China's requirement that most copyrighted material be imported through a few government-designated companies, which tend to be wholly owned or majority-owned by the government. The restrictions also required foreign financial news services to operate through a government-designated distributor.

The panel condemned this, saying in its report that “it also appears that foreign individuals and enterprises, including those not invested or registered in China, are accorded treatment less favorable than that accorded to enterprises in China with respect to the right to trade.”

Many of these restrictions, like limiting the number of foreign movies that can be shown each year in Chinese theaters, have been aimed partly at limiting foreign influence in China but also at sheltering domestic industries.

The panel stopped short of endorsing an American requests for a ruling on whether Chinese censorship had unfairly restricted imports. The panel said that this question was outside its purview; for the same reason, the panel also declined to rule on whether China's approval processes were too onerous for would-be distributors of imported entertainment.

Like the United Nations, the W.T.O. has limited power to enforce decisions. But criticism from the W.T.O. can shame countries, and panel rulings against other countries have frequently become the basis for bilateral or multilateral negotiations that result in policy changes.

The Bush administration filed the original complaint in 2007, partly to head off possible legislation requiring a more confrontational trade policy toward China. The Obama administration now faces pressure from the Democratic majority in Congress to take more assertive action in response to China's trade surplus during the current recession, and could use the ruling as evidence that the issue is already being addressed. It may also use the victory as a precedent to take more cases against China to the trade organization, said Gary Clyde Hufbauer, a trade expert at the Peterson Institute for International Economics.

But while China has lost two other W.T.O. panel rulings in the last 13 months, regarding high taxes on imported auto parts and lax enforcement of counterfeiting laws, China has not changed its policies in either case.

"They've got a poor record of compliance. They keep filing appeals," said Lyle Vander Schaaf, a partner in Washington at the law firm Bryan Cave who specializes in W.T.O. dispute panels and has not advised either side in any of the three panel decisions against China.

147 In Beijing, a Brand-New Old Quarter

This is a city conspicuously¹¹⁹ unfriendly to pedestrians. Six-lane ring highways cut through old neighborhoods, making places that are rather close as the crow flies very far apart if you walk, since you've often got to navigate long cloverleaf intersections and widely spaced overpasses simply to cross the street.

And that's one of the things, in a city far more oriented toward the car than shoe leather, that makes the recent opening of a big pedestrian-only network of streets in the historic heart of Beijing so noteworthy. It's in the area called Dashalar, which, during the Manchu-ruled Qing Dynasty, was the ethnic Chinese part of this city, the warren of streets and avenues that lay just outside the imposing city wall.

Now, the only parts left of the wall – torn down at the order of Mao Zedong despite the entreaties of China's leading architectural historian to preserve it – are two immense gates. The more famous of them is known as the Qianmen, for Front Gate, and beyond it, running in an arrow-straight line due south, is Dashalar's main street, Qianmen Dajie, or Front Gate Big Street, where cars are now banned.

Over the last decade or so, most of the old Dashalar neighborhood has been razed. Tens of thousands of residents, whose single-story courtyard homes were often models of dilapidation¹⁶² and obsolescence³⁷⁶, were required, with payment of various amounts of compensation, to move out. This process is vividly recounted in a book published a year ago, "The Last of Old Beijing" by Michael Meyer.

But while most of the old residential areas of Beijing that have been demolished were transformed into zones of high-rise hotels, shopping centers and office buildings, Dashalar has been converted, perhaps ironically, back into what it once was – or, more accurately, into an idealized, postcard version of what it once was, a shopping street lined by three-story traditional Chinese buildings, with balconies above the first floor, latticed balustrades, red columns, bright gold-leaf Chinese signs against backgrounds of black wood.

“Western preservationists won’t like this,” said Chen Xiangming, a former Beijing resident who is professor of sociology and international studies at Trinity College in Hartford, Connecticut, and the editor of a new book, “Shanghai Rising.” We were on a recent walk through the brand-new pedestrian mall.

They won’t like it because creating a new copy of an old neighborhood fails to meet the standard of what is often called authenticity³⁹, which requires the preservation of the actual antique buildings. The opening of the Dashalar pedestrian district in this sense represents the completion of a strange sort of circle.

In the past few years, even as a lot of Beijing’s old neighborhoods have been demolished, there’s been the realization that Old Beijing had value, if mostly for the city’s growing tourism industry. And so, a couple of weeks ago, after two years of construction that took place behind concealing high fences themselves decorated with idealized images of Old Beijing, Qianmen Big Street formally opened to pedestrians and shoppers.

“It’s a sort of Disneyfication of Beijing,” Mr. Chen allowed, “and Disneyfication is the opposite of authenticity.” But Mr. Chen is less critical of this in the Chinese context than some others might be. In part this is because he remembers, having grown up in Beijing in the 1960s, how poor and drab the city was, and he appreciates the better and richer material life it has now.

“I had the Communist experience,” he said, “which some of the critics of Beijing’s policy might not have had, and that can color their views.”

But there’s another reason not to judge the theme-park aspect of Beijing too harshly, and that’s because it’s part of a global phenomenon.

“The Disneyfication of cities is not happening only in China,” Professor Chen said. “Many deindustrialized cities are doing it to revitalize themselves through tourism.

“This is local to China, but it’s also Western because it’s been Disneyfied,” he said. “The more nuanced counter-argument to the anti-Disneyfication

argument is that you have to Disneyfy with a different twist, or else you don't have anything special to attract tourists."

What might clash with this particular restoration is the presence in these replicated antique Chinese shops of the same global brands you find in the other shopping centers in this city. There's a Swatch store about to open under a latticed terrace, the sign pointing down the street to an H&M ("Fashion heaven is straight ahead," the sign says, in English.) Other foreign brands are reportedly on their way.

One of the characteristics of China is that, contrary to repeated entreaties by the propaganda machinery not to "worship foreign things," most of the prestige⁴²⁶ brands are foreign imports (though they are "imports" frequently manufactured in China under foreign license).

Still, if the worship of foreign things is evidenced in Dashalar, there do seem to be more Chinese traditional products there than you would find in other shopping arcades, including some that have been in their locations in the old Chinese city for hundreds of years.

There's Duyiju, for example, making and selling dumplings since 1738, and several venerable silk shops, including Ruifuxiang, which, according to a sign in Chinese and English, has been on its current site "Since the eighth year of the reign of Emperor Xienfeng in the Qing Dynasty" – in other words, since 1862.

There are slipper shops, clothing shops and Chinese medicine shops. Mr. Chen and I had a fine lunch at Quan Ju De, perhaps Beijing's most famous roast duck restaurant, though we ate it off plastic plates made to look like Qing Dynasty tableware, and that seemed an especially ersatz touch. And then there's Liubiju, Beijing's most famous preserved-foods store, where porcelain vats contain dozens of preserved vegetables, sauces, condiments and pastes, a few of them vaguely recognizable for Westerners, most of them not.

Given recent history, Beijing's replica of itself certainly seems better than yet another grouping of high-rises, though the question certainly needs to be raised whether anything that could have been put in old Dashalar could be as fascinating to visitors as the neighborhood that was destroyed.

148 Chinese Artist Says He Was Barred From Rights Advocate's Trial

A prominent Chinese artist and frequent critic of the Communist Party said he was hit by police officers and put under detention in his hotel room in western China on Wednesday when he tried to go testify at the trial of a civil rights advocate.

The artist, Ai Weiwei, best known for helping to design the Bird's Nest Olympic Stadium in Beijing, said dozens of police officers barged into his hotel room early Wednesday and the rooms of others who had traveled to Chengdu, the capital of Sichuan Province, to testify on behalf of Tan Zuoren, the rights advocate.

The opening session of Mr. Tan's trial began Wednesday morning and ended hours later without a verdict. The courtroom was closed to the public. Mr. Tan, a well-known writer, has been charged with subversion. He is believed to be on trial because of his role in pushing for an official investigation into widespread school collapses during the Sichuan earthquake last year, and for trying to organize a group event in June to commemorate the 20th anniversary of the massacre of civilians by government forces during the Tiananmen Square protests of 1989.

Earlier this month, another rights advocate, Huang Qi, went on trial on a charge of possessing state secrets. Like Mr. Tan, he pushed for the government to investigate the school collapses.

During the earthquake last year, thousands of students were killed when school buildings in Sichuan and other provinces crumbled, even as surrounding buildings remained standing. Grieving parents said shoddy construction and corruption were responsible, and demanded that officials investigate. Local governments went to great efforts to silence the parents, ordering the police to detain them, or handing out cash payments in exchange for the parents' dropping their complaints.

Initial reports from the official news media said about 7,000 schoolrooms collapsed and as many as 10,000 children might have died. In May, the

government released the first official toll of students killed, saying 5,335 were dead or missing.

Earlier this year, Mr. Ai sent volunteers to Sichuan to collect the names of students who had been killed. He began posting the names on his blog and kept a running tally. Government censors then blocked his blog, Mr. Ai said, while police officers in Sichuan detained some of his volunteers and beat a few of them.

Mr. Ai said in a telephone interview on Wednesday that he had arrived in Chengdu the previous day to testify on behalf of Mr. Tan but that the judge did not allow him to. He said that he had planned to appear at court anyway but that he and 10 or 11 of his volunteers were prevented from doing so by the officers who barged into their hotel rooms and kept them under watch.

“They left a couple of hours later, but some stayed in the hallway and some in the lobby to keep an eye on us, to make sure we failed to attend the trial,” Mr. Ai said from the hotel.

Mr. Ai posted grainy digital photographs on Twitter of police officers in the hotel hallway.

Someone answering the phone at the police headquarters in Chengdu declined to comment.

The court did not allow anyone to testify on behalf of Mr. Tan at the trial on Wednesday, said Pu Zhiqiang, Mr. Tan’s lawyer.

He said he would submit a written defense statement to the court by Monday.

“However, unless this is an extremely rare case, Tan will be found guilty,” he said.

149 Sony Plans to Adopt Common Format for E-Books

Paper books may be low tech, but no one will tell you how and where you can read them.

For many people, the problem with electronic books is that they come loaded with just those kinds of restrictions. Digital books bought today from Amazon.com, for example, can be read only on Amazon's Kindle device or its iPhone software.

Some restrictions on the use of e-books are likely to remain a fact of life. But some publishers and consumer electronics makers are aiming to give e-book buyers more flexibility by rallying around a single technology standard for the books. That would also help them counter Amazon, which has taken an early lead in the nascent market.

On Thursday, Sony Electronics, which sells e-book devices under the Reader brand, plans to announce that by the end of the year it will sell digital books only in the ePub format, an open standard created by a group including publishers like Random House and HarperCollins.

Sony will also scrap its proprietary anticopying software in favor of technology from the software maker Adobe that restricts how often e-books can be shared or copied.

After the change, books bought from Sony's online store will be readable not just on its own device but on the growing constellation of other readers that support ePub. Those include the Plastic Logic eReader, a thin device that has been in development for nearly a decade and is expected to go on sale early next year.

"There is going to be a proliferation of different reading devices, with different features and capabilities and prices for a different set of consumer requirements," said Steve Haber, president of Sony's digital reading unit. "If people are going to this e-book shopping mall, they are going to want to shop at all the stores, and not just be required to shop at one store."

Sony's move comes amid mounting concern about Amazon's market power in the budding category of electronic books. E-book sales in the United States hit a record \$14 million in June, a 136.2 percent increase from a year earlier, according to the Association of American Publishers.

Amazon does not divulge its e-book revenue, but analysts say it most likely accounted for a majority of those sales.

Amazon inadvertently demonstrated one potential consequence of e-book restrictions last month when it discovered that it had sold unauthorized copies of George Orwell's "1984" and "Animal Farm" and then removed the books from the Kindle libraries of people who had bought the novels.

Amazon's chief executive, Jeffrey P. Bezos, later apologized for the move, but not before advocates used the episode to rail against limitations on digital reading.

"People need to remember, when they buy books that come with digital rights management, they don't have the freedoms they normally would have with a book," said Holmes Wilson, campaigns manager of the Free Software Foundation, which obtained the signatures of nearly 4,000 authors and tech pundits on a petition saying Amazon's anticopying software was a "clear threat to the free exchange of ideas."

Companies like Sony and Adobe do not want to abandon anticopying measures, fearing that piracy of books would run rampant. Rather, they want to push the e-book industry toward common standards to avoid a replay of Apple's domination of the digital music business.

Early this decade, Apple sold music from its iTunes store that was protected by its own FairPlay software and could be played only on the iPod.

The result was what is known as "lock-in." Apple built up extraordinary market power and leverage to dictate terms to the major music labels on matters like the price of digital songs. Then, as now, second-tier players banded together to promote the increased flexibility and choice that open standards gave to consumers.

"If the business terms and conditions end up being dictated to publishers by one bookseller who has a chokehold over the value chain, publishers

are going to have a hard time staying profitable,” said Bill McCoy, general manager for Adobe’s digital publishing business.

For Sony, which introduced its Reader devices more than a year before the Kindle arrived, the move to open formats is part of a strategy to make up lost ground. Sony recently introduced two new, less expensive devices and announced it was dropping its price for new releases and best sellers to \$9.99. Later in the year, the company will begin selling a third Reader that will, like the Kindle, allow users to buy e-books wirelessly.

Amazon, for its part, believes it can go it alone, without embracing industry standards. An Amazon spokesman would not comment for this article, but Mr. Bezos has said before that his goal was to “make Kindle books available on as many hardware devices as possible.” That suggests it will soon introduce versions of its Kindle software for the Palm Pre and other reading devices.

Allen Weiner, an analyst at the technology research firm Gartner, says there is one more company that must declare its allegiance to either an open or closed world for e-books: Apple.

If, as expected, Apple soon introduces a tablet computer that can function as a reading device, and if it embraces an open standard like ePub, Amazon will have to reconsider its closed approach, Mr. Weiner said.

“If you see some Adobe executive up on stage with Steve Jobs when they announce the tablet, at that point Amazon has a lot to worry about,” he said.

150 Obama Is Taking an Active Role in Talks on Health Care Plan

In pursuing his proposed overhaul of the health care system, President Obama has consistently presented himself as aloof from the legislative

fray, merely offering broad principles. Prominent among them is the creation of a strong, government-run insurance plan to compete with private insurers and press for lower costs.

Behind the scenes, however, Mr. Obama and his advisers have been quite active, sometimes negotiating deals with a degree of cold-eyed political realism potentially at odds with the president's rhetoric.

Early last month, for example, hospital officials were poised to appear at the White House to announce a deal limiting their industry's share of the costs of the overhaul proposal when a wave of jitters swept through the group. Senator Max Baucus, the Finance Committee chairman and a party to the deal, had abruptly pulled out of the event. Was he backing away from his end of the deal?

Not to worry, Jim Messina, the deputy White House chief of staff, told the hospital lobbyists, according to White House officials and lobbyists briefed on the call. The White House was standing behind the deal, Mr. Messina told them, capping the industry's costs at a maximum of \$155 billion over 10 years in exchange for its political support.

Some Democrats and industry lobbyists now argue that, in negotiating deals through Mr. Baucus's committee with powerful health care interests, the White House was tacitly signaling as early as last spring that it might end up accepting something more modest than the government insurer the president has said he prefers.

The Finance Committee, for example, appears to be coalescing around the idea of nonprofit insurance cooperatives instead of a government-run plan. It is a proposal the health care industry prefers, but many liberal Democrats oppose, in both cases because cooperatives are likely to have less leverage over health care prices.

Rahm Emanuel, the White House chief of staff, disputed that the administration had elevated the work of the Senate finance panel above the four other committees that have all approved strong government insurers.

"They are an important committee," Mr. Emanuel said. "They have a bipartisan process. The president would like that to work, just as he is proud

that the other committees have done their work. They don't get an exalted status over everybody else."

But he also acknowledged the political realities that have made the Finance Committee's still-unfinished cooperative plan a center of attention.

"We have heard from both chambers that the House sees a public plan as essential for the final product, and the Senate believes it cannot pass it as constructed and a co-op is what they can do," Mr. Emanuel said. "We are cognizant of that fact."

Asked whether the president would accept the weaker co-op, Mr. Emanuel declined to comment. "I am not going to fast-forward the process," he said.

Industry lobbyists and moderate Democrats in both chambers, though, argue that the White House's actions behind the scenes show a recognition that the finance panel's anticipated compromise is the most likely template for any final legislation.

"The House has largely been a sideshow," said Representative Jim Cooper of Tennessee, a member of the so-called Blue Dog caucus of conservative Democrats. "The Senate Finance Committee is where it really matters. That's the bottleneck."

Members and staff of the four other committees working on health care say the White House has generally stayed on the sidelines of their work. "They have been – what is a good way to put it? – available for consultation," Mr. Cooper said. "They haven't been hands-off, but they haven't been hands-on."

Mr. Obama and his top aides have immersed themselves in the Senate Finance Committee process. The president talks to Mr. Baucus several times a week, people briefed on their conversations say. Mr. Obama has also held a few calls with the panel's ranking Republican, Senator Charles E. Grassley of Iowa.

In addition, Mr. Obama invited both senators to a private lunch at the White House early in the summer and met with six panel members for another White House session last week. White House advisers have held long

evening and weekend meetings with Finance Committee staff members, even poring over copies of the Tax Code together.

Nancy-Ann DeParle, charged with leading the White House health effort, has a standing biweekly meeting with Mr. Baucus, while Peter R. Orszag, the White House budget director, has spent so much time in the senator's office that he helps himself to the Coke Zeros tucked away in Mr. Baucus's personal refrigerator.

Lobbyists for both the drug and hospital industries say that, as early as June, White House officials directed them to work out cost-saving deals with Mr. Baucus's committee.

Drug industry lobbyists said they negotiated a deal to contribute \$80 billion over 10 years toward the cost of an overhaul with Mr. Baucus, under White House supervision, before taking it to the president for final approval. House lawmakers have said they were caught by surprise when it was announced.

Hospital industry lobbyists, speaking on condition of anonymity for fear of alienating the White House, say they negotiated their \$155 billion in concessions with Mr. Baucus and the administration in tandem. House staff members were present, including for at least one White House meeting, but their role was peripheral, the lobbyists said.

Several hospital lobbyists involved in the White House deals said it was understood as a condition of their support that the final legislation would not include a government-run health plan paying Medicare rates – generally 80 percent of private sector rates – or controlled by the secretary of health and human services.

“We have an agreement with the White House that I'm very confident will be seen all the way through conference,” one of the industry lobbyists, Chip Kahn, director of the Federation of American Hospitals, told a Capitol Hill newsletter.

Mr. Emanuel and liberal Democrats argued that the White House had worked more closely with the Senate Finance Committee because it was stepping in to break up legislative logjams. In the same way, they said, Mr. Obama and

Mr. Emanuel had personally interceded to resolve a last-minute revolt by conservative House Democrats that threatened to derail a bill in the House Energy and Commerce Committee at the end of July.

Representative Henry A. Waxman, the California Democrat who is chairman of the Energy and Commerce Committee, said the president had personally assured House members that he did not intend to let the Senate Finance Committee determine the final legislation.

“This is going to be a genuine conference with give and take,” Mr. Waxman said. “The president has said that personally to the senators, and he has said it personally to us.”

He added: “The president has said he wants a public option to keep everybody honest. He hasn’t said he wants a co-op as a public option.”

Still, industry lobbyists say they are not worried. “We trust the White House,” Mr. Kahn said. “We are confident that the Senate Finance Committee will produce a bill we fully can endorse.”

151 After Protest, Chinese Officials Halt Steel Mill Sale

A Chinese provincial government on Sunday halted the privatization of a state-owned steel mill where thousands of workers protested last week and took an official hostage, in the latest sign of increasing labor activism in the country’s steel industry.

The apparent capitulation⁸⁶ of the government of Henan province in central China came three weeks after rioting workers beat to death the executive overseeing the sale to a private business of another state-owned steel company, Tonghua Iron & Steel Works, in the northeastern province of Jilin.

Local, provincial and national government agencies have been reluctant to use overwhelming force against protesting workers. China Daily newspaper reported Saturday that police had tried to break through the ranks of

workers Friday in the latest incident, at Linzhou Iron & Steel in Anyang City, in Henan.

China Daily did not say if the police had been successful. The official Xinhua news agency said that the workers decided Saturday to halt their protests, which had attracted up to 3,000 participants at a time, after a government mediation team agreed to reconsider the takeover. Xinhua did not mention what became of the official who had been held hostage.

The success of steel workers in blocking privatization could embolden ¹⁸⁹ workers in other industries, experts on Chinese labor issues said Sunday.

“It is no longer possible to push through privatization regardless, without considering the workers’ interests,” said Geoffrey Crothall, a spokesman for the China Labor Bulletin, a labor rights advocacy group based in Hong Kong.

In a sign of high-level interest in the recent unrest, the government-sponsored All China Federation of Trade Unions has posted a prominent series of commentaries at the top of its Web page under the heading, “Corporate restructuring: participation of the trade union is essential.”

Chinese law has long required that each privatization be approved by the workers’ congress of the affected company. But local government officials and company managers have frequently been able to rig ⁴⁷¹ the approval by running the congresses themselves, Mr. Crothall said.

In this weekend’s action, Xinhua said that the Henan provincial government and the province’s Communist Party committee issued a decision that “issues regarding the future of Linzhou Iron & Steel Co. Ltd. and benefits of its workers should be decided by its workers’ congress.”

The Chinese steel industry, the world’s largest and a cornerstone of the country’s construction-dependent economy, is in turmoil ⁵⁶⁶ this year, which may have fed labor unrest.

The global economic downturn has severely hurt the sector, with Chinese steel exports down 15.4 percent in the first half of this year. In addition, the Chinese government is locked in a series of disputes with Australia over

iron ore imports, and has arrested four Rio Tinto executives accused of bribery and trade secret infringement during price negotiations with Chinese steel makers. Rio Tinto has strongly denied any wrongdoing.

Faced with a glut²⁵⁹ of steelmaking capacity and many small steel companies vying to buy iron ore, Beijing officials on Thursday ordered a three-year moratorium³⁵⁷ on the construction of any new steel mills or the expansion of existing ones.

But the government has had less success in its efforts to force a consolidation of existing mills, which might strengthen their bargaining power with the handful of multinationals that dominate the global iron ore business. Local and provincial government agencies have been wary of losing control of businesses that are often vital to their economies, and many workers are opposed to consolidation.

Yet many older, less efficient steel mills are deeply troubled. Founded in 1969, the Linzhou mill has not been operating since March because its sales fell, it ran short of cash and it failed to meet environmental standards.

Xinhua said that Fengbao Iron & Steel had already paid 180 million yuan, or \$26.5 million, of the 259 million yuan it bid at an auction to acquire Linzhou Steel. The 180 million yuan will be refunded, Xinhua said, citing an unidentified local official.

Mary E. Gallagher, the director of the Center for Chinese Studies at the University of Michigan in Ann Arbor, predicted that China would be able to continue privatizing state-owned enterprises in the years ahead, but that it would be costlier than during the big shift toward private ownership from 1997 to 2001. At least 30 million workers at state-owned enterprises were laid off then, but local protests did not spread.

“I’m betting they can do it again, but that it will cost them with higher compensation packages to laid-off workers,” she said.

152 American Held in Myanmar Is Released

An American man who was sentenced in Myanmar last week to seven years of hard labor for intruding at the home of Daw Aung San Suu Kyi, the pro-democracy leader, was released Sunday and left the country together with a visiting American senator, Jim Webb.

The release of the American came one day after Mr. Webb, a Democrat from Virginia, met with the leader of Myanmar's ruling junta, Senior Gen. Than Shwe, and with Mrs. Aung San Suu Kyi, who was sentenced Tuesday to 18 months of house arrest.

At a news conference in Bangkok on Sunday, Mr. Webb said the meetings and the release of the American, John Yettaw, were gestures that could be helpful as part of the foundations for a relationship "of good will and confidence building so that we can have a better situation in the future." Although he said he was not an emissary¹⁹¹ of the administration, Mr. Webb's visit came at a time when the United States was exploring the possibility of a more cooperative relationship with the military junta. Mr. Webb said he would discuss his trip with State Department officials when he returned to Washington.

For decades, Washington's policy toward the junta has been confrontational and punitive⁴⁴⁰, with an ever more elaborate package of economic and diplomatic sanctions in reaction to the generals' human rights abuses and political repression.

Secretary of State Hillary Rodham Clinton has said that the administration is exploring options for a more fruitful²⁴⁵ relationship, saying neither sanctions by Western nations nor engagement by Myanmar's neighbors has affected the junta's behavior.

In an indication that diplomatic contacts have already been under way between the two governments, Mr. Webb said Mr. Yettaw's arrest had "set back" the process toward more cooperative relations. Mr. Yettaw, 53, appeared tired but smiled as he and the senator arrived at a Bangkok airport. Mr. Webb said Mr. Yettaw "is not a well man" and was receiving medical treatment in Bangkok. He had suffered seizures before Tuesday's verdict,

and Mr. Webb said he had had a “medical incident” on Sunday when he was released.

“I believe what happened was regrettable,” Mr. Webb said. “He was trying to help. He’s not a mean-spirited human being.”

Mr. Yettaw, of Falcon, Mo., had been sentenced to seven years of hard labor after swimming across a lake and spending two days at the home of Mrs. Aung San Suu Kyi in early May.

Ms. Aung San Suu Kyi, 64, was convicted and sentenced at the same trial along with two housemates for violating the terms of her house arrest in connection with Mr. Yettaw’s intrusion.

An initial sentence of three years at hard labor for all three women was commuted to house arrest by Gen. Than Shwe in what many analysts saw as a reaction to international criticism.

At the news conference, Mr. Webb emphasized the importance of China, Myanmar’s powerful patron³⁹⁶ in the region, in resolving the country’s problems. Mr. Webb has been a longtime advocate of greater engagement with Myanmar. It was not clear from his remarks at the news conference whether Mrs. Aung San Suu Kyi agreed with him.

“We had a very long discussion about when they work and when they don’t work,” the senator said. He said Mrs. Aung San Suu Kyi did not make a statement regarding the continuation or softening of sanctions. “She would prefer to wait to have a unified statement from her party at large,” Mr. Webb said.

153 China Warms to New Credo¹³³: Business First

So far this week, the World Trade Organization has rebuffed China in an important case involving Chinese restrictions on imported books and movies. The Chinese government dropped explosive espionage²⁰⁴ charges

against executives of a foreign mining giant, the Anglo-Australian Rio Tinto, after a global corporate outcry. And on Thursday, the government said it had backed off another contentious¹²³ plan to install censorship software on all new computers sold here.

Throughout its long economic boom, China has usually managed to separate its aggressive push into the global business arena from domestic politics, which remained tightly controlled by the Communist Party. But events this week raise the question of just how long it will be before the two meet.

In each of those matters, politics and business collided, and business won. Business does not always win, and when it does, as in these cases, the reasons are as often as not a matter of guesswork. But in at least some high-profile matters, China appears to be facing the reality that the outside business world can be freewheeling and defiant¹⁵⁰ when its profits are threatened. And so China's authoritarian system may also have to evolve in ways its top leaders may not readily endorse.

Beijing has a global footprint now, a consequence of its booming domestic growth and breakneck international expansion. And decisions that once were made on purely parochial³⁹² grounds – like censoring Web sites, protecting the interests of its state-owned companies and restricting the flow of foreign news and entertainment into China – now have international ramifications⁴⁴².

“This is a country in the middle of a big transition in its global role,” said Kenneth Lieberthal, a veteran⁵⁸⁰ China analyst now at the Brookings Institution. “They’ve always looked in the past to what’s good for China, and they still do. But for the first time, added to that is the consideration that they’re in the position of being rule-makers, not just rule-takers.”

China's leaders, he said, “are just beginning to learn how to handle that.”

Consider the following: Since late May, Beijing's Industry and Information Technology Ministry had more or less insisted that so-called anti-pornography software, called Green Dam-Youth Escort, would eventually be packaged with every newly purchased computer.

On Thursday, the ministry backed down, calling the requirement a “misunderstanding” spawned by badly written rules. Officials offered no other

explanation, but the retreat followed weeks of protests by outsiders – from foreign computer makers to foreign governments to foreign corporate branch offices – that said the software stifled free speech, compromised corporate security and threatened computers’ stability.

Computers are not the only example.

This week, the World Trade Organization told Beijing that it could no longer force providers of American books, music and films to distribute their goods through a local partner. Foreign companies saw that rule as an impediment²⁸³ to reaching a broad Chinese audience with their products. The Chinese market is flooded with pirated CDs and DVDs whose contents’ creators receive no money.

The Chinese legally may appeal the decision, but the foreign minister, Yang Jiechi, indicated in a Geneva speech that simply ignoring it was not an option. China worked for years to join the global trading system and is bound, as much as other nations are, by its rules.

“China will never seek to advance its interests at the expense of others,” Mr. Yang said, according to Reuters.

Similarly, Chinese prosecutors appeared this week to retreat from earlier statements that they would prosecute employees of Rio Tinto as spies for stealing state secrets.

While the espionage²⁰⁴ allegations were not spelled out, they were apparently related to delicate commercial negotiations over the price of China’s imports of iron ore for its steel mills.

Rio Tinto executives have strongly denied the accusations, and both the United States and Australia said China’s actions could have both business and diplomatic repercussions.

While the Rio Tinto employees still face lesser charges of bribery and theft of trade secrets, the espionage threats stirred broad unease among foreign companies operating in China, which feared that they could face persecution and closed-door trials for engaging in what much of the world would regard as bare-knuckle business tactics.

Yet whether such instances represent trends or exceptions – or neither – remains a matter of some debate.

Increasingly, many experts say, Chinese officials appear to be aware that their actions have far broader ramifications than they might have had even a few years ago.

“Fifteen years ago, the mantra³⁴⁴ in China was, ‘We’re the victims of a system that’s stacked against us,’ ” said James V. Feinerman, an expert on Chinese law and policy at Georgetown University in Washington.

China’s entry into the world trading system, he said, is slowly helping to change the nation’s view of itself from that of an outsider to an insider with a stake in the global system’s success.

Other experts note, however, that what outsiders see as carefully calculated policy changes may in fact be nothing of the sort.

The government’s decision to install censorship software on computers – and its subsequent reversal – is but one example, they say; the original proposal was probably pushed by a government clique that found itself outflanked once Internet users and foreign corporations began objecting to the plan.

“Is China susceptible to international pressure? Of course it is,” said Charles Freeman, a leading China scholar at the Center for Strategic and International Studies in Washington.

“China does have international interests, and they are impacted by what it does domestically,” he said. “There’s a constant battle between agencies over how much political capital to expend on international issues against domestic interests.”

In any case, few experts are willing to stake their reputations on a prediction that Beijing’s recent softening of some positions signifies a strong trend.

To the contrary, Mr. Feinerman said, China had undergone “a real push-back” in the last five years on some fronts, reasserting political dogma in

some areas where commercial norms and the rule of law had begun to have more sway.

And Jonathan Hecht, an expert on Chinese law at Yale University's China Law Center, said that developments in China should be viewed against a history of great leaps forward on such matters, followed by equally great retreats.

"I've given up predicting long-term trends," he said.

154 Nortel Sale to Ericsson Stirs Protest in Canada

At the start of this decade, Nortel Networks was perhaps the most hated company in Canada. The collapse of technology stocks combined with an accounting scandal destroyed the widely held telecommunications company's share price and, with that, the savings of thousands of Canadians.

But now that Nortel is being broken up through bankruptcy proceedings, many Canadians have found, if not a renewed love, at least a feeling of nostalgia³⁷¹ for the 114-year-old company.

The prospect of foreign companies' picking the bones of what was once Canada's largest corporation has prompted the hasty reassessment of Nortel.

James L. Balsillie and Michael Lazaridis, the two men who brought the world the BlackBerry, are among the prominent Canadians who are calling on the government to review the proposed \$1.13 billion sale of Nortel's wireless infrastructure business to Ericsson, the Swedish company that dominates that business. Last week, the industry committee of the House of Commons in Canada held an unusual emergency meeting to discuss Nortel's fate.

Nortel is bankrupt, its shares are delisted, its former top executives remain under criminal indictment, its businesses are rapidly shrinking and

its chief executive and most of the board resigned this week. But several Canadian politicians argue that the company may be too valuable to fall into Swedish hands.

“We need to put a magnifying glass on this,” Brian Masse, a member of the industry committee, said from his constituency¹²⁰ in Windsor, Ontario, on Tuesday.

The renewed interest in Nortel among Canadians has several roots. Mr. Bailsie and Mr. Lazaridis appear to have taken up the mantle because, in their version of events, Nortel reneged⁴⁵³ on a deal to sell the wireless assets to their company, Research in Motion.

Other Canadians are still smarting from sale of several prominent Canadian companies to foreign competitors before the credit crisis, including the mining companies Inco and Alcan. And there has been considerable publicity surrounding the decision by United States Steel to drastically scale back the operations of Stelco, a Canadian steelmaker it acquired in 2007. The Canadian government is arguing in court that the American steel company violated commitments it made under Canadian investment laws to maintain employment and production.

The debate over Nortel has focused on exactly what remains of value at the company and, more broadly, what Nortel owes Canadians.

“People are a bit miffed³⁵² that a lot of government money went into Nortel through tax credits” for research and development, said Mihkel M. Tombak, a professor of strategic management at the University of Toronto.

While that was certainly the case in the past, the Nortel executives who appeared at the committee hearing repeatedly pointed out that the company’s lack of profits had left it unable to claim tax credits since at least 2001. They were unable to discuss the government’s contribution before then, and a series of financial restatements related to the bookkeeping fraud made it difficult to assess that from Nortel’s published statements.

Under its deal, Ericsson will obtain the right to use the patents derived from that research although, at least for now, Nortel will retain ownership. Ericsson will also acquire the company’s wireless business, including a research-and-development unit that is largely based in Ottawa.

Nortel's greatest strength is a wireless technology known as CDMA. Used almost exclusively in North America, CDMA is now, as Nortel's executives at the hearing acknowledged, a technology that is gradually becoming obsolete.

In his testimony, Mr. Lazaridis, who directs Research in Motion's research, said that Nortel's most valuable property is patents related to the next generation of wireless networks.

"Nortel's intellectual property and work force, devoted to next-generation wireless research known in the industry as L.T.E., or long-term evolution, is nothing short of a national treasure that Canada must not lose," Mr. Lazaridis told the members of Parliament, adding that putting it in foreign hands could endanger Canada's national security and make it more difficult for Canadian carriers to restore future network failures. The Canadian government can turn down foreign purchases on national security grounds.

While Research in Motion runs a worldwide data network to support its BlackBerry e-mail service, it has never been in the business of producing the software and hardware used by carriers. But Mr. Lazaridis said that his company now wanted a stake in the development of L.T.E. and believed at several points it had struck a deal with Nortel to buy its technology for about \$1.1 billion. He told the committee of shaking hands on deals and exchanging e-mail messages with Nortel over the wording of a press release to announce them.

In the end, however, Nortel surprised Research in Motion by filing in Canada and the United States for bankruptcy protection. "We felt like we were snookered," Mr. Lazaridis said.

Unlike Ericsson and Nokia Siemens Networks, Research in Motion did not enter the auction for Nortel's wireless assets, which was supervised by an American court. Mr. Lazaridis said that was because of conditions attached to the process, including the licensing rather than the sale of the patents.

Testifying after Mr. Lazaridis, Paul B. Schabas, a Canadian lawyer representing Ericsson, suggested that Research in Motion should have raised its complaints earlier and in court.

“It could have come and objected or made submissions,” Mr. Schabas said. “It’s never done that. It’s only come here today to complain about the process.”

Several Canadian politicians, echoing Mr. Lazaridis, have emphasized the value of Nortel’s L.T.E. patents. But unlike its competitors, Nortel has found no carriers that are interested in buying its technology, and some analysts question the importance of what it has developed to date.

“It may be the crown jewels of Canada, but it’s no longer a jewel of the wireless industry,” said John Strand, the chief executive of Strand Consult, a wireless technology consulting company based in Denmark. “It’s not like Nortel has the keys to L.T.E. Nortel is a like a sick old man who has been lying in a hospital bed for years.”

Mr. Masse, who is a member of the labor-backed New Democratic Party, is unclear about what he wants the Canadian government to do with Nortel beyond reviewing the purchase under the Investment Canada Act.

During a visit to Panama on Tuesday, Prime Minister Stephen Harper told reporters that the sale would be reviewed under the act to see if it was “in Canada’s national interest,” but he ruled out any other intervention. Mr. Masse, however, suggested that rather than approve the sale of the Nortel wireless unit, the government might consider keeping Nortel intact through temporary government ownership, the solution that saved Chrysler, the chief employer in his hometown.

Mr. Strand, however, has a message from Denmark for anxious Canadians. Several Danish companies were once leading makers and designers of handsets. Acquisitions and failures, however, either eliminated them or put those companies under foreign control. But subsequent investments by foreign owners in Denmark, Mr. Strand said, have made the country’s wireless industry bigger than ever and based largely around high-paying engineering, research and development jobs.

“If you have the right people with the right skills, you have no problem,” Mr. Strand said.

155 For Winter Games in Vancouver, Ice Isn't So Easy

Ice appears such a simple concoction ¹¹³ – water turned really cold. This time of year, its favored role is usually the one it plays at the bottom of a glass.

But ice is a year-round, lifelong science for the people hired by the Vancouver Organizing Committee to produce complex forms of it for the Winter Olympics, coming in February.

Beyond the usual challenges in constructing ice surfaces to meet the needs of different sports in different arenas, Vancouver's location presents a twist, with its combination of sea-level elevation and high humidity, unique among Winter Olympic host cities.

Toss ⁵⁵⁶ in the usual broadcast demands accompanying the Olympics – extra banks of hot lights and inflexible event schedules among them – and the so-called icemeisters may want to make some extra cubes for a stiff drink.

Already, six months before the Olympics, they oversee a busy calendar of events and training sessions to test the limits of the refrigeration systems, and gauge the effects of spectators in the building and athletes on the ice. They experiment with water filtration and air circulation and train teams of workers in the art of resurfacing.

About half of the Olympics will take place on carefully crafted ice between one and two inches thick. Varying by arena, it must be a specific temperature, texture, composition, even color (thank you, television), whether spread across a vast surface inside an arena or down the side of a mountain. It must hold its consistency for weeks despite the collaborative efforts of ice's enemies, from the obvious (the sun, sharp objects and thundering 1,400-pound bobsleds) to the not-so-obvious (open arena doors, spectators and spinning 90-pound figure skaters).

"You can't just go out there and make ice," said Hans Wuthrich, in charge of the surface at the newly built curling arena, where the final step is a delicate

spritz of scientifically configured water droplets strong enough to alter the course of 44 pounds of sliding granite.

The five ice specialists, each with deep Canadian ties, have extensive experience from previous Olympics. On behalf of ice, they helped design new locales and the upgrades to existing ones. They toured Vancouver's water-treatment plants to study their product's key ingredient. They ponder every ice-dooming possibility.

Consider the challenge facing Tracy Seitz, who will make ice for competitors in bobsled, luge and skeleton at the Whistler Sliding Centre.

The serpentine track, nearly a mile long, starts at an elevation of 3,080 feet and drops to 2,582 feet. In February, it sometimes snows at the top and rains at the bottom. Occasionally, the opposite occurs.

The track's straight parts are U-shaped. High-banked curves are C-shaped, arcing up about 15 feet to a gravity-defying overhang to accommodate speeds of more than 95 miles an hour.

Parts of the track angle toward the midday sun. Parts are always in shadow. Some competitions will be at night.

In mid-September, with the track chilled by refrigeration running through pipes in the concrete, Seitz and his crew will spray water from hoses until there is an inch of ice. That is thick enough to absorb abuse from sliders experiencing more than 5 Gs of force around a corner. It is thin enough to let the refrigeration system below the ice combat threats above it.

The trick is to keep the ice, no matter the forces working against it, between 23 to 25 degrees Fahrenheit. Warmer, and the outer layers can turn slushy. Colder, and the brittle ice can crack in sheets. Inconsistencies can be dangerous, even fatal.

"We want to make sure the ice doesn't change considerably in the heat of a race," Seitz said.

Competitions can take several hours, he noted. But medals are often determined by hundredths of a second.

Even indoors, most ice begins the same way – atop concrete disguising a maze of refrigeration pipes. Water is added in thin layers because that makes stronger ice than filling a rink with an inch of water as if it were a giant ice-cube tray.

“The water in Vancouver is incredible,” said Mark Messer, the icemeister for the Richmond Olympic Oval, where speed skating will take place. “It’s very, very clean. We have a filtration unit that we’re using at Richmond, and when putting it through there it almost makes the water too clean. You need to have a slight bit of impurities there to just kind of hold things together.”

Messer, whose full-time job is plant manager and ice specialist at the Olympic oval in Calgary, Alberta, billed as the fastest ice in the world, experimented “to give us a combination of a lot of glide in the ice and still have a lot of grip so the ice doesn’t break when you make it cold.”

Atop its thin base, the ice is painted, usually in a tone commonly called Broadcast Gray. It looks white compared with concrete slabs and creates a stark, television-friendly background for the kaleidoscope of colors that swirl and race atop it. Lines and logos are added with stencils or applied like decals.

Sensors are placed in the ice before final layers are added. Other sensors measure air temperature and humidity in the building. They warn of the slightest changes. Similar controls will be in place at the two hockey arenas, overseen by Dan Craig, facilities operations manager for the National Hockey League.

For Vancouver, the biggest concern is humidity, which averages about 80 percent during February. The goal is to keep it below 50 percent inside each arena, and below 40 percent in most, even if it is pouring rain outside. When humid air hits ice, frost is created.

“As soon as you have frost, you can’t get that out of your ice,” the icemeister Kameron Kiland said, as if describing red wine on white carpet.

Vancouver’s indoor arenas are packed with extra dehumidifiers, more than at other Olympics. Spectators will enter through large, tented buffer zones between the outside elements and the surface of the ice.

“The big thing for us is the load-in of the spectators,” said Kiland, overseeing ice for Pacific Coliseum, where both figure skaters (who want soft ice) and short-track speed skaters (who want hard ice) will alternately compete. “If you’ve got a coliseum with upwards of 13,000 fans loading in for an event and they’re all wearing fleeces, catching moisture and bringing it in, you’ve got to dry that off and catch it before they bring it into the bowl.”

The last thing the damp fans will be thinking about is the ice, in all its complex transparency.

156 Living and Fighting Alongside Men, and Fitting In

There is no mistaking that this dusty, gravel-strewn camp northeast of Baghdad is anything other than a combat outpost in a still-hostile land. And there is no mistaking that women in uniform have had a transformative effect on it.

They have their own quarters, boxy trailers called CHUs (the military’s acronym for containerized housing units, pronounced “chews”).

There are women’s bathrooms and showers, alongside the men’s. Married couples live together. The base’s clinic treats gynecological problems and has, alongside the equipment needed to treat the trauma⁵⁶⁰ of modern warfare, an ultrasound machine.

Opponents of integrating women in combat zones long feared that sex would mean the end of American military prowess. But now birth control is available – the PX at Warhorse even sold out of condoms one day recently – reflecting a widely accepted reality that soldiers have sex at outposts across Iraq.

The wars in Iraq and Afghanistan are the first in which tens of thousands of American military women have lived, worked and fought with men for prolonged periods. Wars without front lines, they have done more than just muddle³⁶¹ the rules meant to keep women out of direct enemy contact.

They have changed the way the United States military goes to war. They have reshaped life on bases across Iraq and Afghanistan. They have cultivated a new generation of women with a warrior's ethos²⁰⁶ – and combat experience – that for millennia was almost exclusively the preserve of men.

And they have done so without the disruption¹⁷⁴ of discipline and unit cohesion that some feared would unfold at places like Warhorse.

“There was a lot of debate over where women should be,” said Brig. Gen. Heidi V. Brown, one of the two highest ranking women in Iraq today, recalling the start of the war. “Here we are six years later, and you don’t hear about it. You shouldn’t hear about it.”

In many ways, General Brown’s career trajectory⁵⁵⁸ since the war began reflects the expanded role for women at war.

In 2003, as a colonel¹⁰⁸, she commanded a Patriot air-defense brigade⁷¹ that joined the push from Kuwait to Baghdad, losing nine soldiers in a maintenance battalion outside Nasiriya three days after the invasion began. One of them, Pfc. Lori Ann Piestewa, was the first woman killed in action in Iraq; Pfc. Jessica D. Lynch was captured in the same attack. Now, as the American role in the war declines, General Brown will oversee the logistics of withdrawing the vast amounts of military hardware in Iraq over the next year.

“We’ve needed – needed – the contributions of both our men and women,” said Brig. Gen. Mary A. Legere, the director of intelligence for the American war effort here and the other highest ranking woman in Iraq.

The military, of course, is not gender blind, especially in a war zone.

Sexual harassment in a still-predominantly male institution remains a problem. So does sexual assault. Both are underreported, soldiers and officers here say, because the rigidity of the military chain of command can make accusations uncomfortable and even risky for victims living in close quarters with the men they accuse.

As a precaution, women are advised to travel in pairs, particularly in smaller bases populated with Iraqi troops and civilians. Capt. Margaret D. Taaffe-McMenamy, commander of the intelligence analysis cell at Warhorse, carries a folding knife and a heavy, ridged flashlight – a Christmas gift from

her husband, whom she lives with here – as a precaution when she is out at night on the base.

Staff Sgt. Patricia F. Bradford, 27, a psychological operations soldier, said that slights⁵⁰⁸, subtle and not, were common, and some were easier to brush off than others. Women are still viewed derisively at times in the confined, occasionally tense space of an outpost like Warhorse.

“You’re a bitch, a slut or a dyke – or you’re married, but even if you’re married, you’re still probably one of the three,” Sergeant⁴⁹⁵ Bradford said.

At the same time, she and other female soldiers cope with the slights, showing a disarming brashness.

“I think being a staff sergeant – and a bitch – helps deflect those things,” she added.

The issues that arise in having women in combat – harassment, bias, hardship, even sexual relations – are, she and others said, a matter of discipline, maturity and professionalism rather than an argument for separating the sexes.

Sergeant Bradford recalled the day during her first tour when her convoy moved south while a soldier with whom she was then engaged to be married moved north on the same highway. She listened on the radio as his convoy came under an attack that continued after she was out of range.

“For four days, I had no idea what happened to him,” she said, “but I still had to continue my mission, because that’s what you do when you’re a soldier.” (He emerged unscathed, she later learned.)

Unforeseen Issues

Such issues were not foreseen when the war in Iraq began in 2003, even though the initial invasion force included women in the vanguard⁵⁷⁴.

On a practical level, the military was not prepared to house and otherwise address the specific needs of women in a war zone – including issues like health and privacy.

Early on, bases were largely makeshift and far more dangerous. Few soldiers, male or female, had more than rudimentary⁴⁷⁷ quarters or latrines³²⁰. None had much privacy.

Sgt. Dawn M. Cloukey, a communications specialist, spent her first tour in Iraq in 2005 and 2006 as the only woman among 45 soldiers, operating a retransmission station in the mountains of northern Iraq and then in the center of Baghdad. She lived out of a rucksack, with no toilet or room of her own. She described the experience as isolating.

“I always felt like the plague⁴¹²,” she said at Warhorse, on her second tour in Iraq, where she handles communications for the commander of the First Stryker Brigade of the 25th Infantry²⁹⁴ Division.

As the United States military settled into more permanent bases, many initial difficulties abated, as the Army gradually adapted to the new reality of waging war with a mixed force. So have the soldiers themselves.

Women have sought acceptance in a still-predominately male environment not by emphasizing their sex but rather by displaying their toughness, their willingness to adjust to conditions that are less than ideal.

“I’ve kicked my guys out of the truck to pee in a bottle like that,” Sgt. Joeline M. Lachance, a soldier with the 172nd Military Intelligence Battalion, said at Warhorse, pointing to one of the liter water bottles that are ubiquitous at bases in Iraq. “Cut the bottle off and pee in the bottle and then dispose of it. Sometimes it’s an issue, but most of the time, I just make do.

“I don’t try to, like, ‘I can’t sleep here,’ ” she continued. “If they’re sleeping there, I’m sleeping there. I spent five days out in the truck once – with six of my guys, sleeping on the floor.”

Warhorse still reverberates⁴⁶⁷ with the rumble⁴⁷⁹ of armored convoys¹²⁷ and the thud⁵⁴⁸ of helicopters ferrying troops and, at times, the wounded. It is just north of Baquba, the regional capital of Diyala Province, one of the most restive⁴⁶⁰ provinces in Iraq. Here, the war is not over. Warhorse will very likely be among the last bases to close in Iraq before American troops withdraw in full.

At the outset of the war, the introduction of women into outposts like Warhorse raised fears not just of abuse or harassment, but also of sex and pregnancy. The worst of those fears, officers say, have not materialized.

In fact, sex in America's war zones is fairly common, soldiers say, and has not generally proved disruptive¹⁷⁵.

In April, the latest iteration of General Order No. 1, the rules governing the behavior of soldiers in Iraq broadly, quietly relaxed the explicit prohibition on sex in a war zone, though it still bars sex with Iraqis and spending the night in someone else's CHU. Some commands, including Baghdad, retain broader restrictions, for example, on being in CHUs belonging to members of the opposite sex.

"The chain of command already has to deal with enough," Captain Taafe-McMenamy said. "They don't really want to have to punish soldiers for dating."

Women do become pregnant – a condition that, intentional or not, in or out of wedlock, requires the woman to be flown out within two weeks, causing personnel disruptions in individual units.

The Army and Marine Corps declined to say exactly how many women left Iraq and Afghanistan as a result of pregnancies, but it appears to be relatively rare and has had little effect on overall readiness, commanders say. At Warhorse, the First Stryker Brigade, which has thousands of soldiers, has sent only three women home because of pregnancies in 10 months in Iraq, the brigade said.

"There was a fear if we integrate units, you will have a bunch of young people with raging hormones, and it will end up in too many unwanted pregnancies, and it's more trouble than it's worth," said Peter Mansoor, a former battalion commander in Iraq who, until retiring recently, served as Gen. David H. Petraeus's executive officer. "With good leadership and mentorship, we have been able to keep those problems to a minimum."

Taking On New Roles

Roughly 1 in 20 of the 5,600 soldiers at Warhorse is female, a smaller ratio than in the military as a whole. Nonetheless, they are fully integrated in the base's operations.

Many of the women at Warhorse serve in jobs that have traditionally accommodated women: the base hospital, food service, supply and administration.

Others, though, serve on the brigade staff, in intelligence and psychological operations, which until recently were part of the Special Forces and thus off limits to women.

"We have changed so much," Col. Burt K. Thompson, the commander at Warhorse, said of the Army, noting that every time he leaves the base, his patrol includes two women, including Sergeant Cloukey "on comms" – communications – and a medic, Sgt. Evette T. Lee-Stewart. "To have a female on an infantry brigade staff? Oh my God."

Like many commanders who have served in Iraq or Afghanistan, he said that women have ended the debate over their role by their performance.

"I've relieved males from command," he said. "I've never relieved a female commander in two and a half years as commander."

The nature of the war has also done much to change the debate over combat roles. Any trip off the heavily secured bases now effectively invites contact with the enemy.

Many women have also been pulled off their regular jobs and trained to search Iraqi women at checkpoints because of local cultural sensitivities, putting them as much at risk as any male counterpart.

When Specialist Jennifer M. Hoepfner goes "outside the wire" at Warhorse, as going on patrol is known, she clambers into what she calls "the best seat in the truck," the turret atop the Army's newest armored vehicle, the MRAP.

"I'm the gunner on all our missions," she said, having qualified for the M240B machine gun at an expert level.

“I think some of the males are a little confused when I go up,” Specialist Hoepfner said. “They’re like, ‘Who’s your gunner?’ ”

Women are also increasingly “attached” to infantry and armored units that train and advise Iraq’s police and military forces. Now that almost all American combat forces have pulled back to bases outside of Iraq’s cities, that training has become the main mission in Iraq.

The involvement of women in it has been a cultural shock for Iraqi men far less accustomed to dealing with women professionally, especially in the military.

Women spoke of inappropriate comments or uncomfortable flattery, and even gifts. “It was everything from candy to lingerie,” said Capt. Victoria Ferreira, 29, who spent a year with an 11-person squad training Iraqi officers. “How do you react to that? ‘Thank you?’ ”

For the most part, though, Iraqis seem to accept the role of women in the American military – they have even expanded their own ranks for tasks like searching women at checkpoints – even if it seems unlikely that women will be incorporated more widely into the Iraqi armed forces anytime soon.

“I think now, six years since the war started, they’ve learned to adapt or tolerate the fact that in the American Army we have high ranking positions that are filled by women,” said Capt. Violeta Z. Sifuentes, who commands the 591st Military Police Company.

It was not always so, she recalled of her first tour in Samarra in 2006. “They always thought my platoon sergeant or my squad leader was the one in charge until I was like, ‘Listen here. I’m in charge whether you like it or not.’ ”

The captain’s remarks were typical. The women serving in today’s military represent a generational shift. They are confident young women who have not had to fight the same gender battles their predecessors in uniform did.

“I never felt like I had to fight to succeed in the Army” was how Captain Taaffe-McMenamy, who is 27, put it.

Adapting to the Tasks

Women in today's military say they do not feel the same pressure to prove themselves. They adapt and expect others to adapt. They preserve their femininity without making much of it.

Specialist Hoeppner and her roommate, Sergeant Bradford, belong to the 361st Tactical Psychological Operations Company, which patrols the towns and villages of Diyala with infantry squads to spread and collect information.

On a recent patrol in the small village of Shifta, they seemed more of a novelty to the Iraqis they encountered than the soldiers they patrolled with, taking up defensive positions alongside their male colleagues whenever they paused.

"I actually had this million-dollar idea my first deployment," Sergeant Bradford said of her tour as a truck driver hauling supplies in 2004. "I was like, I need something that's like a beer bong that I can hold in place so I can pee standing up without pulling my pants down. Cause we were truck drivers. We'd stop on the side of the road. There's no bushes. I was telling one of my soldiers about this great idea, and he said they already make that."

She produced from her bunk in her CHU a device sold by REI called a "feminine urinary director." "It's even pink," Specialist Hoeppner interjected.

Warhorse's supply officer – a woman – acquired dozens of them.

"The first time one of them came around a truck and saw me peeing on a tire," she said of one of her male colleagues, "I thought he was going to have a heart attack."

157 H.P. Tries to Keep the Ink Flowing

You've heard about the fears of a jobless economic recovery. For Hewlett-Packard, there is an even darker threat looming as the world works its way out of a recession: an inkless recovery.

In the last year, H.P.'s sales of printers and related supplies like ink have tumbled. The major cause for the decline remains the weak global economy. Businesses have spent less on printing products, and with unemployment high, fewer workers are around to hit the ink-burning Print button on their computer screens.

Analysts contend that the recession has created a culture of reluctant printer users. Companies have urged workers to keep a close eye on printing costs. So they are using less paper and choosing costly color ink as a last resort. Such policies push people toward digital documents they read on mobile devices as well as their computer screens.

"People have learned some of these lessons more rapidly as a result of the economic conditions than they have in the past," said Steve Reynolds, an analyst with Lyra Research, which follows the printing and imaging industries. "My thought is that some of these habits will become permanent."

In addition, online videos, Web-based TV and social networking sites – where consumers are spending more time – do not lend themselves to stirring the inky rivers. "A Twitter stream is not printable," Mr. Reynolds said.

H.P.'s printing group has long been one of the company's star performers. It accounts for nearly a quarter of overall revenue. Printer ink remains one of the most expensive liquids on the planet – more valuable than expensive perfumes – providing H.P. with far higher profit margins than PCs and other types of computing hardware provide.

On Tuesday, H.P. showed how its printer business remained vulnerable to the recession when it reported third-quarter financial results. H.P.'s printing and imaging revenue fell 20 percent, to \$5.7 billion, as sales of supplies tumbled 13 percent and sales of printers fell 23 percent.

These latest results add to several months of sharper than expected declines from H.P.'s printing group, and the company has been scrambling to raise prices and adjust its inventory levels to offset the slump.

"What has been the most striking issue for investors has been the fact that printer supplies have really fallen off," said A. M. Sacconaghi, an analyst for the investment research firm Sanford C. Bernstein. "There was always this belief that people keep printing like they keep eating even during recessions."

H.P.'s overall business has recovered as sales in China and the United States have added some stability to the technology sector, Mark V. Hurd, H.P.'s chief executive, said in an interview.

H.P., based in Palo Alto, Calif., reported net income of \$1.6 billion, or 67 cents a share, for the quarter ended July 31, a 19 percent decline from the \$2 billion in net income, or 80 cents a share, reported in the period last year. Excluding charges, H.P. earned 91 cents a share, beating a forecast of 90 cents a share from analysts polled by Thomson Reuters.

H.P.'s revenue declined 2 percent, to \$27.5 billion, from \$28 billion a year ago.

H.P.'s other businesses struggled during the quarter as well, with PC sales tumbling 18 percent and computer server and storage sales falling 23 percent. The company's main bright spot was its services division, which recorded a 93 percent increase in revenue to \$8.5 billion on the back of the Electronic Data Systems acquisition.

The company's shares declined 2 percent in extended trading after the announcement.

Although H.P. has been carefully watching printing habits change for years, Mr. Hurd said H.P. was not in danger.

He said people examining H.P.'s printing results needed to take into account currency fluctuations that had hurt the company, as well as costs tied to inventory adjustments. For example, such costs, Mr. Hurd said, would account for most of the 13 percent slide in printer supplies revenue

last quarter. The sales of ink by companies like Best Buy, Wal-Mart and Tesco were flat to slightly down, he said.

“People are printing just as much as they did last year,” Mr. Hurd said. Rather than curtailing their printing behavior, businesses and people have simply opted not to buy spare ink cartridges at the same rate as they did during better financial times, according to Mr. Hurd.

Still, H.P.’s printing supply revenue had grown at close to 10 percent in the three previous years, and has now fallen. And it is that sharp shift that has investors worried whether longer-term changes in behavior are at work, Mr. Sacconaghi said.

H.P. has spent years trying to carve out new printing businesses, while also tacitly acknowledging changes in consumer behavior, by seeking ways to make more Web content like Twitter streams and MySpace pages printable.

The company sells large machines like its Indigo digital presses for handling commercial printing jobs, ranging from printing magazines to billboards to labels on consumer products.

Digital presses produce only about 12 percent of the more than 50 trillion printed objects made each year, according to H.P. Each point of market share H.P. can gain in this large-scale printing segment could translate into vast increases in revenue.

H.P. has been encouraging businesses to use digital presses as money-making tools, since they are more flexible than cheaper, traditional analog presses.

For example, H.P. has pushed the idea that retailers like Wal-Mart could use in-store digital presses to quickly make placards offering price cuts on certain products or to tweak the placards for each store’s demographics, making Spanish signs in certain regions for instance.

For consumers, H.P. has developed software that can manipulate Web content into a more printable format. The company’s researchers have found that girls ages 14 to 24 who tend not to print much will in fact turn things like collections of photos and comments from MySpace into a foldable cube that can be shared with their friends.

158 Appeals Court Orders New Trial in Brocade Case

A federal appeals court has tossed⁵⁵⁶ out the criminal conviction of the first Silicon Valley executive to go to trial in a stock options scandal that triggered investigations at hundreds of companies and charges against at least a dozen executives.

The 9th U.S. Circuit Court of Appeals ordered a new trial Tuesday for Gregory Reyes, former chief executive of Brocade Communications Systems Inc., citing prosecutorial misconduct. The court said a prosecutor⁴³⁴ lied when he told the jury that Brocade's finance department was unaware that Reyes was doling out backdated stock options to company employees.

A judge last year sentenced Reyes to one year and nine month in prison and fined him \$15 million after a jury convicted him on all 10 felony²²² counts, including fraud, falsified accounting, conspiracy and filing false financial statements.

"In representing the United States, a federal prosecutor has a special duty not to impede²⁸² the truth," the appeals court wrote. "The record demonstrates that the prosecution argued to the jury material facts that the prosecution knew were false, or at the very least had strong reason to doubt."

The court ordered a new trial, noting that the government's original case appeared "relatively strong."

The appeals court on Tuesday also upheld the conviction of Stephanie Jensen, the company's former vice president of human resources. But the court ordered that she be given a new sentence for falsifying corporate records. Jensen was sentenced last year to serve four months in prison and pay \$1.25 million.

Jensen and Reyes have remained free pending their appeals.

The Reyes' case was the government's highest-profile backdating prosecution. A spokesman with the U.S. Attorney's office in San Francisco didn't

return a telephone call Tuesday. The prosecutor accused of misconduct, Timothy Crudo, has left the U.S. Attorney's office for private practice. Crudo didn't return a call seeking comment.

Reyes' primary defense during the six-week trial in 2007 was that the finance department knew of his plan to retain talented employees by granting them options to buy the company's stock at artificially deflated prices. Reyes' position at trial was that he relied on the finance department to accurately record the stock options.

Reyes wasn't accused of personally profiting from the backdating. But he was accused of defrauding investors by withholding information from Brocade's finance department that caused them to file faulty financial statements.

Prosecutors said Reyes' scheme made Brocade appear more profitable than it was, which indirectly helped him pump up the company's stock price and command higher pay for himself.

San Jose, Calif.-based Brocade, which makes switches that connect companies' servers to their data storage systems, wiped out hundreds of millions of dollars in previously reported profits from 1999 to 2004 after its books were corrected.

159 Spokesman for Taliban Is Captured, Pakistan Says

Pakistan has captured the chief spokesman of the Pakistani Taliban, security officials said Tuesday, dealing another blow to the militant network two weeks after its top commander was apparently killed in an American airstrike.

The spokesman, Maulvi Said Muhammad, who also goes by the name Maulvi Omar, was captured by local Pakistani tribesmen in Mohmand Agency, a Taliban stronghold in western Pakistan, and turned over to Pakistani forces, security officials said.

The officials, who spoke on the condition of anonymity because they were not authorized to discuss the arrest publicly, said Mr. Omar confirmed the death of the top commander, Baitullah Mehsud, during an interrogation.

It was impossible to verify their accounts.

One security official said Mr. Omar, who was captured along with two bodyguards, had indicated that there were “problems” within the movement over leadership.

Security officials said Mr. Omar had told them that he wanted to go to the Orakzai tribal region for consultations over a successor to Mr. Mehsud, but that he was forced to try to return to his native Bajaur tribal region because of fighting between militant factions along the route. He was stopped by pro-government tribesmen, turned over to the paramilitary Frontier Corps and then airlifted to Peshawar, the main city in western Pakistan.

Televised images showed a prisoner believed to be Mr. Omar being bundled into a helicopter. One senior military official said Mr. Omar had apparently been beaten by the tribesmen.

Separately, a suicide bomber rammed his explosive-laden car into a security checkpoint in North Waziristan on Tuesday, killing seven people, according to a Pakistani security official.

160 Mental Stress Training Is Planned for U.S. Soldiers

The Army plans to require that all 1.1 million of its soldiers take intensive training in emotional resiliency, military officials say.

The training, the first of its kind in the military, is meant to improve performance in combat and head off the mental health problems, including depression, post-traumatic stress disorder and suicide, that plague about one-fifth of troops returning from Afghanistan and Iraq.

Active-duty soldiers, reservists and members of the National Guard will receive the training, which will also be available to their family members and to civilian employees.

The new program is to be introduced at two bases in October and phased in gradually throughout the service, starting in basic training. It is modeled on techniques that have been tested mainly in middle schools.

Usually taught in weekly 90-minute classes, the methods seek to defuse or expose common habits of thinking and flawed beliefs that can lead to anger and frustration – for example, the tendency to assume the worst. (“My wife didn’t answer the phone; she must be with someone else.”)

The Army wants to train 1,500 sergeants by next summer to teach the techniques.

In an interview, Gen. George W. Casey Jr., the Army’s chief of staff, said the \$117 million program was an effort to transform a military culture that has generally considered talk of emotions to be so much hand-holding, a sign of weakness.

“I’m still not sure that our culture is ready to accept this,” General Casey said. “That’s what I worry about most.”

In an open exchange at an early training session here last week, General Casey asked a group of sergeants what they thought of the new training. Did it seem too touchy-feely?

“I believe so, sir,” said one, standing to address the general. He said a formal class would be a hard sell to a young private “who all he wants to do is hang out with his buddies and drink beer.”

But others disagreed, saying the program was desperately needed. And in the interview, General Casey said the mental effects of repeated deployments – rising suicide rates in the Army, mild traumatic brain injuries, post-traumatic stress – had convinced commanders “that we need a program that gives soldiers and their families better ways to cope.”

The general agreed to the interview after The New York Times learned of the program from Dr. Martin E. P. Seligman, chairman of the University

of Pennsylvania Positive Psychology Center, who has been consulting with the Pentagon.

In recent studies, psychologists at Penn and elsewhere have found that the techniques can reduce mental distress in some children and teenagers. But outside experts cautioned that the Army program was more an experiment than a proven solution.

“It’s important to be clear that there’s no evidence that any program makes soldiers more resilient,” said George A. Bonanno, a psychologist at Columbia University. But he and others said the program could settle one of the most important questions in psychology: whether mental toughness can be taught in the classroom.

“These are skills that apply broadly, they’re things people use throughout life, and what we’ve done is adapt them for soldiers,” said Karen Reivich, a psychologist at Penn, who is helping the Army carry out the program.

At the training session, given at a hotel near the university, 48 sergeants in full fatigues and boots sat at desks, took notes, play-acted, and wisecracked as psychologists taught them about mental fitness. In one role-playing exercise, Sgt. First Class James Cole of Fort Riley, Kan., and a classmate acted out Sergeant Cole’s thinking in response to an order late in the day to have his exhausted men do one last difficult assignment.

“Why is he tasking us again for this job?” the classmate asked. “It’s not fair.”

“Well, maybe,” Sergeant Cole responded. “Or maybe he’s hitting us because he knows we’re more reliable.”

In another session, Dr. Reivich asked the sergeants to think of situations when such internal debates were useful.

One, a veteran of several deployments to Iraq, said he was out at dinner the night before when a customer at a nearby table said he and his friends were being obnoxious³⁷⁵.

“At one time maybe I would have thrown the guy out the window and gone for the jugular³¹¹,” the sergeant said. But guided by the new techniques,

he fought the temptation and decided to buy the man a beer instead. “The guy came over and apologized,” he said.

The training is based in part on the ideas of Dr. Aaron Beck and the late Albert Ellis, who found that mentally disputing unexamined thoughts and assumptions often defuses them. It also draws on recent research suggesting that people can manage stress by thinking in terms of their psychological strengths.

“Psychology has given us this whole language of pathology³⁹⁵, so that a soldier in tears after seeing someone killed thinks, ‘Something’s wrong with me; I have post-traumatic stress,’ ” or P.T.S.D., Dr. Seligman said. “The idea here is to give people a new vocabulary, to speak in terms of resilience⁴⁵⁷. Most people who experience trauma don’t end up with P.T.S.D.; many experience post-traumatic growth.”

Many of the sergeants were at first leery³²⁴ of the techniques. “But I think maybe it becomes like muscle memory – with practice you start to use them automatically,” said Sgt. First Class Darlene Sanders of Fort Jackson, S.C.

To track the effects of the program, the Army will require troops at all levels, from new recruits to officers, to regularly fill out a 170-item questionnaire to evaluate their mental health, along with the strength of their social support, among other things.

The program is not intended to diagnose mental health problems. The results will be kept private, General Casey said.

The Army will track average scores in units to see whether the training has any impact on mental symptoms and performance, said Gen. Rhonda Cornum, the director of Comprehensive Soldier Fitness, who is overseeing the carrying out of the new resilience program. General Cornum said that the Army had contracted with researchers at the University of Michigan to determine whether the training was working, and added that corrections could be made along the way “if the program is not having the intended effect.”

This being the Army, the sergeants at the training session last week had questions about logistics. How would teachers be evaluated? How and when would Reserve and Guard units get the training?

Perhaps the biggest question – can an organization that has long suppressed talk of emotions now open up? – is unlikely to have an answer until next year at the earliest. But the Army’s leaders are determined to ask.

“For years, the military has been saying, ‘Oh, my God, a suicide, what do we do now?’ ” said Col. Darryl Williams, the program’s deputy director. “It was reactive. It’s time to change that.”

161 Chinese Public-Interest Lawyer Charged Amid Crackdown

Prosecutors have charged one of China’s leading public-interest lawyers, Xu Zhiyong, with tax evasion, his lawyer said on Tuesday, continuing a government crackdown on this nation’s small band of activist lawyers and scholars that has lasted months.

Mr. Xu, 36, is a founder of the Open Constitution Initiative, known in Chinese as Gongmeng, a nonprofit group that often has taken on high-profile cases involving citizens’ civil rights. The government shut down the organization’s Gongmeng legal center on July 17, three days after accusing it of tax violations, and the police seized Mr. Xu on July 29.

In an interview on Tuesday, his lawyer, Zhou Ze, said Mr. Xu was formally charged on Aug. 12. Mr. Xu could face seven years in prison if he is tried and convicted. The prosecutors now must seek an indictment²⁹², but that is widely considered a formality.

The government’s main accusation is that Mr. Xu’s group failed to pay taxes on a \$100,000 grant from Yale University that was earmarked for the legal center. But human rights advocates and foreign political analysts agree that the charges are politically inspired, part of what seems to be a growing effort by security officials to shut down independent activism and especially activism that is supported with foreign funds.

The government has moved this year to block many foreign-based Web sites and social-networking services used by Chinese activists and, often, by

Chinese citizens. It also has taken action against a host of activist scholars and lawyers, effectively disbarring about 50 lawyers earlier this summer. Gao Zhisheng, whose aggressive legal campaigns earned him a reputation as a gadfly, has not been heard from since being taken into custody more than six months ago.

A number of activist lawyers have been beaten or harassed by unidentified assailants while working this year on cases. And one of China's most prominent political dissidents, Liu Xiaobo, has been held virtually incommunicado in a suburban Beijing detention center since December.

Separately, the Beijing financial publication Economic Observer reported on Tuesday that the government had begun a broad inquiry into the so-called resident representative offices of foreign-based enterprises – in essence, offices that many foreign groups, including many charities and nonprofit organizations, establish on Chinese soil.

The newspaper quoted an unnamed source as saying that the government was drafting new regulations governing the offices and that many of the existing offices were suspected of violating Chinese law.

The current rules exempt the offices from paying taxes but also bar them from conducting business activities. The unnamed source was quoted as saying that many offices have flouted that prohibition, while others are guilty of lesser violations like failing to report address changes or renew expired registrations.

The report stated that investigators had already begun visiting some resident representative offices. In at least some instances, the investigators have been accompanied by the police, Nicholas Bequelin, a researcher with the Hong Kong office of Human Rights Watch, said in an interview on Tuesday.

The government's move against Gongmeng and Mr. Xu, he said, has sent a chill sweeping over China's activist organizations, in large part because Gongmeng is widely seen as one of the most scrupulous groups working to expand the rule of law. Indeed, Mr. Xu, a professor at Beijing's University of Posts and Telecommunications, has been an elected member of a local

governing body, the People's Congress in Beijing's Haidian district, since 2003.

"He was doing everything aboveboard," said Mr. Bequelin, who called Mr. Xu "the voice of moderation" in public-interest legal circles. "If he goes down, who is safe?"

162 One Person's Boondoggle, Another's Necessity

The \$14.7 million for a new airport on an Alaskan island that averages only 42 flights a month. The half-million dollars for a new skateboard park in unemployment-ravaged Rhode Island. The \$3.4 million for fencing and tunnels to keep Florida turtles from becoming roadkill.

Those proposals for spending federal stimulus money were all criticized by cable news commentators, Republican officials and, in the case of the airport, the inspector general of the Transportation Department. But they have something else in common, too. They are popular locally. And they underscore a truth that has been evident since the New Deal: sometimes the boondoggle is in the eye of the beholder.

Dan Clarion, the maintenance manager and harbor master in Ouzinkie, a town of about 170 people on an island off Alaska, said the new airport was vital for safety reasons. The island's current runway is too short, Mr. Clarion said, and its location leaves it vulnerable to dangerous crosswinds that sometimes shut down the airport, stranding islanders who rely on planes for their mail, their groceries and their access to the mainland when the seas are too high.

"Many times it's the only way we can get in and out," Mr. Clarion said by telephone.

The outcry that greeted Pawtucket, R.I., over its plans to spend stimulus money on a playground with a skate park at a junior high school was so fierce that city officials soon scrapped the idea and decided to spend their

stimulus money on road work instead. But residents of Pawtucket had sought the skate park for a decade to lure skaters off the steps of the city's library, the granite walls by the old mill and even the steps of City Hall. So the city is building it anyway, using the original source of federal financing that it had planned to use before the stimulus law passed.

And Florida's plan to build a wall and culverts to help turtles cross a deadly stretch of road by Lake Jackson near Tallahassee was mocked by Senator Tom Coburn, Republican of Oklahoma, in a report he issued in questioning many stimulus projects.

"Why did the turtle cross the road?" the report asked. "To get to the other side of a stimulus project."

But local advocates have sought the passage there for years, monitoring the steady stream of turtle deaths, building the temporary fence that protects turtles there now and mounting a large grass-roots campaign that eventually won state support for a more permanent "eco-passage."

Of course, none of these projects are likely to stimulate much in the way of new, long-term economic activity, a goal of the federal stimulus plan, once the construction crews decamp. But neither will many of the street repaving jobs that are getting the bulk of the highway money in the stimulus bill, however badly they may be needed.

One of the main purposes of the stimulus is to use government spending to prop up the economy in the short term by offsetting the decline in private-sector spending. But in doing so, the Obama administration has given rise to a debate that goes back many decades.

"The divide hasn't really changed since the Depression," said Nick Taylor, an author who chronicled the fierce debates of the New Deal era over boondoggles in "American-Made: The Enduring Legacy of the W.P.A." (Bantam, 2008). Mr. Taylor said many of the projects that were mocked back then as boondoggles went on to have long and productive lives. But he added that there were some truly wasteful projects back then as well, like a lake dug at a spot in North Carolina that turned out not to have a water source.

Before it became a bad word, "boondoggle" was an innocent, humble craft. It was the Boy Scouts of America who claimed credit for coining the word,

to refer to the plaited leather lanyards that they made and wore around their necks.

That all changed on April 3, 1935, at a hearing in New York City on how New Deal relief money was being spent. A Brooklyn crafts teacher reluctantly testified that he was paid to show the jobless how to make “boon doggles.” The outcry was swift. “\$3,187,000 Relief is Spent to Teach Jobless to Play,” trumpeted a front-page headline the next day in *The New York Times*. “’Boon Doggles’ Made.”

A new, more sinister meaning was born, and the word came to signify government make-work, later referring to wasteful government projects in general. Critics used it to criticize scores of projects, but President Franklin D. Roosevelt took a longer view. “If we can boondoggle ourselves out of this Depression,” Roosevelt said, “that word is going to be enshrined in the hearts of the American people for years to come.”

The Depression ended, but the word has not exactly been enshrined in the hearts of the people. Now, as a new administration in a new century tries to pump \$787 billion into the economy with a combination of spending and tax cuts, questions about the usefulness of projects are raging as loudly as ever, even as some economists begin to credit the stimulus with averting an even worse downturn.

Boondoggle-phobia was a guiding principle in the writing of the bill. After a water park in Florida was mocked for seeking stimulus money while the bill was being drafted, a provision was added barring states and local governments from using their money to build swimming pools. (Swimming pools may sound frivolous, but they are also popular: the government built hundreds of them during the New Deal, including 11 of New York City’s biggest, grandest pools, many of which are still in use.)

Another provision barred state and local governments from spending their stimulus money on zoos, which were another big recipient of New Deal money. (The National Zoological Park in Washington, which is part of the Smithsonian Institution, is apparently exempt: it is getting \$11.4 million from the stimulus for repairs and safety projects.)

Robert D. Leighninger Jr., a sociologist who wrote “Long-Range Public Investment: The Forgotten Legacy of the New Deal” (South Carolina University Press, 2007), recounted the story of a Works Progress Administration official in Arizona who went off in search of boondoggles, and discovered that the towns he visited seemed to like their own projects but questioned those of their neighbors.

“I’ve been hunting all over the state for one, but everywhere I go I’m told it’s in the next county,” the official was quoted as saying in a 1936 newspaper article. “So far I haven’t been able to catch up with a real, live one.”

163 Supreme Court to Hear Case on Executive Pay

Last summer, Richard A. Posner, a federal appeals court judge, issued a surprising and prescient dissent. Executive pay is out of control, he said, and the marketplace cannot be trusted to rein it in.

Judge Posner is a conservative with libertarian leanings, and he is a leader of the law and economics movement associated with the University of Chicago. He often relies on economic analysis in his judicial decisions, and he believes that many questions are best sorted out by the marketplace.

But corporate America has insulated pay decisions from market discipline, Judge Posner wrote. “Executive compensation in large publicly traded firms often is excessive,” he added, “because of the feeble incentives of boards of directors to police compensation.”

The Supreme Court will hear the case this fall, as anger over huge bonuses paid to the executives of failing companies continues to grow. The case, *Jones v. Harris Associates*, may turn out to be the court’s first significant statement on the corporate culture that helped lead to the Great Recession.

The case arose from the enormous fees mutual ³⁶⁵ funds pay to their investment advisers. A three-judge panel of Judge Posner’s court, the United

States Court of Appeals for the Seventh Circuit, in Chicago, threw out a lawsuit brought by the investors in three Oakmark mutual funds who said the funds had overpaid their investment adviser, Harris Associates.

The panel decision, written by Chief Judge Frank H. Easterbrook, another leader of the law and economics movement, said the marketplace could be trusted to regulate fees. Judge Posner, dissenting from the full court's decision not to rehear the case, said competition had not been effective in keeping the compensation under control.

Before last year's market collapse, the mutual fund industry held more than \$11 trillion in retirement and personal savings, and it paid advisers perhaps \$100 billion in fees.

Mutual funds are odd enterprises. They are typically formed and run by their investment advisers, which select the fund's board of directors. That board then negotiates the adviser's fees.

Here is how Warren Buffett analyzed the situation in his 2003 letter to shareholders: "Year after year, at literally thousands of funds, directors had routinely rehired the incumbent management company, however pathetic its performance had been. Just as routinely, the directors had mindlessly approved fees that in many cases far exceeded those that could have been negotiated."

The plaintiffs in the case before the Supreme Court claimed that Harris Associates had charged their funds twice as much as it charged its unaffiliated clients, like pension funds.

The Oakmark funds paid Harris Associates 1 percent of the first \$2 billion in assets; independent clients were charged roughly one-half of 1 percent of the first \$500 million. One percent of a billion dollars is nice work if you can get it.

"Mutual funds rarely fire their advisers," Judge Easterbrook acknowledged. But, he continued, "investors can and do 'fire' advisers cheaply and easily by moving their money elsewhere." A 2007 study from John C. Coates IV and R. Glenn Hubbard supported this conclusion, finding that mutual fund fees are kept in check by the movement of investors' money.

But a brief supporting the plaintiffs filed in the Supreme Court by three economists, Ian Ayres, Robert E. Litan and Joseph R. Mason, questioned that study. New research in behavioral economics, the brief said, showed that most investors had a very poor grasp of rudimentary truths about probability and a disproportionate aversion to taking losses.

Mutual fund investors thus tend to look at past performance rather than fees. And they have a tendency to sell winning investments too early and hold losing ones too long.

Even if mutual fund investors could be counted on to act rationally, the economists' brief said, they do not have ready access to the information they need to make sensible choices.

Instead of counting on investor behavior to keep fees in check, the brief concluded, courts should look to how much advisers charged independent clients like pension funds. A supporting brief from the federal government made the same point.

There is academic research to support this view, too.

"In contrast to mutual fund investors," Diane Del Guercio and Paula A. Tkac wrote in a 2002 study, "pension clients punish poorly performing managers by withdrawing assets under management and do not flock disproportionately to recent winners."

But Judge Easterbrook questioned the value of such comparisons. The two kinds of clients, he said, may have different needs. In its brief urging the Supreme Court not to hear the case, Harris Associates added that the Oakmark funds had outperformed "virtually every fund in their peer groups."

Still, the tide seems to be turning toward skepticism about outsize compensation. In April, a month after the Supreme Court agreed to hear an appeal from Judge Easterbrook's decision, the federal appeals court in St Louis allowed a suit against another investment adviser, Ameriprise Financial, to go forward. It was the first ruling in favor of unhappy mutual fund investors suing over advisers' fees since Congress imposed a fiduciary duty on advisers in 1970.

Judge Easterbrook said the law had only a minor role to play, requiring no more than making sure that advisers “make full disclosure and play no tricks.”

But when public sentiment, economic research and even Judge Posner argue for more vigorous judicial examination of whether compensation is fair, the Supreme Court may just agree.

164 House Ethics Inquiry Has Roots in Untidy Yard

Could an untended lawn and delinquent¹⁵⁴ mortgage payments lead to a Congressional ethics investigation?

That is the question apparently facing Representative Laura Richardson, a Democrat whose property in Sacramento has been the subject of questions by investigators from the Office of Congressional Ethics.

The nonpartisan board, which has the power to recommend a formal investigation to the standards committee of the House of Representatives, has questioned a neighbor and a real estate broker about their dealings with Ms. Richardson.

At the heart of the review is a modest three-bedroom home in the Curtis Park district of Sacramento that Ms. Richardson bought shortly after being elected to the State Assembly in 2006, and shortly before being elected to Congress the next year.

The back-to-back electoral wins apparently prevented Ms. Richardson, a former city councilwoman from Long Beach, from taking up residence permanently in Curtis Park, a leafy, manicured neighborhood on Sacramento’s south side. Her ascendant political career also distracted her from lawn care, residents of the street said.

“The front yard grass started getting overwhelmingly high, and she’d come and leave, and nothing would ever get done,” said Sean Padovan, 62, a

retired police sergeant who lives four houses down from the Richardson house. “I figured she was busy. But it got worse and worse.”

Some of her neighbors found the property so unsightly that they decided to take the gardening into their own hands.

And that is, apparently, where some of the questions began.

Peter Thomsen, a retired banker across the street, said he was recently interviewed by investigators from the ethics office as to whether his horticultural efforts – including watering the property’s beleaguered ivy plant – were meant to curry Ms. Richardson’s favor.

“They were trying to determine if I had a positive or negative relationship” with the congresswoman, Mr. Thomsen said. “They were very clearly focused as to whether we had done work on her property to her benefit.”

Questions about lawn care are not the only ones surrounding Ms. Richardson’s house, which the congresswoman at one point lost to foreclosure but later regained ownership.

According to papers filed in Sacramento County, the Curtis Park home was bought from the bank trustee that held the mortgage in May 2008 by a local real estate broker, James York, for \$388,000 – roughly \$147,000 less than what Ms. Richardson had paid a year before.

Shortly after that sale, however, the bank, Washington Mutual, rescinded the sale and the property was returned to Ms. Richardson, according to Mr. York. Mr. York said he sued both the bank and Ms. Richardson, and later reached an agreement over the property.

In an e-mail message on Friday, Mr. York said he was prevented by that agreement from commenting about the changes in ownership. “I can’t discuss the terms,” he wrote.

But Mr. York confirmed that he had been sent a letter of inquiry from the ethics office earlier this year, though he did not reveal its contents.

Calls to the media line for Washington Mutual were not returned, and Ms. Richardson’s spokesman, Michael Eagle, did not respond to repeated questions

last week about the circumstances surrounding Ms. Richardson's regaining ownership of the house, which has been the subject of considerable speculation in the California news media.

In a written statement issued on Ms. Richardson's behalf, Mr. Eagle called reports about her Curtis Park property "personal, biased, partisan and in some cases deliberately inaccurate."

Mr. Eagle also said in another statement that the property was "neither deteriorating nor a nuisance" and was under renovation. And by early this month, there were signs of work under way inside the house, and cut, green grass in the front yard.

Ron O'Connor, operations manager with the City of Sacramento code enforcement department, said his officers had been to Ms. Richardson's home on several occasions over the last year, for complaints about issues like rotting fruit, overgrown weeds and a police report of a squatter living in the garage. But Mr. O'Connor concurred with Mr. Eagle that the house was not blighted or neglected.

"I could live it in now if it had a little more property where I could have a garden," Mr. O'Connor said.

Leo Wise, staff director and chief counsel of the Office of Congressional Ethics, said it was the office's policy not to confirm or deny a review.

Reviews by the ethics office, which was established last year, have two phases. Preliminary reviews take 30 days. If the board members vote for a further investigation, the office has 59 days to make its recommendations to the House standards committee.

165 Diabetes Case Shows Pitfalls of Treatment Rules

It sounds like a simple idea for improving health care: draw up guidelines on how best to treat a particular illness and then pay doctors to

follow them. That strategy, which some insurers and health plans already employ, has been embraced during the health care debate by some lawmakers in Congress who want to extend it more broadly.

The goal is to improve treatment and, at the same time, save money. But setting guidelines that are good for every patient, it turns out, can get messy, with some experts warning that a big national plan of this sort poses risks. A recent case involving treatment for diabetes, one of the nation's most pervasive illnesses, illustrates the difficulties.

Last year, a national guideline-setting group abruptly withdrew a controversial diabetes standard it adopted in 2006 that called for aggressive control of blood sugar, or glucose. The change came after a large federal study indicated that lowering glucose too quickly or too much in some patients could harm or even kill them.

In medical journal articles and elsewhere over the last year, some diabetes experts have lashed out at the group's initial decision to approve the guideline, saying they warned back in 2006 that it was medically ill-advised for some patients.

"This was a case in which the advocates of a disease got caught up in their disease rather than the interests of patients," said Dr. Rodney A. Hayward, a diabetes expert at the University of Michigan who had opposed the benchmark.

Critics like Dr. Hayward have also suggested that pharmaceutical companies influenced the guideline so they could sell more glucose-lowering drugs like insulin. The group that set the guideline, a Washington organization called the National Committee for Quality Assurance, received about \$3 million, or 10 percent of its revenue, last year from drug and medical device makers.

The group's officials, and several outside experts who advise it, rejected such suggestions of industry influence. Still, some experts question why the group, which sets standards that are widely used by insurers and private health plans, should take even small amounts of drug-industry money.

“There should not be any industry funding of a group that is involved in working on national guidelines,” said Dr. Jerome E. Groopman, a professor of medicine at Harvard.

To many experts, the diabetes case shows how setting one guideline that works for all patients suffering from the same disease can be tricky.

The main problem is that many guidelines are based not on rigorous studies like clinical trials but on weaker types of medical evidence. And critics like Dr. Groopman have argued that the guideline-setting process is often influenced by industry or by medical ideologues looking to advance their personal agendas.

“These guidelines often come out of specialty societies who tend to want to treat rather than not to treat,” said Arthur Levin, the executive director of the Center for Medical Consumers, a patient advocacy group. Mr. Levin also serves as an adviser to the National Committee for Quality Assurance and took part in the diabetes decision.

The diabetes controversy began after several studies showed that patients with diabetes could significantly benefit from tighter control of their blood sugar. As a result, in 2005, the American Diabetes Association, along with others, began urging the National Committee on Quality Assurance to adopt an aggressive glucose control standard. The group’s guidelines are used by insurers and others to assess the performance of doctors who work for them and, in some cases, to determine whether they qualify for a bonus.

On its face, the glucose proposal made sense. Excess levels of glucose can cause some of the worst complications of diabetes, including blindness and kidney failure. But lowering glucose too much can also create problems for some patients, particularly older, sicker ones, causing them to black out or to have seizures.

Pointing to such risks, some doctors like Dr. Hayward, who also works for the Veterans Administration, opposed extending the guideline too broadly. They said that one significant group of diabetics, those who also had heart problems or cardiovascular disease, had never been studied during the trials that showed the benefits of aggressive glucose control.

But supporters of the move, like Dr. Richard Kahn, then a top official of the American Diabetes Association, rejected such arguments. Dr. Kahn argued that even if the standard were adopted, doctors would still have plenty of discretion about how to treat their patients. “All of us can no longer sit silently thinking that our discipline is unified toward improving diabetes care,” he wrote in a 2006 e-mail message as the argument unfolded.

In mid-2006, a panel assembled by the National Committee for Quality Assurance that included insurers, major employers, doctors and Mr. Levin, the patient advocate, unanimously approved the new standard.

Critics like Dr. Hayward were furious and later said they believed that diabetes experts with drug-industry ties had played a role in guiding the decision.

Both Mr. Levin and another adviser to the quality committee – Dr. Paul Wallace of Kaiser Permanente, the big health care provider – said they saw no evidence of that. Also, officers of the National Committee for Quality Assurance insist that medical products companies, who sponsor some of the group’s activities, do not play a role in setting its treatment standards.

The diabetes standard was not in place for long. It was challenged last year when federal researchers abruptly halted a study of glucose control in older diabetics with cardiovascular disease, the group not previously studied.

In that trial, researchers aggressively treated patients with a variety of drugs in an effort to bring their glucose down to the level of a person without diabetes, but patients receiving the treatment started dying at an unexpected rate.

In light of the findings, the National Committee for Quality Assurance withdrew its standard and convened an expert panel that this time included critics like Dr. Hayward. A year ago, the group issued a more nuanced guideline that, among other things, exempted patients over 55 years old with heart or cardiovascular problems.

Those who opposed the initial measure, like Dr. Joseph Selby, a research director at Kaiser Permanente, feel their position has been vindicated. They see a straightforward lesson from the episode: faulty guidelines can pose

risks to patients, particularly when linked to doctors' pay, which is an idea under consideration in Washington.

If such treatment guidelines are created "in the absence of good evidence," Dr. Selby said, "you risk perversion or even harm."

166 Democrats Seem Set to Go Alone on a Health Bill

Given hardening Republican opposition to Congressional health care proposals, Democrats now say they see little chance of the minority's cooperation in approving any overhaul, and are increasingly focused on drawing support for a final plan from within their own ranks.

Top Democrats said Tuesday that their go-it-alone view was being shaped by what they saw as Republicans' purposely strident tone against health care legislation during this month's Congressional recess, as well as remarks by leading Republicans that current proposals were flawed beyond repair.

Rahm Emanuel, the White House chief of staff, said the heated opposition was evidence that Republicans had made a political calculation to draw a line against any health care changes, the latest in a string of major administration proposals that Republicans have opposed.

"The Republican leadership," Mr. Emanuel said, "has made a strategic decision that defeating President Obama's health care proposal is more important for their political goals than solving the health insurance problems that Americans face every day."

The Democratic shift may not make producing a final bill much easier. The party must still reconcile the views of moderate and conservative Democrats worried about the cost and scope of the legislation with those of more liberal lawmakers determined to win a government-run insurance option to compete with private insurers.

On the other hand, such a change could alter the dynamic of talks surrounding health care legislation, and even change the substance of a final bill. With no need to negotiate with Republicans, Democrats might be better able to move more quickly, relying on their large majorities in both houses.

Democratic senators might feel more empowered, for example, to define the authority of the nonprofit insurance cooperatives that are emerging as an alternative to a public insurance plan.

Republicans have used the Congressional break to dig in hard against the overhaul outline drawn by Democrats. The Senate's No. 2 Republican, Jon Kyl of Arizona, is the latest to weigh in strongly, saying Tuesday that the public response lawmakers were seeing over the summer break should persuade Democrats to scrap their approach and start over.

"I think it is safe to say there are a huge number of big issues that people have," Mr. Kyl told reporters in a conference call from Arizona. "There is no way that Republicans are going to support a trillion-dollar-plus bill."

The White House has also interpreted critical comments by Senator Charles E. Grassley of Iowa, the top Republican negotiator in a crucial Finance Committee effort to reach a bipartisan compromise, as a sign that there is little hope of reaching a deal politically acceptable to both parties.

Mr. Grassley, who is facing the possibility of a Republican primary challenge next year, has gotten an earful in traveling around his home state. At one gathering last week, in a city park in the central Iowa town of Adel, a man rose from the crowd and urged him to "stand up and fight" the Democratic plans. If he does not, the man yelled, "we will vote you out!"

The White House, carefully following Mr. Grassley's activities, presumed he was no longer interested in negotiating with Democrats after he initially made no effort to debunk misinformation that the legislation could lead to "death panels" empowered to judge who would receive care.

Citing a packed schedule, Mr. Grassley has also put off plans for the bipartisan group of Finance Committee negotiators to meet in either Iowa

or Maine, the home of another Republican member of the group, Senator Olympia J. Snowe, before Congress resumes.

Further, Mr. Grassley said this week that he would vote against a bill unless it had wide support from Republicans, even if it included all the provisions he wanted. "I am negotiating for Republicans," he told MSNBC.

In an interview on Tuesday, Mr. Grassley said he had simply been repeating earlier comments that he would not support a measure that did not have significant Republican support. He said that raucous town-hall-style meetings might have made the job of reaching a compromise harder, but that he had not given up.

"It may be more difficult than it was before," he said. "I am intent on talking. I am intent on seeing what we can do."

Administration officials, who maintain that Republicans are badly mischaracterizing the legislation that has emerged from three House committees and the Senate health committee, said they had hoped to achieve some level of bipartisan support. But they are becoming increasingly convinced that they will instead have to navigate the complicated politics among varying Democratic factions.

The officials said the White House hoped to make the case to the American people that it was Republicans who had abandoned the effort at bipartisanship. Republicans countered by saying that they simply opposed the legislation and that the public outcry had validated their view and solidified their opposition.

This week's careful administration maneuvering on whether a public insurance option was an essential element of any final bill was seemingly part of the new White House effort to find consensus among Democrats, since the public plan has been resisted by moderate and conservative Democrats who could be crucial to winning the votes for passage if no Republicans are on board.

For the second time in two days, Mr. Obama did not mention health care on Tuesday, a marked departure from the aggressive public relations campaign he mounted in July and early August. The White House is striving to

stay out of the fray, aides said, until the president can get away on vacation this weekend.

Even as the administration showed some flexibility, angering liberal Democrats who consider a public plan essential, Republicans turned their attacks from the public option to the health care cooperative idea being promoted by some Senate Democrats.

In what Democrats regarded as further evidence that Republicans were not serious about negotiating, Mr. Kyl and Representative Eric Cantor of Virginia, the second-ranking House Republican, described a co-op as a public option carrying another name.

The continuing opposition was noted Tuesday by Robert Gibbs, the White House spokesman, who said of Republicans that at best “only a handful seem interested in the type of comprehensive reform that so many people believe is necessary to ensure the principles and the goals that the president has laid out.”

167 In North Korea, Clinton Helped Unveil a Mystery

The visit was arranged under a veil of secrecy with the help of an unlikely broker: a high-level American intelligence officer who spent much of his career trying to unlock the mysteries of North Korea.

When former President Bill Clinton landed in Pyongyang on Aug. 4 to win the release of two imprisoned American journalists, senior officials said he met an unexpectedly spry North Korean leader, Kim Jong-il, who welcomed him with a long dinner that night, even proposing to stay up afterward.

Mr. Kim was flanked by two longtime aides, and he gave no hint that North Korea was in the throes of a succession struggle, despite the widespread questions over how long he might live.

Mr. Clinton and the Obama administration were determined not to extend a public-relations coup to Mr. Kim, who expressed a desire for better relations with the United States. But the visit is already setting off ripples that could change the tenor of the relationship between the United States and North Korea.

On Wednesday, diplomats from North Korea plan to visit Gov. Bill Richardson of New Mexico with an undisclosed agenda, a senior administration official said Tuesday. Like Mr. Clinton, Mr. Richardson has traveled to Pyongyang to negotiate the release of Americans held there, in his case in the mid-1990s.

The White House approved the visit, which the official said did not signal any movement toward the resumption of official talks with North Korea and the United States. But the meeting, which he said the North Koreans requested, comes on the heels of conciliatory¹¹² gestures toward South Korea, and suggests a concerted effort on the part of the North.

Mr. Clinton steered⁵²⁶ clear of broader issues during his humanitarian mission, officials said. Indeed, he did not even ask to see Mr. Kim, requesting instead a meeting with “an appropriate official.” To help the former president in case something went awry, the White House recommended John Podesta, an adviser to both Mr. Clinton and President Obama, join his delegation.

And to ensure he would not leave empty-handed, Mr. Clinton asked that a member of his entourage meet with the journalists, Laura Ling and Euna Lee, shortly after he landed to make sure they were safe, said a senior administration official, who had been briefed on the visit.

For all the billions of dollars a year that the United States spends on intelligence gathering about mysterious and unpredictable countries like North Korea, it took just 20 hours on the ground in Pyongyang by a former president to give the Obama administration its first detailed look into a nuclear-armed nation that looms as one of its greatest foreign threats.

The details about Mr. Clinton’s visit came from interviews with multiple government officials, who spoke on the condition of anonymity because they were not authorized to speak publicly.

On Tuesday, Mr. Clinton went to the White House to brief Mr. Obama and his top aides about the trip. Even before the 40-minute session in the Situation Room, Mr. Clinton had spoken to the president by phone and briefed his national security adviser, Gen. James L. Jones.

But the meeting was rich in symbolism, and the president invited Mr. Clinton to the Oval Office to talk further. The White House said little about what the men discussed, beyond noting that Mr. Obama had wanted to thank Mr. Clinton for winning the release of Ms. Ling and Ms. Lee.

The role of the intelligence officer, Joseph R. DeTrani, in arranging the visit, has not previously been reported. Mr. DeTrani is the government's senior officer responsible for collecting and analyzing intelligence on North Korea. His efforts to pave the way for Mr. Clinton's visit offer a glimpse into how the administration has been forced to use unorthodox methods to overcome the lack of formal communications.

During the Bush administration, when the United States was still in talks with North Korea, the White House did not use intelligence officers for these purposes, an official familiar with the talks said. Indeed, before taking the job of North Korea mission manager in the Office of the Director of National Intelligence in 2006, Mr. DeTrani served as the special envoy to the six-party talks with North Korea.

More than anything else, senior officials said, Mr. Clinton's visit served to clear up some of the shadows surrounding Kim Jong-il's health. After suffering a stroke last year, he looked frail in photos, spurring questions about who might replace him.

Those questions have not gone away, officials said, but they may recede⁴⁴⁵ a bit after Mr. Clinton's visit. So, too, may the speculation about internal battles, given the apparent good standing of Kim Kye-gwan, the chief nuclear negotiator, and another foreign policy official, Kang Sok-ju, who also took part in the meetings.

The former president did not engage in a substantive discussion about North Korea's nuclear program. Nor did the North Korean leader give Mr. Clinton any indication that his nation would relinquish its nuclear ambitions

– a condition the United States has set for resuming negotiations, officials said.

During his one-hour meeting, officials said, Mr. Clinton advised the North Korean that he could win favor with South Korea and Japan by resolving cases of their citizens who had been abducted by North Korea. The dinner, which lasted over two hours, was “chitchat,” the official said. “It was not substantive.”

North Korea has sent other conciliatory signals. Kim Jong-il met last week with the head of a South Korean conglomerate and agreed to restart several tourism ventures, which allow people from the South to visit the North. North Korea said it would also allow reunions of Korean families divided by the border. Also, Yonhap, the South Korean news agency, said Wednesday the North would send a delegation to the funeral of Kim Dae-jung, a former president of the South.

It is not clear whether the overtures represent a change of heart or a growing desperation for money, as the North comes under increasingly strict United Nations sanctions. The White House says it is determined not to ease the pressure. In a deliberate bit of timing, it dispatched a senior diplomat, Philip S. Goldberg, to Asia on Tuesday to discuss ways to enforce the sanctions.

Still, officials and analysts said, Mr. Clinton’s visit was valuable, largely because North Korea is so opaque. Victor Cha, a top North Korea adviser in the Bush administration, said, “The Clinton trip has got a lot of people rethinking and reassessing.”

168 As Japan’s Mediums Die, Ancient Tradition Fades

Its name means the Mountain of Horror, which seems an apt description for this sacred Buddhist⁷⁶ site inside the crater¹³² of a dormant volcano. The weather-beaten temple here is surrounded by a lifeless lake

and a wasteland of naked rock reeking of sulfur that conjures images of Buddhist hell.

But during the mountain's twice annual religious festivals, visitors come by the busload to line up before a row of small tents in a corner of the temple. Within are the "itako" – elderly, often blind women who hold séance-like ceremonies that customers hope will allow them to commune with spirits of the dead.

These spiritual mediums seem out of place in a hyper-modern nation better known for bullet trains and hybrid cars. Found only in peripheral areas like this volcano on the far northern tip of Japan's main island, and only dimly known to most Japanese, the itako are among the last remaining adherents to ancient shamanistic beliefs that predate Buddhism and modern forms of Shintoism, Japan's two main religions, historians say.

They have survived government efforts to stamp them out, as well as the continuing disdain of many Japanese, who look down on them as charlatans who trade in superstition. Even the deputy abbot at Bodai-ji, Mount Osore's temple, said the itako were not connected to the temple, which he said only tolerates their presence.

Now, however, even these last remaining itako are vanishing. Only four graying itako appeared at Mt. Osore's weeklong summer festival this year, three having died of old age in the last year. Worse, the only practicing medium younger than retirement age – 40-year-old Keiko Himukai, known among believers as the last itako – stopped coming this year for health reasons.

"We can see a very ancient flame dying out before our eyes," Ms. Himukai said in a separate interview. "But traditions have to change with the times."

Junichi Tonosaki, a historian in the prefectural museum in Aomori, where Mount Osore is located, said the number of itako had fallen from about 20 a decade ago. He said they began gathering at Mount Osore in the last century as their numbers began to dwindle, to make it easier for customers to find them. The volcano's 1,200-year-old temple is believed by many here to be a gathering point for souls of the dead before Buddhist reincarnation.

Mr. Tonosaki and other historians say itako and other shamanistic mediums were common across Japan in medieval times, when this was often the only occupation available for the blind. But they were suppressed in the late 19th century, as Japan built a modern nation. In recent times, they have survived only on the geographic margins, in rural northern Japan and on the southern island of Okinawa.

Shojiro Kurokawa, 82, can remember as a child in the 1930s when residents of his and other nearby villages would trek to the temple to hold weeklong festivals of all-night dancing, singing and séances. In those days, he said, there were more than 100 itako.

“This is an era when children ignore their parents and forget about the dead,” said Mr. Kurokawa, who runs an inn near the temple that caters to visitors of the spiritual mediums.

Now, there are so few itako that visitors routinely wait in line for several hours to see one. Itako charge 3,000 yen, or about \$30, for each spirit called in a roughly 10-minute ceremony.

One family of three came from Tokyo, a day’s drive away. Masako Toyama, 68, said she came to speak with her husband, who died suddenly last summer of cancer. She, her son and his wife said it was their first visit to Mount Osore. She said she knew of the itako from growing up in northern Japan.

“They were a scary but also soothing presence,” Ms. Toyama said. “Japanese still need this sort of emotional support.”

“I wanted to give the itako a try, to see if this is real,” said the son, Shinji Toyama, a 41-year-old salaryman at a medical testing firm.

When the Toyamas’ turn finally came after six and a half hours of waiting, they seemed almost taken aback by the itako’s modern appearance, in pink-tinted glasses and a flower-patterned shirt.

The itako, Setsu Aoyama, began by lifting a long strand of dark beads and began a short chant: “I call the spirit who died on July 11,” the date Ms. Toyama’s husband, Shigeto, died.

In the same rhythmic cadence, swaying her head with eyes shut, she assumed the voice of Shigeto. “I didn’t go to a doctor soon enough,” she intoned. “Men don’t listen to things like that.”

Ms. Himukai, the 40-year-old itako, says she enters a trance in which she feels the presence of the spirit and its mood, which she expresses in her own words. She said she decided to begin the three-year period of study to become a spiritual medium as a teenager, after an itako near her rural village cured her of an ailment that doctors could not fix.

She said she felt guilty about not going to Mount Osore. However, she said she may no longer be able to attend because of health problems, including a chronic stomach ailment. Instead, she said she wanted to write a book or make a movie about the itako.

“The end can also be the beginning of something new,” said Ms. Himukai, who wore a plain gray suit with pants and spoke in a whisper.

After the ceremony, the Toyamas had mixed reactions. The widow said her heart had been put at ease. But the younger generation was less convinced.

“I didn’t feel like it was really my father in front of me,” said Shinji, the son. But he said he wanted to come again next year, to try a different itako. “Maybe we just had beginner’s bad luck by choosing the wrong one.”

169 Bush Official, in Book, Tells of Pressure on '04 Vote

Tom Ridge, the first secretary of homeland security, asserts in a new book that he was pressured by top advisers to President George W. Bush to raise the national threat level just before the 2004 election in what he suspected was an effort to influence the vote.

After Osama bin Laden released a threatening videotape four days before the election, Attorney General John Ashcroft and Defense Secretary Donald H. Rumsfeld pushed Mr. Ridge to elevate the public threat posture but

he refused, according to the book. Mr. Ridge calls it a “dramatic and inconceivable” event that “proved most troublesome” and reinforced his decision to resign.

The provocative allegation provides fresh ammunition for critics who have accused the Bush administration of politicizing national security. Mr. Bush and his Democratic challenger, Senator John Kerry of Massachusetts, were locked in a tight race heading into that final weekend, and some analysts concluded that even without a higher threat level, the bin Laden tape helped the president win re-election by reminding voters of the danger of Al Qaeda.

Keith M. Urbahn, a spokesman for Mr. Rumsfeld, said the defense secretary supported letting the public know if intelligence agencies believed there was a greater threat, and pointed to a variety of chilling Qaeda warnings in those days, including one tape vowing that “the streets of America will run red with blood.”

“Given those facts,” Mr. Urbahn said, “it would seem reasonable for senior administration officials to discuss the threat level. Indeed, it would have been irresponsible had that discussion not taken place.”

Mr. Urbahn said “the storyline advanced by his publisher seemingly to sell copies of the book is nonsense.”

Mr. Ashcroft could not be reached for comment. But Mark Corallo, who was his spokesman at the Justice Department, dismissed Mr. Ridge’s account. “Didn’t happen,” he said. “Now would be a good time for Mr. Ridge to use his emergency duct tape.”

Frances Fragos Townsend, who was Mr. Bush’s homeland security adviser, said that “there was a fulsome debate” about the threat level but that “the politics of it were not ever a factor.”

Mr. Ridge’s book, called “The Test of Our Times” and due out Sept. 1 from Thomas Dunne Books, is the latest by a Bush adviser to disclose internal disagreements and establish distance from an unpopular administration. Mr. Ridge complains that he was never invited to National Security Council meetings, that Mr. Rumsfeld would rarely meet with him and that the

White House pressured him to include a justification for the Iraq war in a speech.

He also writes that he lobbied unsuccessfully before Hurricane Katrina in 2005 to replace Michael D. Brown as head of the Federal Emergency Management Agency and that the White House killed his proposal to open a homeland security regional office in New Orleans.

The most sensational assertion was the pre-election debate in 2004 about the threat level, first reported by U.S. News & World Report. Mr. Ridge writes that the bin Laden tape alone did not justify a change in the nation's security posture but describes "a vigorous, some might say dramatic, discussion" on Oct. 30 to do so.

"There was absolutely no support for that position within our department. None," he writes. "I wondered, 'Is this about security or politics?' Post-election analysis demonstrated a significant increase in the president's approval rating in the days after the raising of the threat level."

Mr. Ridge provides no evidence that politics motivated the discussion. Until now, he has denied politics played a role in threat levels. Asked by Eric Lichtblau of The New York Times if politics ever influenced decisions on threat warnings, he volunteered to take a lie-detector test. "Wire me up," Mr. Ridge said, according to Mr. Lichtblau's book, "Bush's Law." "Not a chance. Politics played no part."

170 Rise of the Super-Rich Hits a Sobering Wall

The rich have been getting richer for so long that the trend has come to seem almost permanent.

They began to pull away from everyone else in the 1970s. By 2006, income was more concentrated at the top than it had been since the late 1920s. The recent news about resurgent Wall Street pay has seemed to suggest that not even the Great Recession could reverse the rise in income inequality.

But economists say – and data is beginning to show – that a significant change may in fact be under way. The rich, as a group, are no longer getting richer. Over the last two years, they have become poorer. And many may not return to their old levels of wealth and income anytime soon.

For every investment banker whose pay has recovered to its prerecession levels, there are several who have lost their jobs – as well as many wealthy investors who have lost millions. As a result, economists and other analysts say, a 30-year period in which the super-rich became both wealthier and more numerous may now be ending.

The relative struggles of the rich may elicit little sympathy from less well-off families who are dealing with the effects of the worst recession in a generation. But the change does raise several broader economic questions. Among them is whether harder times for the rich will ultimately benefit the middle class and the poor, given that the huge recent increase in top incomes coincided with slow income growth for almost every other group. In blunter terms, the question is whether the better metaphor for the economy is a rising tide that can lift all boats – or a zero-sum game.

Just how much poorer the rich will become remains unclear. It will be determined by, among other things, whether the stock market continues its recent rally and what new laws Congress passes in the wake of the financial crisis. At the very least, though, the rich seem unlikely to return to the trajectory they were on.

Last year, the number of Americans with a net worth of at least \$30 million dropped 24 percent, according to CapGemini and Merrill Lynch Wealth Management. Monthly income from stock dividends, which is concentrated among the affluent, has fallen more than 20 percent since last summer, the biggest such decline since the government began keeping records in 1959.

Bill Gates, Warren E. Buffett, the heirs to the Wal-Mart Stores fortune and the founders of Google each lost billions last year, according to Forbes magazine. In one stark example, John McAfee, an entrepreneur who founded the antivirus software company that bears his name, is now worth about \$4 million, from a peak of more than \$100 million. Mr. McAfee will soon auction off his last big property because he needs cash to pay his bills after

having been caught off guard by the simultaneous crash in real estate and stocks.

“I had no clue,” he said, “that there would be this tandem collapse.”

Some of the clearest signs of the reversal of fortunes can be found in data on spending by the wealthy. An index that tracks the price of art, the Mei Moses index, has dropped 32 percent in the last six months. The New York Yankees failed to sell many of the most expensive tickets in their new stadium and had to drop the price. In one ZIP code in Vail, Colo., only five homes sold for more than \$2 million in the first half of this year, down from 34 in the first half of 2007, according to MDA Dataquick. In Bronxville, an affluent New York suburb, the decline was to two, from 17, according to Coldwell Banker Residential Brokerage.

“We had a period of roughly 50 years, from 1929 to 1979, when the income distribution tended to flatten,” said Neal Soss, the chief economist at Credit Suisse. “Since the early ’80s, incomes have tended to get less equal. And I think we’ve entered a phase now where society will move to a more equal distribution.”

No More ’50s and ’60s

Few economists expect the country to return to the relatively flat income distribution of the 1950s and 1960s. Indeed, they say that inequality is likely to remain significantly greater than it was for most of the 20th century. The Obama administration has not proposed completely rewriting the rules for Wall Street or raising the top income-tax rate to anywhere near 70 percent, its level as recently as 1980. Market forces that have increased inequality, like globalization, are also not going away.

But economists say that the rich will probably not recover their losses immediately, as they did in the wake of the dot-com crash earlier this decade. That quick recovery came courtesy of a new bubble in stocks, which in 2007 were more expensive by some measures than they had been at any other point save the bull markets of the 1920s or 1990s. This time, analysts say, Wall Street seems unlikely to return soon to the extreme levels of borrowing that made such a bubble possible.

Any major shift in the financial status of the rich could have big implications. A drop in their income and wealth would complicate life for elite universities, museums and other institutions that received lavish donations in recent decades. Governments – federal and state – could struggle, too, because they rely heavily on the taxes paid by the affluent.

Perhaps the broadest question is what a hit to the wealthy would mean for the middle class and the poor. The best-known data on the rich comes from an analysis of Internal Revenue Service returns by Thomas Piketty and Emmanuel Saez, two economists. Their work shows that in the late 1970s, the cutoff to qualify for the highest-earning one ten-thousandth of households was roughly \$2 million, in inflation-adjusted, pretax terms. By 2007, it had jumped to \$11.5 million.

The gains for the merely affluent were also big, if not quite huge. The cutoff to be in the top 1 percent doubled since the late 1970s, to roughly \$400,000.

By contrast, pay at the median – which was about \$50,000 in 2007 – rose less than 20 percent, Census data shows. Near the bottom of the income distribution, the increase was about 12 percent.

Some economists say they believe that the contrasting trends are unrelated. If anything, these economists say, any problems the wealthy have will trickle down, in the form of less charitable giving and less consumer spending. Over the last century, the worst years for the rich were the early 1930s, the heart of the Great Depression.

Other economists say the recent explosion of incomes at the top did hurt everyone else, by concentrating economic and political power among a relatively small group.

“I think incredibly high incomes can have a pernicious effect on the polity and the economy,” said Lawrence Katz, a Harvard economist. Much of the growth of high-end incomes stemmed from market forces, like technological innovation, Mr. Katz said. But a significant amount also stemmed from the wealthy’s newfound ability to win favorable government contracts, low tax rates and weak financial regulation, he added.

The I.R.S. has not yet released its data for 2008 or 2009. But Mr. Saez, a professor at the University of California, Berkeley, said he believed that

the rich had become poorer. Asked to speculate where the cutoff for the top one ten-thousandth of households was now, he said from \$6 million to \$8 million.

For the number to return to \$11 million quickly, he said, would probably require a large financial bubble.

Making More Money

The United States economy experienced two such bubbles in recent years – one in stocks, the other in real estate – and both helped the rich become richer. Mr. McAfee, whose tattoos and tinted hair suggest an independent streak, is an extreme but telling example. For two decades, at almost every step of his career, he figured out a way to make more money.

In the late 1980s, he founded McAfee Associates, the antivirus software company. It gave away its software, unlike its rivals, but charged fees to those who wanted any kind of technical support. That decision helped make it a huge success. The company went public in 1992, in the early years of one of the biggest stock market booms in history.

But Mr. McAfee is, by his own description, an atypical businessman – easily bored and given to serial obsessions. As a young man, he traveled through Mexico, India and Nepal and, more recently, he wrote a book called, “Into the Heart of Truth: The Spirit of Relational Yoga.” Two years after McAfee Associates went public, he was bored again.

So he sold his remaining stake, bringing his gains to about \$100 million. In the coming years, he started new projects and made more investments. Almost inevitably, they paid off.

“History told me that you just keep working, and it is easy to make more money,” he said, sitting in the kitchen of his adobe-style house in the southwest corner of New Mexico. With low tax rates, he added, the rich could keep much of what they made.

One of the starkest patterns in the data on inequality is the extent to which the incomes of the very rich are tied to the stock market. They have risen

most rapidly during the biggest bull markets: in the 1920s and the 20 years starting in 1987.

“We are coming from an abnormal period where a tremendous amount of wealth was created largely by selling assets back and forth,” said Mohamed A. El-Erian, chief executive of Pimco, one of the country’s largest bond traders, and the former manager of Harvard’s endowment.

Some of this wealth was based on real economic gains, like those from the computer revolution. But much of it was not, Mr. El-Erian said. “You had wealth creation that could not be tied to the underlying economy,” he added, “and the benefits were very skewed: they went to the assets of the rich. It was financial engineering.”

But if the rich have done well in bubbles, they have taken enormous hits to their wealth during busts. A recent study by two Northwestern University economists found that the incomes of the affluent tend to fall more, in percentage terms, in recessions than the incomes of the middle class. The incomes of the very affluent – the top one ten-thousandth – fall the most.

Over the last several years, Mr. McAfee began to put a large chunk of his fortune into real estate, often in remote locations. He bought the house in New Mexico as a playground for himself and fellow aerotrekking, people who fly unlicensed, open-cockpit planes. On a 157-acre spread, he built a general store, a 35-seat movie theater and a cafe, and he bought vintage cars for his visitors to use.

He continued to invest in financial markets, sometimes borrowing money to increase the potential returns. He typically chose his investments based on suggestions from his financial advisers. One of their recommendations was to put millions of dollars into bonds tied to Lehman Brothers.

For a while, Mr. McAfee’s good run, like that of many of the American wealthy, seemed to continue. In the wake of the dot-com crash, stocks started rising again, while house prices just continued to rise. Outside’s Go magazine and National Geographic Adventure ran articles on his New Mexico property, leading to him to believe that “this was the hottest property on the planet,” he said.

But then things began to change.

In 2007, Mr. McAfee sold a 10,000-square-foot home in Colorado with a view of Pike's Peak. He had spent \$25 million to buy the property and build the house. He received \$5.7 million for it. When Lehman collapsed last fall, its bonds became virtually worthless. Mr. McAfee's stock investments cost him millions more.

One day, he realized, as he said, "Whoa, my cash is gone."

His remaining net worth of about \$4 million makes him vastly wealthier than most Americans, of course. But he has nonetheless found himself needing cash and desperately trying to reduce his monthly expenses.

He has sold a 10-passenger Cessna jet and now flies coach. This week his oceanfront estate in Hawaii sold for \$1.5 million, with only a handful of bidders at the auction. He plans to spend much of his time in Belize, in part because of more favorable taxes there.

Next week, his New Mexico property will be the subject of a no-floor auction, meaning that Mr. McAfee has promised to accept the top bid, no matter how low it is.

"I am trying to face up to the reality here that the auction may bring next to nothing," he said.

In the past, when his stock investments did poorly, he sold real estate and replenished his cash. This time, that has not been an option.

Stock Market Mystery

The possibility that the stock market will quickly recover from its collapse, as it did earlier this decade, is perhaps the biggest uncertainty about the financial condition of the wealthy. Since March, the Standard & Poor's 500-stock index has risen 49 percent.

Yet Wall Street still has a long way to go before reaching its previous peaks. The S.&P. 500 remains 35 percent below its 2007 high. Aggregate compensation for the financial sector fell 14 percent from 2007 to 2008, according

to the Securities Industry and Financial Markets Association – far less than profits or revenue fell, but a decline nonetheless.

“The difference this time,” predicted Byron R. Wein, a former chief investment strategist at Morgan Stanley, who started working on Wall Street in 1965, “is that the high-water mark that people reached in 2007 is not going to be exceeded for a very long time.”

Without a financial bubble, there will simply be less money available for Wall Street to pay itself or for corporate chief executives to pay themselves. Some companies – like Goldman Sachs and JPMorgan Chase, which face less competition now and have been helped by the government’s attempts to prop up credit markets – will still hand out enormous paychecks. Over all, though, there will be fewer such checks, analysts say. Roger Freeman, an analyst at Barclays Capital, said he thought that overall Wall Street compensation would, at most, increase moderately over the next couple of years.

Beyond the stock market, government policy may have the biggest effect on top incomes. Mr. Katz, the Harvard economist, argues that without policy changes, top incomes may indeed approach their old highs in the coming years. Historically, government policy, like the New Deal, has had more lasting effects on the rich than financial busts, he said.

One looming policy issue today is what steps Congress and the administration will take to re-regulate financial markets. A second issue is taxes.

In the three decades after World War II, when the incomes of the rich grew more slowly than those of the middle class, the top marginal rate ranged from 70 to 91 percent. Mr. Piketty, one of the economists who analyzed the I.R.S. data, argues that these high rates did not affect merely post-tax income. They also helped hold down the pretax incomes of the wealthy, he says, by giving them less incentive to make many millions of dollars.

Since 1980, tax rates on the affluent have fallen more than rates on any other group; this year, the top marginal rate is 35 percent. President Obama has proposed raising it to 39 percent and has said he would consider a surtax on families making more than \$1 million a year, which could push the top rate above 40 percent.

What any policy changes will mean for the nonwealthy remains unclear. There have certainly been periods when the rich, the middle class and the poor all have done well (like the late 1990s), as well as periods when all have done poorly (like the last year). For much of the 1950s, '60s and '70s, both the middle class and the wealthy received raises that outpaced inflation.

Yet there is also a reason to think that the incomes of the wealthy could potentially have a bigger impact on others than in the past: as a share of the economy, they are vastly larger than they once were.

In 2007, the top one ten-thousandth of households took home 6 percent of the nation's income, up from 0.9 percent in 1977. It was the highest such level since at least 1913, the first year for which the I.R.S. has data.

The top 1 percent of earners took home 23.5 percent of income, up from 9 percent three decades earlier.

171 Will the Hard-Core Starbucks Customer Pay More? The Chain Plans to Find Out

As the recession wears on and fewer people are splurging at Starbucks, the coffee chain's response is to raise prices. On Thursday, Starbucks stores in several cities started charging up to 30 cents more for some specialty beverages, though the company is charging less for some basic drinks.

The price adjustments will be made at stores nationwide in coming months.

The move comes as Starbucks toes a tricky line between remaining a premium brand while retaining price-sensitive customers who can buy cheaper coffee at other shops. This summer, Starbucks has been fending off competition from McDonald's, which has introduced a new line of lower-priced espresso drinks that have proved popular.

The price of sugary Starbucks concoctions with several ingredients, like Frappuccinos and caramel macchiatos, will increase an average 10 cents to

15 cents, but in some cases as much as 30 cents, or about 8 percent, said Valerie O'Neil, a Starbucks spokeswoman.

The price of the most popular beverages – 12-ounce lattes and brewed coffees – will decrease an average of 5 cents to 15 cents. This is the first time Starbucks has lowered prices, she said. It last increased the price of drinks by 5 cents in 2007.

“The goal of it is really to continue to find ways to balance the value we’re providing for our customers with the business responsibilities,” Ms. O’Neil said. In the three months ending June 28, sales at Starbucks stores open at least a year fell 5 percent from the same period the year before. Starbucks is also experimenting with other ways to make more money, like selling alcoholic beverages in a few stores in Seattle.

Starbucks is also trying to heighten its appeal with a redesign of some of its menus so they more prominently feature less expensive brewed coffee, and it is running a summer promotion for iced drinks.

Raising prices in the middle of a big downturn in consumer spending might not be such a crazy idea, said J. Miguel Villas-Boas, a marketing professor who studies pricing and consumer choice at the Haas School of Business of the University of California, Berkeley. Though it is paradoxical, it is a strategy premium companies often take, he said.

“Given that McDonald’s is capturing some of the consumers less interested in the premium that Starbucks offers, then the consumers left out for Starbucks are the consumers willing to pay more, so Starbucks says, ‘Let’s charge them,’ ” he said.

Connie Williams, 57, a saleswoman in Los Angeles, is one of those customers. She said the price changes would not affect her daily habit of buying a 12-ounce nonfat cappuccino “with a little shake of chocolate” at Starbucks. “I’m hooked,” she said. “It’s like asking a cocaine addict, ‘If I raise my prices, are you going to buy less?’ ”

But some customers said the price increase would make them turn away. Elise Walls, 24, a student in San Francisco, visits Starbucks nearly every day for a 20-ounce green ginger tea. On Thursday, she noticed it cost 5

cents more. “I was like, ‘Wait a minute,’ because it’s already expensive anyway,” she said. She plans to start buying boxes of tea bags and making it herself.

The sugary, creamy drinks that will now be more expensive at Starbucks are the same type of beverage that McDonald’s has been marketing in a huge advertising campaign.

Starbucks is safe raising the prices of specialty drinks because they are where the company best differentiates itself, said Kenneth Davids, editor of Coffee Review.

Mr. Davids recently published a taste test comparing espresso drinks at Starbucks and McDonald’s. The difference between standard lattes was subtle, he said, but “what surprised me was how dramatic the difference was when it got to the additives,” like syrup and whipped cream.

Starbucks customers get what they pay for, he said. “With McDonald’s, it was just terrible stuff that I don’t think anybody except maybe a 5-year-old might like.”

172 Obama Insists Health Plan Will Pass

President Obama said Thursday that he “would love to have more Republicans engaged” in the health care negotiations under way in Congress, but expressed doubt that a bipartisan compromise could be reached because he suspected the party’s leadership was intent on defeating his signature domestic priority.

“I think early on, a decision was made by the Republican leadership that said, ‘Look, let’s not give him a victory,’ ” Mr. Obama said, accusing his rivals of trying to reprise the efforts that went into derailing the Clinton health care agenda.

“There are some folks,” he added, “who are taking a page out of that playbook.”

But one lawmaker who participated Thursday night in a conference call among six Republican and Democratic senators trying to reach bipartisan agreement on a health care plan said the senators agreed to keep working together and asked staff members to focus on making health coverage more affordable while holding down medical costs.

“We are hanging in there,” said Senator Kent Conrad, Democrat of North Dakota, after the telephone conference of almost one hour and 40 minutes. “Is it easy? No. But I tell you, I have never seen a group with a greater sense of purpose than this group.”

As the president prepared to leave for vacation on Friday, he sought to allay concerns about his health care agenda from both sides of the political spectrum, hoping to clear up what he called “a lot of confusion.” He appeared on a conservative-leaning radio talk show and later rallied his own network of supporters in a coordinated White House effort to push forward on remaking the health care system.

“You know,” Mr. Obama said, “passing a big bill like this is always messy.”

The president did not entirely close the door to reaching a bipartisan deal, saying he was “happy to make sensible compromises.” But he added that Democrats would not “give up on the core principle that Americans who don’t have health insurance should get it.”

Mr. Obama’s comments came hours before six members of the Senate Finance Committee were to consult in a conference call on the state of their negotiations toward a bipartisan health care agreement. The leaders of the talks, Senator Max Baucus, Democrat of Montana and chairman of the panel, and the senior Republican, Senator Charles E. Grassley of Iowa, have professed some confidence this week that a deal could be struck, but the tone from Mr. Obama and other Democrats suggested skepticism.

As the bipartisan Finance Committee negotiators prepared to discuss a bill that almost certainly would not include a public insurance plan, Speaker Nancy Pelosi told reporters in San Francisco on Thursday that legislation without such a public plan could not win House approval.

Those involved in the Senate negotiations continued to express confidence that they could ultimately reach an agreement when Congress returned

next month, though they said any legislation produced would have to be scaled back from measures that have cleared other committees in the House and the Senate.

Mr. Obama talked by telephone with two of the negotiators, Mr. Conrad and Senator Olympia J. Snowe, Republican of Maine. Ms. Snowe is still seen by administration officials and Senate Democrats as a possible ally on the health care legislation, even if other Republicans are unwilling to back a bill.

Republican Congressional leaders disputed the president's characterization that they had worked in a coordinated effort to oppose the administration's health care agenda, saying they had legitimate questions about the cost and scope of the plan.

"Americans are rightly skeptical about the administration's approach to overhauling everyone's health care and about the more than \$1 trillion price tag," said Senator Mitch McConnell of Kentucky, the Republican leader. "And Americans are concerned about funding new government programs through massive cuts to Medicare and taxes on small business, which is not the bipartisan approach Americans expected."

Republicans aside, Mr. Obama had plenty to contend with in his own party.

The president took a handful of questions Thursday on the radio talk show, which originated from the White House and was hosted by Michael Smerconish of Philadelphia. Mr. Obama renewed his support for a public insurance option, seeking to quell the uproar among some Democrats that he was abandoning his position to make the plan more acceptable to moderates.

"The press got excited, and some folks on the left got a little excited," Mr. Obama said, referring to the news reports this week that the administration was leaning toward health care cooperatives as an alternative to a government-run program to compete with private insurers.

Still, the president added that the public option was merely "one choice of many choices," adding that no one should be "obligated to go into a public plan."

Asked by one caller what elements needed to be included in a health care plan, Mr. Obama listed four points: reducing the cost of health care, protecting consumers from insurance abuses, providing affordable coverage to uninsured Americans and not adding to the deficit.

Mr. Smerconish, who attracts conservative-leaning listeners, endorsed Mr. Obama's candidacy last year and moderated over a session of polite questions that belied the intense anger that had erupted over the airwaves this month. Mr. Obama said he had gone on the show to dispel myths that he said had overshadowed the debate, among them that the health plan would provide coverage to illegal immigrants.

One caller, who said that he had supported Mr. Obama and worked for his campaign, said he sensed that the president's "knees are buckling a little bit" on his pledge to overhaul the nation's health care system.

"I'm confident that we're going to get it done," Mr. Obama said.

Later, Mr. Obama spoke to a gathering of Organizing for America, the group of activists who supported his candidacy. Many members of the organization, along with other liberal groups, have accused him of wavering on his pledge to include a public insurance option as a central part of his health care plan, but no such concerns were expressed on Thursday as Mr. Obama delivered a pep talk to the group in a meeting at the Democratic National Committee that was broadcast on its Web site.

"The best offense against lies is the truth," said Mr. Obama, barely mentioning the discord in his own party as he urged his supporters to focus on the true opposition. "All we can do is just keep on pushing the truth."

173 The Daughter Deficit

In the late 1970s, a Ph.D. student named Monica Das Gupta was conducting anthropological²⁶ fieldwork in Haryana, a state in the north of India. She observed something striking about families there: parents had a fervent²²⁴ preference for male offspring. Women who had given birth to

only daughters were desperate for sons and would keep having children until they had one or two. Midwives were even paid less when a girl was born. “It’s something you notice coming from outside,” says Das Gupta, who today studies population and public health in the World Bank’s development research group. “It just leaps out at you.”

Das Gupta saw that educated, independent-minded women shared this prejudice in Haryana, a state that was one of India’s richest and most developed. In fact, the bias against girls was far more pronounced there than in the poorer region in the east of India where Das Gupta was from. She decided to study the issue in Punjab, then India’s richest state, which had a high rate of female literacy and a high average age of marriage. There too the prejudice for sons flourished. Along with Haryana, Punjab had the country’s highest percentage of so-called missing girls – those aborted, killed as newborns or dead in their first few years from neglect.

Here was a puzzle: Development seemed to have not only failed to help many Indian girls but to have made things worse.

It is rarely good to be female anywhere in the developing world today, but in India and China the situation is dire¹⁶⁴: in those countries, more than 1.5 million fewer girls are born each year than demographics would predict, and more girls die before they turn 5 than would be expected. (In China in 2007, there were 1.73 million births – and a million missing girls.) Millions more grow up stunted, physically and intellectually, because they are denied the health care and the education that their brothers receive.

Among policymakers, the conventional wisdom is that such selective brutality toward girls can be mitigated by two factors. One is development: surely the wealthier the home, the more educated the parents, the more plugged in to the modern economy, the more a family will invest in its girls. The other is focusing aid on women. The idea is that a mother who has more money, knowledge and authority in the family will direct her resources toward all her children’s health and education. She will fight for her girls.

Yet these strategies – though invaluable – underestimate the complexity of the situation in certain countries. To be sure, China and India are poor. But in both nations, girls are actually more likely to be missing in richer

areas than in poorer ones, and in cities than in rural areas. Having more money, a better education and (in India) belonging to a higher caste all raise the probability that a family will discriminate against its daughters. The bias against girls applies in some of the wealthiest and best-educated nations in the world, including, in recent years, South Korea, Taiwan and Singapore. It also holds among Indian immigrants in Britain and among Chinese, Indian and South Korean immigrants in the United States. In the last few years, the percentage of missing girls has been among the highest in the middle-income, high-education nations of the Caucasus: Armenia, Azerbaijan and Georgia.

Nor does a rise in a woman's autonomy or power in the family necessarily counteract prejudice against girls. Researchers at the International Food Policy Research Institute have found that while increasing women's decision-making power would reduce discrimination against girls in some parts of South Asia, it would make things worse in the north and west of India. "When women's power is increased," wrote Lisa C. Smith and Elizabeth M. Byron, "they use it to favor boys."

Why should this be? A clue lies in what Das Gupta uncovered in her research in Punjab in the 1980s. At the time, it was assumed that parents in certain societies simply did not value girls. And in important ways, this was true. But Das Gupta complicated this picture. She found that it was not true that all daughters were mistreated equally. A firstborn daughter was not typically subjected to inferior treatment; she was treated like her brothers. But a subsequent daughter born to an educated mother was 2.36 times as likely to die before her fifth birthday as her siblings were to die before theirs – mainly because she was less likely to see a doctor. It turned out that a kind of economic logic was at work: with a firstborn girl, families still had plenty of chances to have a boy; but with each additional girl, the pressure to have a son increased. The effect of birth order that Das Gupta discovered has now been confirmed in subsequent studies of missing girls.

What unites communities with historically high rates of discrimination against girls is a rigid patriarchal culture that makes having a son a financial and social necessity. When a daughter grows up and marries, she essentially becomes chattel⁹⁴ in her husband's parents' home and has very limited contact with her natal³⁶⁸ family. Even if she earns a good living, it will be of

no help to her own parents in their old age. So for parents, investing in a daughter is truly, in the Hindi expression, planting a seed in the neighbor's garden. Sons, by contrast, provide a kind of social security. A family with only daughters will also likely lose its land when the father dies: although women can legally inherit property, in areas of north India and China, they risk ostracism³⁸¹ or even murder if they claim what is theirs. And sons are particularly important to mothers, who acquire power and authority when they have married sons. Sons, according to Chinese custom, are also needed to care for the souls of dead ancestors.

What Das Gupta discovered is that wealthier and more educated women face this same imperative²⁸⁴ to have boys as uneducated poor women – but they have smaller families, thus increasing the felt urgency of each birth. In a family that expects to have seven children, the birth of a girl is a disappointment; in a family that anticipates only two or three children, it is a tragedy.

Thus development can worsen, not improve, traditional discrimination. This can happen in other ways too. With the access it brings to cutting-edge technology, development can also offer more sophisticated and easier options for exercising old-fashioned prejudice. In China and in the north and west of India, for instance, the spread of ultrasound technology, which can inform parents of the sex of their fetus, has turned a pool of missing girls into an ocean. The birth of girls has long been avoided through infanticide, which is still practiced often in China. But there are even more couples who would abort a pregnancy than would kill a newborn. Ultrasound has been advertised in India as “pay 5,000 rupees today and save 500,000 rupees tomorrow.” In both countries, it is illegal to inform parents of the sex of their fetus, and sex-selective abortion is banned. But it is practiced widely and rarely punished.

Finally, because higher education and income levels generate more resources, development offers new opportunities to discriminate against living girls. After all, if people are very poor, boys and girls are necessarily deprived equally – there is little to dole out to anyone. But as parents gain the tools to help their children survive and thrive (and indeed, all children do better as their parents' education and income levels advance), they allocate advantages like doctor visits to boys and firstborn girls, leaving subsequent daughters behind.

To be sure, development can eventually lead to more equal treatment for girls: South Korea's birth ratios are now approaching normality. But policymakers need to realize that this type of development works slowly and mainly indirectly, by softening a son-centered culture. The solution is not to abandon development or to stop providing, say, microcredit to women. But these efforts should be joined by an awareness of the unintended consequences of development and by efforts, aimed at parents, to weaken the cultural preference for sons.

The lesson here is subtle but critical: Development brings about immense and valuable cultural change – much of it swiftly – but it doesn't necessarily change all aspects of a culture at the same rate. (India and China have myriad laws outlawing discrimination against girls that are widely ignored. And how to explain the persistence of missing girls among Asian immigrants in America?) In the short and medium terms, the resulting clashes between modern capabilities and old prejudices can make some aspects of life worse before they make them better.

174 Bernanke, a Hero to His Own, Can't Shake Critics

Ben S. Bernanke, chairman of the Federal Reserve, no longer looks sleep-deprived.

He still works seven days a week, but earlier this month he took two days off – for the first time in two years – to attend his son's wedding. And he often gets home for dinner and even out to baseball games every few weeks.

As central bankers and economists from around the world gather on Thursday for the Fed's annual retreat in Jackson Hole, Wyo., most are likely to welcome Mr. Bernanke as a conquering hero. In Washington and on Wall Street, it would be a surprise if President Obama did not nominate Mr. Bernanke for a second term, even though he is a Republican and was appointed by President George W. Bush.

But the White House has remained silent. And despite Mr. Bernanke's credibility in financial circles, both he and the Fed as an institution have come under political fire from lawmakers in both parties over the handling of particular bailouts and the scope of the Fed's power.

He has been frustrated that many in Congress do not give the Fed what he believes is enough credit for what it has accomplished. Indeed, Mr. Bernanke has met privately with hundreds of lawmakers in recent months to explain the Fed's strategy.

Fellow economists, however, are heaping praise on Mr. Bernanke for his bold actions and steady hand in pulling the economy out of its worst crisis since the 1930s. Tossing⁵⁵⁶ out the Fed's standard playbook, Mr. Bernanke orchestrated a long list of colossal¹⁰⁹ rescue programs: Wall Street bailouts, shotgun weddings, emergency loan programs, vast amounts of newly printed money and the lowest interest rates in American history.

Even one of his harshest critics now praises him.

"He realized that the great recession could turn into the Great Depression 2.0, and he was very aggressive about taking the actions that needed to be taken," said Nouriel Roubini, chairman of Roubini Global Economics, who had long criticized Fed officials for ignoring the dangers of the housing bubble.

But Mr. Bernanke is hardly breathing easy. Unemployment is still at 9.4 percent, and the central bank's own forecasts assume that it will remain that high through the end of next year. Even if all goes according to plan, Fed officials said, Mr. Bernanke's current popularity could sink if the recovery proves slower than many people expect.

While the White House keeps mum about Mr. Bernanke's future, the leading Democratic candidates to replace him include Lawrence H. Summers, director of the National Economic Council; Janet L. Yellen, president of the Federal Reserve Bank of San Francisco; Alan S. Blinder, a Princeton economist and former Fed vice chairman; and Roger Ferguson, another former Fed vice chairman.

Mr. Bernanke faces two major challenges. On the economic front, the Fed has to decide when and how it will reverse all its emergency measures and

raise interest rates back to normal without either stalling the economy or igniting inflation.

On the political front, Mr. Bernanke is trying to defend the Fed's power and independence as the White House and Congress debate plans to overhaul the system of financial regulation.

Democrats like Senator Christopher J. Dodd of Connecticut, chairman of the Senate Banking Committee, contend that the Fed was too cozy with banks and Wall Street firms as the mortgage crisis was building. House Republicans, and some Democrats, complain that the Fed already has too much power.

"Why does the Fed deserve more authority when institutionally it seemed to have failed to prevent the current crisis?" asked Senator Dodd last month.

The political battle over President Obama's plan to overhaul financial regulation has put Mr. Bernanke in an awkward position.

Fed officials support the administration's proposals to put them in charge of systemic risk like the growth of reckless mortgage lending or the misuse of financial derivatives¹⁵⁸. But they chafe⁹³ at the plan to shift the Fed's consumer-protection functions, which protect people from deceptive and unfair lending practices, to a new agency.

Mr. Bernanke has avoided publicly criticizing the White House's call for an independent consumer regulatory agency. While acknowledging that the Federal Reserve did nothing to stop mortgage practices during the housing bubble, Mr. Bernanke has argued that the Fed has since written tough new protections for both mortgage borrowers and credit card customers.

"We think the Fed can play a constructive role in protecting consumers," he told the House Financial Services Committee last month.

Mr. Bernanke and other Fed officials now concede they failed to anticipate the full danger posed by the explosion of subprime mortgage lending. As recently as the spring of 2007, Mr. Bernanke still contended that the problems of the housing market were largely "contained" to subprime mortgages. When panic over mortgage-backed securities began spreading

through the broader credit markets in late July 2007, Fed officials initially refused to cut interest rates.

By December 2007, Mr. Bernanke became increasingly convinced that the economy itself was in trouble but policy makers were unable to reach agreement and decided not to reduce interest rates.

At a meeting on Jan. 21, 2008, the Fed slashed the benchmark federal funds rate by 0.75 percent, to 3.5 percent, the biggest one-time reduction in decades. Nine days later, officials cut the rate again, down to 3 percent.

As the credit crisis deepened, Mr. Bernanke urged Fed officials to devise proposals that had never been tried before. They responded with a kaleidoscope of emergency loan programs to a wide array of industries.

“He has had tremendous courage throughout this episode,” said Frederic S. Mishkin, a professor at Columbia University’s business school and a former Fed governor.

Amid the chaos, Fed and Treasury officials made numerous mistakes. Their original idea for the \$700 billion to buy up bad mortgage assets held by banks has yet to get off the ground.

But economists say Mr. Bernanke’s most important accomplishment was to create staggering⁵²⁴ amounts of money out of thin air.

All told, the Federal Reserve has expanded its balance sheet to \$1.9 trillion today, from about \$900 billion a year ago. Analysts now caution that Mr. Bernanke’s job is only half complete. He will eventually have to reel all that money back. He has already laid out elements of the Fed’s “exit strategy,” but Fed officials have been careful to say it is still too early to pull back any time soon.

175 Dude, You Are So (Not) Obama

Last week, if you wanted to use the latest slang to tell a friend he was cool, you could have called him “Obama,” as in: “Dude, you’re rocking the new Pre phone? You are so Obama.”

This week? Best not to risk it.

The sudden shift in meaning has nothing to do with the fortunes of the president, regardless of what the health care debate may do to his cool factor. The fault rests entirely with what has happened to the life span of slang, which seems to shorten with every click of the mouse.

“Obama” was one of the most noteworthy new entries in “U.C.L.A. Slang 6,” a recently released compendium of student colloquialisms.

And the word’s very inclusion in the dictionary signifies that its street cred has evaporated²⁰⁸.

“I think that word has completely left us,” said Pamela Munro, the U.C.L.A. professor who edited the latest edition of that dictionary, which is compiled once every four years.

What’s a hipster (hepcat?) to do? Keeping up with the latest slang is at once easier and harder than ever. The number of slang dictionaries is growing, both online and off, not to mention social networking media that invent and discard words, phrases and memes at the speed of broadband. The life of slang is now shorter than ever, say linguists, and what was once a reliable code for identifying members of an in-group or subculture is losing some of its magic.

The Internet “is robbing slang of a lot of its sociolinguistic exclusionary power,” said Robert A. Leonard, a linguistics professor at Hofstra in Hempstead, N.Y., whose slang credentials include being a founding member of the doo-wop group Sha Na Na, formed in the late 1960s. “If you are in a real inside group, you are manufacturing slang so that you can exclude the wannabes.”

And that becomes harder, he added, as the whole world has access to your language.

Part of the problem is that electronic media are making it too easy to compile dictionaries like “U.C.L.A. Slang 6.” While slang dictionaries have been around in one form or another since the 18th century, they now number more than a dozen in print, to say nothing of online resources like UrbanDictionary.com and slangsite.com that are updated hundreds of times daily.

“It used to be that the guys who did all the slang dictionaries would take years just to track it down,” said David Crystal, a linguist who has written more than 30 books. “Now, with the Internet, you just put something up on Facebook and say ‘send me in your slang terms,’ and in a few days you have hundreds of examples and the ability to check it out with other readers.”

Urban Dictionary, which is 10 years old, may be the ultimate example. It is a sprawling, chaotic collection of street talk, all of it user-submitted, giving everyone access to the meaning behind the coded lyrics of someone like Lil Wayne.

Slang is meant to be “something that keeps groups together and keeps people out,” said Aaron Peckham, who began the site when he was a freshman at California Polytechnic State University. But the slang on Urban Dictionary is “from every group you can imagine, so it’s helping people understand each other.”

In July, the Urban Dictionary attracted 15 million unique users and 1,000 new words a day, Mr. Peckham said.

But widespread understanding is the opposite of what slang is about. Indeed, it is accepted wisdom among linguists that once a word actually shows up in a slang dictionary, it effectively ceases to be slang.

What does that mean for language in the age of Urban Dictionary? Will it be the end of slang? Hardly, says Jonathon Green, author of “Chambers Slang Dictionary” and other books about neologisms. “I think slang is the salsa, the great hot sauce on our language,” he said. “I think apart from

losing its power, it keeps reproducing itself. There are now 2,500 words for 'drunk.' Soon there will be 3,500."

In the past, slang has proved resilient, if only because it recycles itself almost as quickly as it wears out. Mr. Green said that, when he was a hippie in England in the 1960s, "the language that we were using was in fact the language of 1930s black America, though very few of us were aware of this."

Back then, "it took 20, 30 years to cross the Atlantic," he said. "The difference now is it takes 20 to 30 hours."

Tracking a word's arc from hip to lame is notoriously difficult, especially because different social groups grab hold of different terms at different times. But Professor Leonard cites "pwned" (rhymes with owned) as a relatively recent invention that is already falling out of favor with the gaming crowd that coined it. "It comes from the mistyping of 'owned' on some computer game," as in "I just owned you," he said.

And the site Gawker recently tried without success to ban the phrase "I'm just sayin,'" which has become ubiquitous on blogs and Twitter as a way of defanging – disingenuously, perhaps – a potentially confrontational statement. In a sign of just how quickly such phrases are now being co-opted, CNN recently unveiled a segment called "Just Sayin,'" in which an anchorwoman offers a common-sense opinion about some curious cultural phenomenon, followed by the passive-aggressive catch phrase.

"These words that once might have marked you as a member of a certain group or social set, as soon as they get into circulation, they spread very quickly and lose their specialness," said Gabriel Snyder, Gawker's editor in chief.

Indeed, banning tired slang has become something of a regular feature on the site, a reaction to the rapid pace at which insider terms become worn out.

So is slang in danger of losing its cool? Not exactly, says Ms. Munro, the U.C.L.A. linguistics professor.

People who learn slang secondhand, she says, will tend to use it incorrectly.

"I feel that your grandmother would have a real hard time sounding like Lil Wayne," she said.

176 Tension Increases as China and Australia Grow Closer

China's diplomatic relationship with Australia, so recently flourishing despite occasional spats, this month has taken a severe turn toward the governmental equivalent¹⁹⁸ of thrown dinner plates.

Public exchanges between the nations, already testy after China's detention of four employees of the British-Australian mining giant Rio Tinto, grew sharper when Australia granted a visa to Rebiya Kadeer, the American-based rights advocate for China's Muslim Uighur minority. Ms. Kadeer was accused by Chinese officials of plotting riots last month in China's Xinjiang region.

The Australians recalled their Chinese ambassador to the capital, Canberra, for talks on Wednesday, after a week in which Beijing's state-controlled news media excoriated²¹³ Australia's "Sinophobic politicians" and suggested that China's billions were better spent trading with friendlier nations.

The Chinese also canceled planned visits by Vice Premier Li Keqiang, the heir apparent to Prime Minister Wen Jiabao, and the vice foreign minister, He Yafei, who was supposed to attend a meeting of Asian nations. Columnists in the Chinese press have also advocated limiting Chinese tourism in Australia and curbing the number of Chinese students studying there.

Australia's prime minister, Kevin Rudd, countered that the nations' relationship is always "full of challenges" and that their broader ties will endure. "We share enormous common interests with our friends in China, but we have continuous differences," he was quoted as saying.

Hardly all Australians are persuaded. "I really don't think there's anything that Australia can do," J. Bruce Jacobs, a China specialist at Monash University in Australia, said of the tiff. "The Chinese seem to have various people they like to pick on – the French, because of the Dalai Lama, and us, because of Kadeer. I think all of this is driven by political imperatives²⁸⁴ within China."

Mr. Jacobs was referring to China's decision to boycott a European Union summit meeting last December because the union's leader then, President Nicolas Sarkozy of France, planned to meet the Dalai Lama, the spiritual leader of Tibetans. The Chinese accuse the Dalai Lama of plotting to split Tibet from China.

In the latest case, China sought this month to keep Australia from granting Ms. Kadeer a visa to attend the screening of a film about her life, then tried to prevent her from making a speech to the National Press Club.

They were further examples of how Australians and Chinese have chafed at their inexorably growing ties. Trade between China and Australia has grown sevenfold this decade, making China Australia's largest trading partner. Chinese investment in Australia, while still small compared with its investment in the United States, is mushrooming.

But Australians worry that Chinese investment is directed at their vast natural resources, turning them into a sort of open-pit mine for Chinese interests.

Mr. Rudd, who is fluent in Mandarin and was once an Australian diplomat in Beijing, has advocated deeper cooperation with China in global economic forums and with President Obama.

Despite that, the relationship has foundered lately on two issues that frequently divide Beijing and the West: Chinese industrial policy and human rights.

Many Chinese expressed frustration this summer after the collapse of a deal for a state-owned company to acquire a 19 percent stake in Rio Tinto, a crucial supplier of iron ore to China's steel mills. Although economic factors stopped the deal, domestic suspicion of China's intentions toward an Australian corporate icon was an undercurrent in the talks.

Relations deteriorated further in July after China arrested four Rio Tinto employees involved in iron-ore sales on espionage charges, accusing them of stealing state secrets about ore pricing. The Chinese later decided to pursue only lesser charges, but outraged Australians – including Mr. Rudd –

warned that the prosecution would threaten China's commercial relations with the outside world.

In Beijing, one political analyst said Friday that the rift was unlikely to cause lasting damage to Chinese-Australian relations.

"The mainstream of the two countries' relationship remains stable and friendly, even though there are some kinds of problems," said the analyst, Su Hao, director of the Center for Strategic and Conflict Management at China Foreign Affairs University in Beijing. The current spats, he said, are "technical" issues.

177 Workers Return to Restive China Region

The first wave of workers has arrived in the annual migration to China's restive⁴⁶⁰ western region of Xinjiang this year to pick cotton, according to a report on Friday by Xinhua, the state news agency.

The workers are mostly ethnic Han and are the first large batch of migrant workers to make the journey to Xinjiang since deadly ethnic rioting broke out this summer.

The Xinhua report appeared intended to support the government's contention that harmony had been restored to the region and that migrant workers felt safe enough to travel there in large numbers.

On July 5, ethnic Uighur mobs went on a rampage through the streets of Urumqi, the capital of Xinjiang, after clashes erupted between Uighur protesters and riot police officers. At least 197 people were killed and 1,721 injured, most of them Han civilians, according to state news organizations.

The rioting was the deadliest outburst of ethnic violence in China in decades.

Uighurs interviewed in Urumqi said the government had underestimated the number of Uighur casualties⁸⁸, especially those victimized by vengeful Han mobs in the days afterward. The Uighurs are a Turkic-speaking people who mostly follow Sunni Islam. The Han are the dominant group across

China. In Xinjiang, the Uighurs are still the largest ethnic group, but an influx of Han migrants in recent decades is changing the demographic.

The Chinese government has blamed Rebiya Kadeer, a Uighur exile who lives in the Washington area, for the initial rioting. She has denied involvement. Uighurs in Urumqi said anger against the Han and the Han-dominated government had been simmering⁵⁰¹. The Uighurs say they feel intense discrimination in Xinjiang, and they often complain about the Han migrants who compete with Uighurs for jobs.

Many Uighurs question why companies in Xinjiang, including large government-run farms, employ so many Han migrants when there is a high unemployment rate among Uighurs.

The Xinhua report on Friday said most of the cotton pickers were women from the northwestern provinces of Gansu and Qinghai, the Ningxia Hui Autonomous Region and the central province of Henan.

A total of about 1,600 workers from Henan arrived at their work sites late Wednesday and early Thursday, Xinhua reported. In all, 100 trains full of workers will arrive in Xinjiang through mid-September.

Xinjiang, a vast territory that makes up one-sixth of China, is the largest cotton-producing region in the country.

The Xinjiang Production and Construction Corps, the state enterprise that runs the bingtuan, the vast farms set up in the 1950s and afterward by the People's Liberation Army to help populate the frontier region, reported a drop in the number of migrants going to Xinjiang after the July riots.

"In half a month after the violence, there was a huge shortage of tomato pickers," Wang Wei, a bingtuan official, told Xinhua. "Many migrant workers didn't dare to come here."

Another bingtuan official, Sun Zhiqiang, said the migrants earned the equivalent of nearly \$15 a day on average.

178 A Privileged World Begins to Give Up Its Secrets

About 10 years ago, when I was working in Frankfurt, Germany's banking capital, I was invited to the top floor of the glittering skyscraper headquarters of one of the country's most venerable⁵⁷⁷ banks. There, I was treated to something that, it was made clear to me, few eyes usually had the privilege of seeing – a tour of its private art collection, an impressive spattering of modern and ancient European and American masters.

The point was, those pictures reflected the bank's wealth. And the fact the secretive treasures were kept forever behind closed doors for the enjoyment of the privileged few reflected its power.

If that seems like a different era, it is. Banks around the world are reeling⁴⁴⁷, as we know; the European banks' losses are among the most ruinous⁴⁷⁸. And their prestige and putative⁴⁴¹ secrecy and independence received a further blow last week, when the government of Switzerland agreed to release to the United States the names of 4,450 American citizens suspected of using secret Swiss accounts at UBS, the country's biggest bank, for tax evasion²⁰⁹.

The victory for the United States was made possible by evidence from an American-born whistleblower – code name Tarantula – a disgruntled former UBS employee from the Boston area who was working in Switzerland. Until he left the bank, he was part of a UBS team that made frequent trips across the Atlantic to aggressively market investment strategies to rich Americans to elude¹⁸⁸ the scrutiny⁴⁹⁰ of the Internal Revenue Service.

But it would be wrong to see the settlement as a one-off strike against just one bank by a single government. It is in fact the result of a broader political moment created in the wake of the global financial crisis when disenchantment with financial globalization is causing governments to repatriate wealth back to within national borders, especially at a time when countries badly need to balance their books.

Just a few years ago, in the pre-crisis era, the shadowy workings of cross-border banking – and what may or may not have been happening there – were generally overlooked.

And, while some of the alleged tax evaders may be the war criminals, gun-runners or despots usually linked with secret foreign bank accounts, the target of the latest efforts are much more likely to include rich businessmen and high-net-worth individuals. “There is a political movement because of the financial debacle,” said one veteran European banker who insisted on speaking anonymously because he has retired. “They are turning toward the so-called rich and want to hurt them.”

Of course, the United States looks at it a bit differently. Prosecutors have contended that in the UBS case alone, wealthy Americans hid billions of dollars, thereby evading taxes of hundreds of millions of dollars a year.

While Switzerland is arguably the largest off-shore center, it is not the only one. Supporters of its banking secrecy code point out that the code is wrapped up in the country’s claims to neutrality³⁷⁰ and being above the global political fray. But secrecy has also turned out to be immensely lucrative; according to some estimates one-quarter of the world’s offshore money now resides in Switzerland.

Other countries or territories have copied the model – Liechtenstein, Bermuda, the Cayman Islands, Macao and Hong Kong among them. And while Switzerland is probably seen as the most conservative, blue chip, upstanding off-shore haven, the others are measured by a sliding scale of probity and association with dubious¹⁸² business practices, if not crime. The European banker said that in the early 1990s, following the fall of the Soviet Union, he worked in Switzerland where he said agents of Russian expats would show up with “boxes of cash” from Cyprus, a popular haven for capital fleeing the Russian authorities and the country’s post-collapse chaos.

The backlash against this illicit²⁷⁸ world has not been confined to the United States; it is apparent across Europe, too.

France will become of one of the first European countries to put in place a new tax treaty with Switzerland to improve transparency and access to banking information. Germany is in discussions with Liechtenstein over

issues related to tax evasion by German companies and individuals. Liechtenstein has also struck a disclosure agreement with Britain, encouraging British clients of Liechtenstein banks to volunteer information to British tax authorities in return for reduced penalties. In Italy, tax officials have started an investigation into whether the estate of the late Gianni Agnelli, the former chairman of Fiat, has money hidden away in Switzerland. In Britain, the government has become particularly exercised by tax competition – the offering of low tax rates and other advantages like tax secrecy to lure capital away.

In the Swiss settlement last week, the American authorities got the information they needed after they saw an opportunity in the weakness of UBS, a bank that once enjoyed a sterling⁵²⁷ global reputation but has suffered billions of dollars in losses linked to United States subprime securities and had to be saved by a big government bailout last October. For the Swiss government, the deal lifts the immediate threat of heftier legal action and frees the bank – one of the mainstays³³⁹ of the Swiss economy – to concentrate on recovery.

But will anything really change? Although the United States is supposed to learn the identities of a few thousand tax evaders, those names will go first to an intermediate tax administration in Switzerland for review. The actual process of recovering the names may become lost in bureaucracy and foot-dragging.

Moreover, as The Times reported last week, smaller Swiss banks say they are confident that they can continue to profit by finding new, more elaborate ways to protect the privacy of their clients. Those banks continue to help clients hide billions of dollars through complex structures in offshore havens.

But the I.R.S. commissioner, Doug Schulman, said the agreement with UBS was a “major step forward” in the government’s efforts to pierce bank secrecy, and he warned that “wealthy Americans who have hidden their money offshore will find themselves in a jam.”

In the new political climate, expect to see a few rich Americans shifting uncomfortably.

179 Asia's Recovery Highlights China's Ascendancy

In past global slowdowns, the United States invariably led the way out, followed by Europe and the rest of the world. But for the first time, the catalyst is coming from China and the rest of Asia, where resurgent⁴⁶² economies are helping the still-shaky West recover from the deepest recession since World War II.

Economists have long predicted that an increasingly powerful China would come to rival and eventually surpass the United States in economic influence. While the American economy is still more than three times the size of China's, the nascent³⁶⁷ global recovery suggests that this long-anticipated change could arrive sooner than had been expected.

Such a shift would have significant ramifications⁴⁴² for the United States and the rest of the West, even after the global economic recovery takes hold.

"The economic center of gravity has been shifting for some time, but this recession marks a turning point," said Neal Soss, chief economist for Credit Suisse in New York. "It's Asia that's lifting the world, rather than the U.S., and that's never happened before."

China's government-dominated, top-down economy is surging after Chinese banks doled out more than \$1 trillion in loans in the first half of the year, in addition to a nearly \$600 billion government stimulus program.

Though the benefits are manifest, some economists wonder whether China is laying the groundwork for sustainable growth or just increasing its export capacity despite more frugal²⁴⁴ spending habits on the part of Western consumers.

"The big question is what happens next," said Kenneth S. Rogoff, a professor of economics at Harvard. "If the consumer in the United States and Europe doesn't come back, I'm not sure Asia has a Plan B."

But robust demand among Chinese consumers and businesses is one reason oil prices have doubled to more than \$70 a barrel since bottoming out

early this year, and China is likely to keep buying American debt as Washington borrows heavily to finance its myriad³⁶⁶ stimulus and bailout plans.

The United States is also being shoved aside as the make-or-break customer for export-driven nations like Germany and Japan. China overtook the United States as Japan's leading trading partner in the first half of 2009, while in Europe manufacturers are looking east instead of west.

"What we're losing in the trans-Atlantic trade with the U.S., we are gaining in China," said Jens Nagel, head of the international department of the German Exporters Association.

In the near term, however, the United States should benefit from a resurgent Asia, as the American economy finally begins growing again, as expected in the second half of 2009.

"Vigorous rebounds overseas, particularly in East Asia, suggest that U.S. imports and exports will soon improve," Mr. Soss said.

Last week, Hewlett-Packard pointed to double-digit revenue growth in China as a rare bright spot in an otherwise lackluster earnings report. Meanwhile, overall American exports to China have already been picking up, rising to \$5.5 billion in June from \$4.1 billion in January.

"The numbers are volatile⁵⁸⁸, but the trend is clear," said Robert Brusca of FAO Economics in New York. "It's a big contrast with Japan, where U.S. exports are still dropping, but China is different."

Of course, other factors have played a significant role in helping the global economy begin to stabilize, including trillions of dollars in support from central banks for frozen credit markets, as well as bailouts and rescues of major financial institutions, insurers and automobile companies.

But as the engine for future demand growth shifts from the government back to the private sector, and Americans remain wary of returning to their free-spending ways, Asian consumption is expected to pick up at least some of the slack. And if China does slow, as some experts fear it could in the second half of 2009, the United States' effort to climb out of recession could be that much harder.

After the recession of 2001-2 and the slowdown in the early 1990s, the American economy served as the global locomotive, said Michael Saunders, head of European economics research for Citigroup.

Back then, he said, China and other Asian countries lacked huge cash reserves that could buttress⁸¹ them in the event of recession. But in the last decade, China has enjoyed huge trade surpluses with the West, and it holds \$2.13 trillion in foreign reserves, solidifying its position as a rapidly emerging economic power.

Citigroup recently increased its estimate for annual Chinese economic growth to 8.7 percent in 2009 from 8.2 percent, and to 9.8 percent next year from 8.8 percent.

While economists like Mr. Soss expect that growth to spill over to the United States shortly, the effect is already visible in Europe.

Indeed, after the French and German economies shocked most economists this month by turning in positive performances for the second quarter, the normally conservative Deutsche Bank released a report titled, "Eurozone Q2 GDP: Made in China?"

For now, the answer seems to be yes. "It's quite amazing, because usually Asia doesn't play such a big role in European exports or output," said Gilles Moec, senior European economist with Deutsche Bank in London.

French exports to China and other East Asian economies rose 18.7 percent in the second quarter, according to customs data, a sharp turnaround from the 16.2 percent drop recorded in the previous quarter. Overall exports to the region from the 16 countries that use the euro currency increased 6.3 percent in the second quarter, reversing a 6.2 percent drop in the first quarter, Mr. Moec said.

While Western European countries have been more timid about embarking on big spending programs because of their already mounting deficits, and European banks took huge hits on their holdings of subprime American debt, Beijing does not face either obstacle.

In the first half of 2009, Chinese banks lent a record \$1.1 trillion in new loans, setting off fears that the lending binge might create a bubble over the long term.

China's moves have also helped its neighbors increase industrial production sharply from recession lows. Since hitting a trough in late 2008 and early 2009, industrial production has jumped 28 percent in Korea and 26 percent in Taiwan. In July, American industrial production rose for the first time since December 2007, but it remains just half a percentage point above the bottom in June.

"Asia is still relatively small in the world, but it reflects how the world is changing, and economic power does translate, of course, into political power," said Simon Johnson, a former chief economist for the International Monetary Fund and now a senior fellow at the Peterson Institute for International Economics. "You can use it to win friends and influence people, as the Chinese are already doing in Africa and Latin America."

180 Nokia Plans to Start Making Netbooks

Nokia, the world's largest maker of mobile phones, said on Monday that it would make and sell its own netbook computers, expanding into the fastest-growing segment of the PC market.

The company, which is struggling to keep up with the iPhone from Apple and the BlackBerry from Research In Motion in the smartphone market, has not made a computer since the 1980s.

Like smartphones, netbooks are increasingly being used to access the Internet from outside the home.

"It is fair to say that Nokia had no choice but to do this," said Neil Mawston, an analyst at Strategy Analytics in London. "It's a high-growth, high-value segment that Nokia couldn't afford to ignore."

In the only details it has revealed, the company said that the Nokia Booklet 3G would run Microsoft Windows software and use an Intel Atom processor. The company said it would have a 10-inch screen and work on third-generation mobile and Wi-Fi networks.

Kai Oistamo, the executive vice president for devices at Nokia, said the company's decision was driven by consumer demand for practical, lightweight devices designed for mobile broadband.

"The Nokia Booklet 3G is a natural evolution for us," Mr. Oistamo said in a statement. "We will create something compelling."

Nokia said it would provide more details, like when it would begin selling netbooks and for how much, at an event in Stuttgart next week.

Netbooks, which first appeared on the market about 18 months ago, are expected to make up a third of the 46 million portable computers that will be sold this year in Western Europe, according to the International Data Corporation.

Western Europe is the biggest market for the devices, accounting for 70 percent of global sales, I.D.C. said.

The market in Western Europe is dominated by two Taiwanese manufacturers, Acer and Asus, which combine for 49 percent of sales. Samsung of South Korea and two American computer makers, Hewlett-Packard and Dell, combine to sell 32 percent.

Nokia, which has a 38 percent share of the global cellphone market, is hoping to exploit its distribution channels and longstanding relationships with mobile operators to sell netbooks.

But the telecommunications industry has had mixed results so far in trying to sell netbooks, mostly as a lure to win long-term customers for mobile data plans, said Eszter Morvay, an analyst for I.D.C. in London.

During the 2008 Christmas holiday season, operators in Britain, France and Italy bought far too many netbooks for use in their promotional efforts, Ms. Morvay said, and were unable to sell them during the holiday rush.

In Britain, netbooks that are not subsidized as part of any promotion are selling for as little as £150, or \$246, Ms. Morvay said. In Germany, they sell for less than 300 euros, or \$429.

“The netbook market is incredibly competitive,” Ms. Morvay said. “The handset and netbook markets are very different in all aspects. So far, the telco industry is still learning how to sell these.”

181 In Health Care Debate, Bioethicist Becomes a Lightning Rod for Criticism

Few people hold a more uncomfortable place at the health care debate’s intersection between nuanced policy and cable-ready political rhetoric than President Obama’s special health care adviser, Dr. Ezekiel J. Emanuel.

Largely quoting his past writings out of context this summer, Betsy McCaughey, a former lieutenant governor of New York, labeled Dr. Emanuel a “deadly doctor” who believes health care should be “reserved for the nondisabled” – a false assertion that Representative Michele Bachmann, Republican of Minnesota, repeated on the House floor.

Former Gov. Sarah Palin of Alaska has asserted that Dr. Emanuel’s “Orwellian” approach to health care would “refuse to allocate medical resources to the elderly, the infirm and the disabled who have less economic potential,” accusations similarly made by the political provocateur Lyndon H. LaRouche Jr.

In fact, Dr. Emanuel has written more than a million words on health care, some of which form the philosophical underpinnings of the Obama administration plan and some of which have enough free-market elements to win grudging respect from some conservative opponents.

The debate over Dr. Emanuel shows how subtle philosophical arguments that have long bedeviled bioethicists are being condensed, oversimplified and distorted in the griddle-hot health care debate. His writings grapple²⁶¹ with some of the most complex issues of medical ethics, like who should

get the kidney transplant, the younger patient or the one who is older and sicker?

Perhaps it should come as no surprise that Dr. Emanuel, an oncologist, has come to personify the most intense attacks on the president's plan.

He is the older brother of the White House chief of staff, Rahm Emanuel, and the Hollywood superagent Ari Emanuel. As a leading bioethicist at Harvard and at the National Institutes of Health, Dr. Emanuel had a reputation for pushing limits while exploring uncomfortable life-and-death issues in starkly academic terms.

The level of vitriol against him has led even some conservative opponents to defend Dr. Emanuel while expressing concern that it is overtaking what they say are more vital real-world critiques.

"He is a serious oncologist and bioethicist, so the kinds of charges that have been raised against him are particularly inappropriate," said Gail R. Wilensky, a Republican and senior White House health care adviser under the first President George Bush who criticizes Mr. Obama's plan as being too reliant on the federal government.

Given Dr. Emanuel's well-publicized repudiations of doctor-assisted suicide and voluntary euthanasia, and his calls for a national health insurance voucher system that would eventually eliminate Medicare, Medicaid and employer-provided insurance – nonstarters at the White House – Dr. Emanuel says he is perplexed by depictions of him as a socialist euthanasia proponent.

"You can only call me someone who's interested in euthanizing patients and denying care to patients by willful distortion of my record," he said in an interview.

Dr. Emanuel rose to prominence in the late 1980s with a popular standardized medical directive that made it easier for terminally ill patients to share their wishes with doctors before becoming too sick to speak for themselves.

Concerned with the hard questions that arise without such directives, Dr. Emanuel included in his 1991 book, "The Ends of Human Life" (Harvard University

Press), a critique of a court ruling upholding a family's request to end treatment for a dying, mentally incapacitated daughter. He argued that the ruling, in the case of Karen Ann Quinlan, did not provide an adequate ethical framework for such a weighty decision in the absence of a patient's stated wishes.

In a 1997 article in *The Atlantic*, he argued against doctor-assisted suicide and euthanasia, warning it would "become the rule in the context of demographic and budgetary pressures," and "would make us want to extend the option to others who, in society's view, are suffering and leading purposeless lives" – concerns reflecting the exact opposite of the views his critics now ascribe to him.

Peter R. Orszag, the president's budget director, said in an interview that he had hired Dr. Emanuel on his own merits, as opposed to his brother's advice, after he offered to help with health care policy. Mr. Orszag said he was not surprised that Dr. Emanuel's writings had drawn scrutiny.

"You can look at anyone who has written tons of stuff and play the same game," he said.

Ms. McCaughey seemed to have evidence for her conclusion that "he explicitly defends discrimination against older patients" in a recent *New York Post* opinion article. She quoted from a paper he co-wrote for *Lancet* in January: "Even if 25-year-olds receive priority over 65-year-olds, everyone who is 65 years now was previously 25."

But she did not report that the paper was addressing the allocation of "very scarce resources" like kidneys or vaccines, not the system in general.

Dr. Emanuel's argument – that young adults should take priority in vying for limited health resources because they will get more years of life from them – is a fairly mainstream if unpleasant approach to a problem with only bad choices, ethicists and doctors of varying persuasions say.

"These kinds of dilemmas go on every day in clinical practice," said Dr. Scott Gottlieb, a physician and scholar at the American Enterprise Institute, a conservative research group. "There's a very big leap to say his contemplations about how doctors contend with these issues extends to saying he believes government should take on these issues."

Dr. Gottlieb opposes the administration's proposals, calling them too prescriptive, too expensive, and too open to eventual increased rationing.

In a brief interview, Ms. McCaughey said that either way, because of its Medicare cost cuts, "the president's proposal will force hospitals to operate with scarce resources."

The administration disputes that assertion.

Ms. McCaughey, Ms. Palin and others have based accusations that Dr. Emanuel would direct treatment away from the disabled on a 1996 paper he wrote for the Hastings Center bioethics institute.

In it, Dr. Emanuel did not assert that "medical care should be reserved for the nondisabled, " as the critics have said.

The paper laid out what he called a growing consensus among competing political philosophies about how a society should allocate health care services. In clinical terms, he said that consensus held that those who "are irreversibly prevented from being or becoming participating citizens" should not be guaranteed the same level of treatment as others.

He cited as an example, "not guaranteeing health services to patients with dementia."

Dr. Emanuel said he was simply describing a consensus held by others, not himself.

But even some colleagues said in interviews that the paper did not go far enough in repudiating the view.

"He doesn't ever endorse it, nor does he explicitly distance himself from it," said Thomas H. Murray, president of the Hastings Center. But, Mr. Murray added, "anyone who would attribute this isolated sentence to his convictions, it's just unfair."

Dr. Emanuel said he understood some of the criticisms.

"Maybe if I had been a smarter, more careful thinker about how people could interpret it, I would have qualified it and condemned it more robustly," he said. "In my 1.2, 1.3 million written words, you can't find another sentence that even comes close to advocating that in my voice. When I advocate, I'm not shy."

182 Airlines Are Sweetening Frequent-Flier Programs

After years of shrinking benefits and increasing fees, frequent-flier programs are courting their most loyal customers again.

In recent weeks, American Airlines introduced new awards for one-way flights; United dropped its \$75 to \$100 fees for booking an award within three weeks of travel; and Delta Air Lines made it easier for elite frequent fliers to retain their V.I.P. status.

Carriers have also been dangling mileage offers, including double-mile promotions, and have even resurrected bonuses for booking online.

Those who follow the programs describe the changes as a slight shift in a more consumer-friendly direction, giving customers more ways to earn and redeem miles.

“What we’re seeing is a bit of a resurgence⁴⁶¹ on the airlines’ part in focusing on their frequent-flier programs,” said Tim Winship, who tracks loyalty programs for SmarterTravel.com. But he added that the issue members care about most – being able to use their miles for free tickets – remains a challenge, especially with planes flying nearly full.

“I think award availability remains the elephant in the room,” he said. “The travel slump has not resulted in any increase in award availability, and in fact, if anything my sense is that people are having a more difficult time now.”

That assessment, while hotly debated on travel Web sites, is difficult to confirm.

Randy Petersen, founder of the frequent-flier hubs InsideFlyer.com and FlyerTalk.com, said 2008 was a record year for award redemption, which he attributed to travelers using miles for more mundane trips, like visits to relatives in less exotic locales.

“In a good economy, everyone wants to use their miles to go to Hawaii, London or San Francisco,” he said. “But when the recession hit, award redemption really started to spread out because people were using their miles not as much for vacation as necessary travel.”

Another factor spurring award redemption, Mr. Petersen said, has been the shift to “dynamic pricing.” If a seat that requires 25,000 miles is available for the outbound leg of a trip, but there is only a 50,000-mile seat on the return, many airlines now offer the itinerary for an amount in between – say, 37,500 miles – rather than charging the higher price for the entire trip.

In a similar vein, the new one-way award from American Airlines lets members book a flight after as little as 12,500 miles, a good option for students returning to college or snowbirds heading south for the winter.

There have also been changes in financial regulations that require airlines to account for unused frequent-flier miles as a liability, which has motivated carriers to make awards easier to redeem.

“There really is an incentive now for the airlines to get all of their miles redeemed because it’s expensive for them to carry them as a liability,” Mr. Petersen said.

Even so, he acknowledged that as travelers prioritize low-priced tickets over flying with a preferred airline, carriers need to work harder to earn loyalty, especially among their elite fliers.

Delta Airlines, for example, recently announced new benefits for its elite SkyMiles members, which take effect in 2010.

Among the more significant changes, Delta added a “diamond” tier to its existing levels of Medallion membership (silver, gold and platinum) – all referred to as having elite status, which comes with benefits like free upgrades and fee waivers.

Paul R. Skrbec, a Delta spokesman, said adding a fourth tier encouraged Medallion members to stay with Delta, rather than switch to another carrier after obtaining platinum status. The higher the tier, the better the benefits. For example, a diamond member will get a 125 percent mileage bonus versus a 100 percent bonus for platinum elites.

Seth Miller, a freelance technology consultant in Manhattan, is one of the elite frequent fliers airlines have been courting, having maintained top-tier platinum status in Continental's OnePass program for 10 years.

"The legacy airlines especially are doing as much as they can to generate loyalty, and these days that means crazy bonuses – double miles for this, triple miles for that, miles are being given out like candy on Halloween," Mr. Miller said.

"It's great now," he added, but he worries that the airlines' largess could have a downside. "The question is, what happens when everyone tries to take advantage of all these benefits that are being handed out now? I've got elite status, but am I going to be able to get upgrades or will everybody else have status, too?"

Another question is whether nonelite frequent fliers have dropped off the radar as airlines focus on their biggest spenders – a message that average consumers may be responding to by shifting their loyalty to other rewards programs, like those offered on credit cards.

A research company that tracks loyalty programs found that membership in credit card reward programs surpassed membership in frequent-flier programs for the first time in 2009.

According to Colloquy, the company that conducted the research, the average household in the United States is signed up for 14 loyalty programs, ranging from grocery stores and gas stations to airlines and hotels, but actively participates in only six.

The recession has diminished participation in multiple travel programs, said Kelly Hlavinka, a partner at Colloquy. She said this could bring about a return to the original premise of loyalty rewards: to cement a relationship with just one airline or hotel.

"Savvy travelers may be saying, 'I may not be able to spread my business out to two or three airlines, but I can consolidate my travel with one company,' " Ms. Hlavinka said. "The real opportunity for airlines is to try to keep that business with their airline."

183 Tucked Away in Shanghai, Hidden Lives

For the last couple of months I have spent the first part of each day either teaching at a Chinese university or writing.

Nearly every afternoon, though, in what has distinctly felt like the start of a new day, I have set off with camera in hand by motorcycle and subway to some of the fast-disappearing old neighborhoods of this city, to knock on the doors of hundreds of ordinary, working-class people.

These encounters with strangers have plunged me deep into a world experienced by few foreigners, and indeed, one might venture, few Chinese – particularly those of the middle class.

Through the time spent in the cramped, dimly lit homes of my subjects – people whose portraits I’ve taken for a long-term photographic project about the city’s oldest neighborhoods – I may have learned as much about Shanghai and about China as I did in five busy years as a correspondent here.

Typically, I enter their world by climbing up a rickety, twisting wooden staircase, ducking to avoid bumping my head in the near-total darkness. This experience, eerie at first, but now utterly familiar, has come to feel appropriate for a photographic adventure, like the adjustment of one’s eyes, and perspective, upon entry into a darkroom.

My subjects come fresh to the experience, so it has been unexpected and unquestionably strange for each of them, at least initially. Once they have overcome their surprise at the sight of a very tall, camera-bearing, Chinese-speaking foreigner in the sanctum⁴⁸² of their tiny homes, the most common question has been: What could possibly be interesting about a place like this?

The answer is: plenty.

The demographics of this city, said to have the oldest population in a country that has begun to age rapidly, has come to life before my eyes. I had not expected to find so much evidence of China’s thriving quasi-underground

religious culture here. In house after house, I found people worshipping privately as Christians or Buddhists. Asked how she had come to the church, a woman who had been sent to the countryside as a youth in the Cultural Revolution told me she had been converted by her neighbors. “Everyone in this building believes in Christ,” she said.

We are ever more accustomed to dazzling images of China, the fast-rising nation that may soon surpass the United States and lead the world, according to one increasingly widespread trope. Those who know a bit about the country will be aware that there are still many hundreds of millions of people in the countryside who have not yet found a spot on China’s economic escalator²⁰¹.

Even in China’s richest city, huge numbers of people eke out a very modest existence. To be sure, these are very often migrants from provinces like Anhui or Jiangsu, or even further afield. But more than most Chinese would suspect – particularly the proud, newly affluent generations of Shanghai people who look at my photographs and sniff “wai di ren,” or “outsiders” – a great many of the denizens of the city’s dilapidated but character-rich old quarters are natives.

Much has been written lately about growing social inequality in China. The country’s social divisions, however, are much more complicated than statistics suggest, involving lots of fine-grained, identity-based prejudices.

I think, for example, of the poor and jobless Shanghainese parents in the old garment district who told me of their eagerness to be relocated across the river to Pudong, where the environment would be better, in part they said, because there would be fewer of the “wai di” people, whom they dismissed as having “no culture.”

Others pessimistically dismissed the likelihood that China’s increasing prosperity would continue to lift all boats. “I’m frightened for my son’s future,” said a migrant from Henan. “China’s biggest problem is the population. There are just too many of us, and the competition for opportunity is murderous.”

Inevitably, the theme of relocation comes up often in encounters like these, given the frantic pace of redevelopment. Some people are pleased with

the take-it-or-leave-it buyout arrangements the government has offered to pave the way for the construction of high-rises; others respond with fatalism. “If the country needs this land, what can I do?” said one elderly man.

A great many people spoke bitterly and with surprising candor⁸⁴, though, about what they see as a crisis of social justice. Here, I think of the 75-year-old owner of a tiny barbershop whose neighborhood came down before my eyes this summer.

“What they are doing here is simply unfair,” he said, telling me how thugs had been dispatched to beat up residents who refused to quietly make way for the demolition. “There is no rule of law. The ‘lao bai xing’ have no rights at all.” That old phrase, meaning the nameless masses, never seemed more appropriate.

Others told me the stories of corrupt local officials, whom they said offered higher compensation for relocated people who were willing to pay bribes. These anecdotes took on special potency in a summer where a nearly completed apartment building fell on its side, killing a worker and setting off lurid rumors of government corruption.

I learned that large numbers of Chinese understand and value democratic ideals and yearn for them to be applied here. “We may have gotten richer, but our politics have not really evolved since imperial times,” said one elderly man. “Chinese people want democracy as much as anyone else, and one day we will have it.”

184 China Approves Law Governing Armed Police Force

Senior members of China’s legislature approved a law on Thursday detailing the authority of the People’s Armed Police, a large paramilitary force that was criticized in some quarters as slow to respond to the riots in the western Xinjiang region last month, in which nearly 200 people died.

The new law appears to address those concerns by clarifying how and when the troops may be deployed.

The law is the first to explicitly govern the force, whose members serve as border guards, security guards for government officials, firefighters and relief workers during disasters but who are best known outside China for their role in suppressing political and social unrest.

The troops will have authority in “handling rebellion, riots, large-scale serious criminal violence, terror attacks and other social safety incidents,” according to a summary of the law published by the state-run Xinhua news agency before the measure was approved.

The legislation also apparently removes the authority of county-level local officials to summon the force to handle disorders. Chinese citizens have complained that the armed police are sometimes enlisted by low-level government officials to abusively bolster their powers, sometimes with excessive force.

Estimates of the size of the People’s Armed Police have ranged as high as 1.5 million troops, but the government said the number in 2006 was 660,000. Once seen as corrupt and ill trained, the armed police have become more professional in recent years. But they sometimes are regarded as unaccountable, and human rights advocates have accused the troops of brutality and insensitivity to the law in handling civil disorders.

The troops’ contact with average Chinese citizens has grown in recent years as China’s economic transformation – and dislocation – has led to an increasing number of spontaneous street protests.

President Hu Jintao, in Xinjiang on Tuesday, told armed police troops there that ensuring social stability was “the most urgent task” they faced.

Wang Yukai, a professor at China’s National School of Administration, said in an interview on Thursday that stripping local officials of the authority to summon the police was perhaps the most important provision of the new legislation.

“This is to prevent the misuse of the armed police by local governments, to prevent the deaths of innocent people,” he said.

Conflict is inevitable given China's rapid changes, Mr. Wang said, but "sometimes it is counterproductive to use force."

"I think the government understands this and does not want to see it happen," he added.

185 China's Press: Still Not Free, but More Free-wheeling

Modern Weekly is about as hip as it gets in China, and about as successful as it gets in this country's small universe of independent magazines. It comes in a glossy, large format with slick graphics, lots of short quotes and pictures and some sophisticated reporting in separate sections – news, business, lifestyle and culture – including a good deal of news, business, lifestyle and culture in countries other than China.

The flagship publication of Shao Zhong, the People's Republic of China's first private media entrepreneur, the magazine has a circulation of 700,000, relatively still small given the country's population of 1.3 billion, but it is nonetheless a trend-setter in this country, where the media in general are still heavily censored and controlled.

"We give our readers an amazing amount of information," Mr. Shao said during a recent conversation in his Beijing office. "We tell them a lot about what's going on in the world, and in these areas there's a lot of space."

What Mr. Shao, who uses the English name Thomas, meant by a lot of space is political space, room for reporters to roam. He was responding to the inevitable question from a foreign journalist about what restrictions he has to accept in order to run a successful magazine empire in China. He wouldn't, he was asked, be doing much reporting on Tibet or on violations of human rights in China, would he?

"I tend to stay away from topics like that," Mr. Shao said.

Of course he does, and he has to. It's the bargain that Chinese journalism has to make to survive in this country, where everybody knows what can

and can't be reported. When a couple of weeks ago, for example, China's public security bureau arrested Xu Zhiyong, an activist lawyer and founder of the Open Constitution Initiative, which advocates the rule of law in China, the news was widely reported abroad, but blacked out in China itself. (Although Mr. Xu was released on bail on Sunday, he is still expected to face charges of tax evasion.)

Similarly, there's very little reporting on the situation in the western region of Xinjiang, scene of last month's ethnic riots, except for dutiful repetition of the government's position and denunciations of Rebiya Kadeer, the exiled Uighur leader whom China blames for the disturbances. Chinese readers are likely to find in their own press more about the private life of Barack Obama than about their own president, Hu Jintao, because reporting is pretty free on Mr. Obama yet tightly regulated on Mr. Hu.

In a recent issue of Mr. Shao's Modern Weekly, there was a two-page spread on what the magazine called "India's Secret Submarine," all by way of reporting on India's naval development over the past decade or so. It is out of the question of course that Modern Weekly would carry out an unauthorized examination of China's naval development, which would be deemed a state secret.

As everybody knows, the press is not free in China. Yet there's no question that things are changing, and Modern Weekly illustrates the emergence of a press that, certainly, is at least more freewheeling than ever before in China, and separate from the government.

"Rarely will you find a successful magazine these days that's completely run by the government," Mr. Shao said.

Mr. Shao, 48, is tall, lean, and casual. He started out in his native town of Guangzhou in China's south, where he put in a few years in city government, as a member of the Guangzhou City Development and Planning Commission.

Around 1990, he said, he began, thanks to China's opening to the outside world, to see a lot of foreign magazines, and he contrasted them unfavorably to those being published in China, which, he said, were "ugly."

He got some very specific inspiration from a book, “Seventy Years of Time Magazine” that chronicled how Time’s founder, Henry Luce, built his magazine publishing empire, a story that inspired Mr. Shao to strive to be a sort of Chinese Luce – ironic, given Luce’s famous animosity²⁴ to China’s Communists.

Mr. Shao liked the way Luce’s magazines combined pictures and texts and divided coverage into sections – similar to the sections that Mr. Shao publishes in Modern Weekly.

But in China, anyone who wants to publish a magazine has to find a partner with a publishing license, and that means a state-owned newspaper or magazine, which, essentially furnishes legal cover, making no investment, taking no risk, and doing no work.

“There have been a lot of difficulties,” Mr. Shao said. “I’ve failed in some startups and lost some partners, that sort of thing. You have to collaborate with a license holder, and when you’re successful, they just take you over.”

Mr. Shao’s first partner for his first weekly startup was the Guangdong Daily, which, after a while, took control of that magazine, showing Mr. Shao to the door.

“When that happens, there’s nothing you can do,” he said. “You can’t sue the guy. You just have to start over.”

That’s what Mr. Shao has done, clearly with success. His company, Modern Media Group, now publishes 10 magazines, with 10 different official license partners; it has a staff of 700 employees and offices all around China. His Beijing office, where I met him, is sleekly modern, like his magazines, and is adorned with large contemporary paintings of the sort being sold for millions of dollars at Sotheby’s these days.

If Mr. Shao feels frustrated by the restrictions still placed on journalists in China, he doesn’t show it.

He seems happy to be able to be private entrepreneur with enough scope to publish magazines that he feels are useful, and perhaps that’s the broader compromise made in China today – you can operate freely in lots of areas,

as long as you agree to stay out of the areas that the authorities have fenced off.

“Nobody tells you what to do,” Mr. Shao said. “There are no rules. You have to feel your way around with content and not send up any red flags, so we concentrate on international news and also lifestyle and trends, which have much less to do with government.”

It’s a useful thing to do, Mr. Shao feels as well as a profitable one.

“We put our readers in step with what’s going on in the world,” he said.

186 Hey, PC, Who Taught You to Fight Back?

Sean Siler would never be mistaken for a movie star. A former Navy officer who wears glasses and is a tad on the heavy side, Mr. Siler works at Microsoft, where he oversees the Windows division’s adoption of new Internet connectivity software called IPv6.

But there were audible gasps²⁵¹ last summer when Mr. Siler, 39, auditioned for Microsoft’s new ad campaign for Windows, created by Crispin Porter & Bogusky, the Miami agency best known for its cheeky⁹⁵ work for Mini Cooper and Burger King.

“I was like, ‘Are you kidding?’ ” recalls Rob Reilly, one of the agency’s executive creative directors. “It couldn’t have been more perfect.”

Everybody agreed that Mr. Siler looked exactly like PC, the character played by the comedian John Hodgman in Apple’s popular “Get a Mac” ads that lampoon³¹⁸ Windows-based computers and those who love them. Two weeks later, Mr. Siler reported to a nearby television studio. The agency dressed him in PC’s dorky uniform – white shirt, baggy khakis, brown sport coat and matching brown tie – and handed him a script with the lines: “I’m a PC. And I’ve been made into a stereotype.”

Mr. Siler joined a parade of environmentalists, budget-conscious laptop shoppers, mixed martial arts fighters, mash-up DJs and remarkably tech-savvy preschoolers who appear in Microsoft's new campaign, which is intended to show that real Windows users aren't all clueless drones¹⁸¹.

For Mr. Siler, the experience was almost like being a geeky incarnation²⁸⁷ of Brad Pitt. His e-mail address was on the screen, and he received 4,000 messages from viewers – some from grateful parents whose children had wanted expensive Macs over PCs and now had second thoughts.

Crispin put up a video on YouTube in which Mr. Siler discussed his role in the campaign; it was viewed more than 702,000 times. At work, he was constantly interrupted by his fellow Microsoft employees. "For a couple of weeks," Mr. Siler recalls, "I had people coming by my office and saying: 'Hey, you are the PC guy, aren't you? That's so cool!' "

His mother wasn't so sure. "You look so horrible," she told him. "You don't look anything like that man. Why did they make you look so bad?"

Somebody better explain to Mr. Siler's mother that this isn't a beauty contest; it's an ad war, one destined to go down in history with the cola wars of the 1980s and '90s and the Hertz-Avis feud of the 1960s. According to TNS Media Intelligence, Apple spent \$264 million on television ads last year, 71 percent more than Microsoft. In the first six months of 2009, however, Microsoft responded with \$163 million worth of commercials, more than twice Apple's spending.

Surprisingly, Microsoft, which has never been known for running cool ads, has landed some punches. Shortly after the Microsoft campaign started, Apple unleashed commercials that mocked its competitor as spending money on advertising when it should have been fixing Vista, its much-maligned operating system.

"It got Apple's attention, didn't it?" says Robert X. Cringely, host of PBS's NerdTV.

FOR years, Microsoft was the stodgy market leader. It sold 90 percent of the world's operating system software, and generally left the advertising to Dell, H.P. and other hardware makers who licensed Windows. The only

time Microsoft hawked its most recognizable brand on television was when the latest version of the software hit the shelves. Then the company flooded the airwaves with commercials full of loud music and swirling imagery saying that the new version of Windows is out – and that it’s awesome!

Apple is the classic smaller insurgent. Its share for desktops and laptops in the United States is just over 8 percent. Every time Apple grabs another point of market share from Microsoft’s partners, its stock price climbs. And one way that Apple has tried to gain share is by running clever ads that ridicule everything Microsoft stands for.

There’s no better example than “Get a Mac,” unveiled three years ago by Apple’s longtime ad agency, TBWA/Chiat/Day. No technology company would choose Mr. Hodgman’s character, PC, to personify its brand. He reeks of the past. He boasts of using his desktop to make spreadsheets and ridicules his more youthful friend, Mac, played by the actor Justin Long, for using his desktop for “juvenile” pursuits like blogging and movie making – even though it’s clear that PC would like to be in on the fun. He just can’t get his Windows computer to do his bidding.

Like a classic sitcom character – think Ralph Kramden of “The Honeymooners” – PC is always dreaming up ill-advised schemes intended to show his superiority. He’s thwarted by viruses, system crashes and other problems more associated with Windows-based computers than Apple’s products – and, recently, he has become a hapless apologist for Vista. Mr. Long’s character smugly watches his friend’s pratfalls, glancing at the audience with raised eyebrows as if to say, “If only this poor guy would buy a Mac…”

PC will never learn. Not as long as he keeps driving sales for Apple. Since 2006, the year that he first appeared in all his pasty-faced glory, Apple’s share of the computer desktop market in the United States has more than doubled, according to IDC, the technology industry research firm. Its stock price, meanwhile, has risen 142 percent since May 2006, while Microsoft’s has barely budged. Yes, the astonishing success of newer Apple products like the iPod and the iPhone has helped. But the PC character should also take a bow. (Representatives of Apple and TBWA/Chiat/Day declined to be interviewed for this article.)

Apple's ads put Microsoft in a bind. One of Madison Avenue's rules is that a market leader never acknowledges a smaller competitor in its advertising. What's more, if Microsoft responded with ads that backfired, it would look just like Mr. Hodgman's character. Maybe it was better to grin and bear it.

Then, last year, Microsoft hired Crispin Porter and struck back with uncharacteristic wit. There was Mr. Siler's star turn. The agency also handed bunches of cash to shoppers and asked them to choose between a PC and a Mac. Lauren, a 20-something in one of the "Laptop Hunter" spots, is giddy²⁵³ about the money she has left over when she selects a \$699 H.P. with a 17-inch screen, rather than a \$1,000 Mac with a 13-inch screen. "I guess I'm just not cool enough to be a Mac person," she sighs. This time, the joke was on Apple. In a recession, it's pretty hip to save \$300.

Microsoft's effort to inspire PC pride seemed to resonate⁴⁵⁸ after its debut last September. According to IDC, Mac shipments in the United States plummeted 20 percent in the fourth quarter of 2008 versus the previous quarter, as the economy went into a tailspin, while those of PCs manufactured by Dell and H.P. fell only 13 percent and 3 percent, respectively.

Microsoft was quick to declare victory – maybe too quick. In the second quarter this year, Mac sales in the United States rebounded 34 percent, IDC said, while Dell and H.P. had more modest gains. Even more humbling for Microsoft was the company's announcement in late July that its year-over-year operating income for the quarter declined 29 percent.

As a result, some analysts have argued that the Microsoft campaign has failed. But they, too, may be too hasty. We are only weeks away from the Oct. 22 release of Windows 7, which may undo much of the company's self-inflicted damage from Vista. PC users, many of whom skipped buying Vista machines, could be holding off until then to buy. And the introduction of Windows 7 will be accompanied by yet another Crispin Porter ad blitz.

"You are not so embarrassed to take your PC out of the bag on a plane anymore," said Mr. Reilly at the ad agency. "It's actually kind of cool that you do. I know this is working."

EVERY Wednesday, Lee Clow, the creative director of TBWA/Chiat/Day, travels from Los Angeles to Cupertino, Calif., for his weekly meeting with

Steven P. Jobs, the Apple chief executive. They started doing this years ago and have created ads that are as stylish and cool as anything on television. Usually, the subtext of these ads is that Microsoft is the Evil Empire.

Mr. Jobs started working with Mr. Clow, a laid-back former surfer dude, in the early 1980s when Mr. Clow helped to create Apple's path-breaking "1984" television commercial introducing the Macintosh. The ad's unsubtle message was that buyers of the new machine would be striking against I.B.M., portrayed as Apple's Orwellian foe.

Mr. Jobs struggled to persuade Apple's board to run the ad, which was directed by Ridley Scott. Mr. Clow was similarly adamant⁵ when his boss, the late Jay Chiat, tried to shelve it. The ad ran only once, during the 1984 Super Bowl, but it has never been forgotten.

Apple forced out Mr. Jobs the next year and hired a new ad agency, BBDO. But when Mr. Jobs returned triumphantly to the company in 1997, he reunited with TBWA/Chiat/Day. Mr. Clow brought him the idea for "Think Different," a campaign that identified Apple with figures like Bob Dylan, Albert Einstein and Martin Luther King Jr. Mr. Jobs used it to introduce the iMac and to re-establish Apple as an iconoclast.

TBWA/Chiat/Day went on to create the 2002 "Switchers" campaign, in which the director Errol Morris filmed real computer users describing why they ditched their PCs for a Mac. Who can forget Ellen Feiss, the slow-talking teenager who made the hearts of young geeks flutter when she explained how her PC ate her homework? "It was, like, beep beep beep beep beep beep beep," Ms. Feiss says. "And then, like, half of my paper was gone."

Then came the iPod ads from TWBA/Chiat/Day that not only helped drive sales of Apple's breakout product, but also made stars of little-known indie rock acts like Feist. Such is the power of Apple's marketing wizardry.

Many of Apple's new customers were plugging their iPods into PCs. Mr. Clow proposed "Get a Mac" to get them thinking about springing for an Apple machine. Mr. Jobs was intrigued. But he wanted the ads to be perfect.

"The discussion within Apple was: 'Is this the right tone? How young a guy should Mac be? How dorky do we make PC look?' " recalls Ken Segall, a

former TBWA/Chiat/Day creative director who worked early on as a consultant for Apple on the campaign. “It went many rounds before Steve was comfortable with the idea. Then he loved it.”

IN spring 2007, a year after Apple introduced the “Get a Mac” ads, Steve Ballmer, the Microsoft C.E.O., barged into the office of Mich Mathews, head of the company’s central marketing group. The two had talked about a campaign that would repair the damage from the Apple ads.

Ms. Mathews recalls Mr. Ballmer enthusiastically asking her, “When are we going to move?”

Advertising has never seemed to be part of Microsoft’s DNA. The chairman, Bill Gates, “never really seemed to get marketing,” says Rob Enderle, a longtime technology industry analyst. And for many years, Mr. Enderle says, Mr. Ballmer “just didn’t think it was worth spending the money on it.”

The company’s Windows campaigns seemed to reflect executives’ lack of interest. Perhaps the best example was the push for Microsoft Vista in 2007, created by McCann Erickson with the slogan “The Wow Starts Now.” It showed people gaping in childlike wonder at the newest version of Windows. But Vista, to put it mildly, didn’t live up to the ads.

“The operating system was visually beautiful,” said Jeff Musser, a former McCann Erickson creative director who worked on the campaign. “But it was a bad product. I didn’t really hear anybody saying, ‘Wow.’ ”

There were also cultural issues at Microsoft when it came to advertising. On Madison Avenue, they say that the more hands that touch an advertisement, the worse it becomes. Microsoft felt differently. “They thought the more people saw it and gave an opinion, the better it would be,” Mr. Musser said. “That’s how you develop software. It’s not how you develop great creative.”

So Ms. Mathews tried to change things. She set up a nine-member task force to figure out a marketing strategy and keep meddlers at arm’s length.

In February 2008, Microsoft picked Crispin Porter. At the agency, Mr. Reilly was initially apprehensive. He didn’t even own a PC; he had an ultraslim

MacBook Air. (He has since bought himself two PCs – a Sony Vaio and a Lenovo ThinkPad.)

The adman also wondered whether Microsoft was ready for a Crispin campaign. Mr. Reilly himself oversees the agency's irreverent work for Burger King, aimed at young men hungering for menu items like the Triple Whopper.

He wanted to come up with a campaign that would redefine Windows, and he counseled against ads that attacked Apple. Then he changed his tune. Last summer in Apple ads, Mr. Hodgman's PC character morphed into a personification of Microsoft itself. PC was haunted by problems with Vista. He took up yoga to calm his nerves, only to discover that his teacher was on edge because Vista wreaked havoc on her billing system. PC tried to find peace by creating a line of herbal teas with names like "Crashy-Time Camomile" and "Raspberry Restart."

"As the tone of their campaign became more and more negative, we were like, 'We gotta do something,' " Mr. Reilly said. "That's where the whole notion of 'I'm a PC' and putting a face on our users came about. We have a billion users. That's who our cast is, whereas Apple is just two fictitious characters."

Microsoft recruited influential Windows fans like the "Desperate Housewives" star Eva Longoria. "I feel bad about the little PC guy," she said this month. "He is always getting beaten up." It also brought in some who would appeal to niche audiences, like the Pittsburgh mash-up D.J. Gregg Gillis, who is better known as Girl Talk.

When Mr. Ballmer finally saw the ads in September, he congratulated Ms. Mathews and gave her a high-five. Then, Ms. Mathews says, he started shouting, "I'm a PC!"

THE new Windows campaign got off to an inauspicious²⁸⁶ start. Puzzling ads featuring Mr. Gates kidding around with the comedian Jerry Seinfeld left a lot of people scratching their heads. The ads quickly disappeared.

As the "I'm a PC" ads with Mr. Siler replaced them two weeks later, Apple's "Get a Mac" spots disappeared. Microsoft doesn't think that was a

coincidence. When PC and Mac reappeared, it was in the advertising that criticized Microsoft as spending on ads rather than on Vista.

Microsoft thought that it had scored a point. “You’ve got to look at that and say, ‘You are not advertising to consumers; you’re advertising to the Microsoft marketing department,’ ” Ms. Mathews says. “I just admit that did bring a smile to my face.”

Emboldened, Microsoft continued its barrages. In February, it unveiled its “Rookies” ads, arguing that PCs are so easy to use that even Kylie, an adorable 4 1/2-year old, could upload a picture of her goldfish, Dorothy, onto her PC and e-mail it to her relatives. You want to make fun of Kylie, Apple? Microsoft and Crispin dare you to try it.

The next month, Microsoft deployed its “Laptop Hunters” ads. They clearly moved the needle in Microsoft’s favor. Ted Marzilli, a managing director of BrandIndex, a company that tracks consumer perceptions, said that at the beginning of the year, adults thought Apple offered more value than Microsoft. In May, however, Microsoft closed the gap in the firm’s surveys. “Apple took a hit,” Mr. Marzilli said. “Since then, they have been neck and neck.”

In June, Microsoft felt that it had more reason to gloat²⁵⁸. The chief operating officer, B. Kevin Turner, says he got a call from an Apple lawyer who asked him to change the ads because Apple was lowering its prices by \$100. “I did cartwheels down the hallway,” Mr. Turner subsequently boasted in speech at a New Orleans conference.

Then Apple announced its second-quarter rebound. And for some analysts, it seemed like game over. “The reality is that Apple’s business has been impacted by the overall economy, not by Microsoft’s campaign,” said Gene Munster, senior research analyst at Piper Jaffray. “Those ‘What can I get for 1,000 bucks’ ads? That was a clever campaign. But it never really caught on. If you compare it to ‘Get a Mac,’ it didn’t even register.”

And yet Apple keeps responding. On Friday, it released its Snow Leopard operating system a month ahead of schedule, accompanied by a new round of “Get a Mac” ads. One involves a red-headed woman who is clearly intended to resemble Microsoft’s Lauren. PC introduces her to his suave

friend, a top-of-the-line model played by Patrick Warburton, who was David Puddy on “Seinfeld.” She declines to buy a Windows machine when they can’t promise that she won’t have virus woes.

Microsoft, however, has found it enjoys mixing it up with Apple on the airwaves. In July, Mr. Ballmer told analysts that Crispin’s work had been “quite effective.” He promised that Microsoft would continue investing heavily in Windows marketing. “We didn’t do that three, four, five, six years ago,” he added.

For Mr. Siler, this is a welcome change. “I’ve never seen more pride at Microsoft,” he says. “You walk through the campus, and you see people’s laptops that have ‘I’m a PC’ stickers on them. I walk in the company store, and there are these huge banners that say, ‘I’m a PC’ and shirts and ties and mugs. I think I made a difference. My God, that’s so cool!”

187 Apple Reaches Agreement to Sell the iPhone in China

Apple has reached a deal with a Chinese wireless carrier, China Unicom, to sell the iPhone in China, the world’s biggest cellphone market.

Under a multiyear deal announced Friday, the iPhone is expected to go on sale in the fourth quarter, China Unicom executives said in Hong Kong. They declined to give financial details or reveal how much the iPhone would cost, saying only that the price would be “competitive.”

Unicom, one of three major state-owned carriers, would be the first Chinese phone company to formally support the iPhone, though unlocked iPhones brought in from other markets are in wide use in China.

The mobile market in China trails the United States, Japan and some others in financial size but it has 650 million mobile phone accounts and is seen as a major prize for foreign companies. However, Edward Yu, chief executive at Analysys International, a technology research firm in Beijing,

said it remained to be seen whether the iPhone would appeal to “the mainstream China population.”

The chief executive of Unicom, Chang Xiaobin, said the companies would not share revenue, with Unicom instead buying the phones in batches from Apple and offering them with subsidies.

Many Chinese already own iPhones bought on the country’s thriving gray market. There are well over 1.5 million of the devices in China, according to estimates by BDA China Ltd., a technology research firm in Beijing.

Analysts said that could work in favor of Apple and China Unicom by providing a ready pool of users who might be willing to upgrade to an authorized iPhone that offers a warranty, fewer glitches, more applications and faster speeds.

An Apple spokeswoman, Jill Tan in Hong Kong, did not respond to an e-mail message seeking comment.

The iPhone, which also functions as a music player, camera and Web browser, could help Unicom compete against China Mobile, which dominates the mainland’s mobile market.

188 Who’s Driving Twitter’s Popularity? Not Teens

Kristen Nagy, an 18-year-old from Sparta, N.J., sends and receives 500 text messages a day. But she never uses Twitter, even though it publishes similar snippets of conversations and observations.

“I just think it’s weird and I don’t feel like everyone needs to know what I’m doing every second of my life,” she said.

Her reluctance to use Twitter, a feeling shared by others in her age group, has not doomed the microblogging service. Just 11 percent of its users are aged 12 to 17, according to comScore. Instead, Twitter’s unparalleled explosion in popularity has been driven by a decidedly older group. That success has shattered a widely held belief that young people lead the way to popularizing innovations.

“The traditional early-adopter model would say that teenagers or college students are really important to adoption,” said Andrew Lipsman, director of industry analysis at comScore. Teenagers, after all, drove the early growth of the social networks Facebook, MySpace and Friendster.

Twitter, however, has proved that “a site can take off in a different demographic than you expect and become very popular,” he said. “Twitter is defying the traditional model.”

In fact, though teenagers fueled the early growth of social networks, today they account for 14 percent of MySpace’s users and only 9 percent of Facebook’s. As the Web grows up, so do its users, and for many analysts, Twitter’s success represents a new model for Internet success. The notion that children are essential to a new technology’s success has proved to be largely a myth.

Adults have driven the growth of many perennially popular Web services. YouTube attracted young adults and then senior citizens before teenagers piled on. Blogger’s early user base was adults and LinkedIn has built a successful social network with professionals as its target.

The same goes for gadgets. Though video games were originally marketed for children, Nintendo Wiis quickly found their way into nursing homes. Kindle from Amazon caught on first with adults and many gadgets, like iPhones and GPS devices, are largely adult-only.

Similarly, Twitter did not attract the young trendsetters at the outset. Its growth has instead come from adults who might not have used other social sites before Twitter, said Jeremiah Owyang, an industry analyst studying social media. “Adults are just catching up to what teens have been doing for years,” he said.

Many young people, who have used Facebook since they began using the Internet and for whom text messaging is their primary method of communication, say they simply do not have a need for Twitter.

Almost everyone under 35 uses social networks, but the growth of these networks over the last year has come from older adults, according to a report from Forrester Research issued Tuesday. Use of social networking by people aged 35 to 54 grew 60 percent in the last year.

Another reason that teenagers do not use Twitter may be that their lives tend to revolve around their friends. Though Twitter's founders originally conceived of the site as a way to stay in touch with acquaintances, it turns out that it is better for broadcasting ideas or questions and answers to the outside world or for marketing a product. It is also useful for marketing the person doing the tweeting, a need few teenagers are attuned³⁶ to.

"Many people use it for professional purposes – keeping connected with industry contacts and following news," said Evan Williams, Twitter's co-founder and chief executive. "Because it's a one-to-many network and most of the content is public, it works for this better than a social network that's optimized for friend communication."

Wendy Grazier, a mother in Arkansas, said her two teenaged daughters thought Twitter was "lame," yet they asked her to follow teenage pop stars like Miley Cyrus and Taylor Swift on Twitter so she could report back on what the celebrities wrote. Why won't they deign to do it themselves? "It seems more, like, professional, and not something that a teenager would do," said 16-year-old Miranda Grazier. "I think I might join when I'm older."

The public nature of Twitter is particularly sensitive for the under-18 set, whether because they want to hide what they are doing from their parents or, more often, because their parents restrict their interaction with strangers on the Web.

Georgia Marentis, a 14-year-old in Great Falls, Va., uses Facebook instead of Twitter because she can choose who sees her updates. "My parents wouldn't want me to have everything going on in my life displayed for the entire world," she said. (Of course, because of the public nature of social networks and the ease of creating a fake identity on the Web, even sites with more privacy settings have proved dangerous for young people in some cases.)

Many young people use the Web not to keep up with the issues of the day but to form and express their identities, said Andrea Forte, who studied how high school students use social media for her dissertation. (She will be an assistant professor at Drexel University in the spring.)

"Your identity on Twitter is more your ability to take an interesting conversational turn, throw an interesting bit of conversation out there. Your

identity isn't so much identified by the music you listen to and the quizzes you take," as it is on Facebook, she said. She called Twitter "a comparatively adult kind of interaction."

For Twitter's future, young people's ambivalence¹⁶ could be a good thing. Teenagers may be more comfortable using new technologies, but they are also notoriously fickle²²⁵. Although they drove the growth of Friendster and MySpace, they then moved on from those sites to Facebook.

Perhaps Twitter's experience will encourage Web start-ups to take a more realistic view of who uses the Web and go after a broader audience, Ms. Forte said. "Older populations are a smart thing to be thinking about, as opposed to eternally going after the 15- through 19-year-olds," she said.

Vocabulary

- 1: **abscond**. [əb'skɒnd]. *v.* avoid, evade, dodge; flee secretly, leave discreetly and hide oneself. 潜逃; 逃亡; 避债.
- 2: **accolade**. ['ækəuleid]. *n.* laurels, award or honor, expression of praise; brace or vertical line used in music to connect 2 or more staves (Music); ceremonial bestowal of knighthood by tapping on a person's shoulders with a sword; curved molding (Architecture). 称赞; 授爵典礼; 盛赞; 连谱号.
- 3: **acrimonious**. [ækri'məunjəs]. *adj.* bitter, rancorous, caustic. 刻薄的; 辛辣的; 严厉的; 激烈的.
- 4: **acrylic**. [ə'krilik]. *adj.* of or containing acrylic acid (Chemistry). 丙烯酸的.
- 5: **adamant**. ['ædəmənt]. *adj.* unyielding, firm, immovable; hard. 坚硬无比的; 固执的; 坚定不移的.
- 6: **adjourn**. [ədʒə:n]. *v.* postpone, delay; end a meeting; move to another place. 使中止; 休; 使延期; 休会; 中止活动; 闭会; 转移会址.
- 7: **adrenalin**. [əd'renəlin]. *n.* hormone which causes blood pressure to rise. 肾上腺素; 一阵兴奋.
- 8: **affiliate**. [ə'filiɛit]. *v.* join with; join in a social or business relationship; connect to; merge; become attached to; receive someone as a member; find the origins of. 使紧密联系; 使隶属于; 接纳...为成员; 追溯...的来源; 发生联系, 参加.
- 9: **agitate**. [ædʒiteit]. *adj.* disturbed; perturbed, excited; shaken up. 使激动; 搅动; 使焦虑; 摇动; 鼓动; 煽动.
- 10: **ail**. [eɪl]. *adj;n;n.* in pain; in distress, troubled; sickly. 感到不适, 生病; 处境艰难; 使苦恼, 使痛苦; 使不适.
- 11: **albeit**. [ɔ:'bi:it]. *conj.* although, even though. 尽管, 虽然.
- 12: **alienate**. ['eiliəneit]. *adj.* estranged, separated. 使疏远; 让渡, 转让; 离间; 使转移, 使转向.

- 13: **allegation**. [æli'geɪʃn]. *n.* charge; statement; declaration; unfounded accusation. 断言; 辩解; 申述; 主张.
- 14: **alleviate**. [ə'li:vieɪt]. *v.* allay, soothe, relieve; moderate, soften; lessen, diminish. 减轻, 使缓和.
- 15: **aloof**. [ə'lu:f]. *adj.* 不爱交际的。不与人亲近的。不和气的。不友善的。害羞 □□。冷淡的。疏远的。 . 远离; 避开.
- 16: **ambivalence**. [æm'bɪvələns]. *n.* state of having both positive and negative feelings towards a subject. 矛盾心理; 举棋不定; 犹豫.
- 17: **amend**. [ə'mend]. *v.* change, alter; improve; improve oneself. 改善, 改良, 修正; 改进, 改善; 改过自新.
- 18: **amenity**. [ə'mɪ:nəti]. *n.* niceties, social graces; pleasantries. 优雅, 适意, 舒适; 福利设施, 文化设施, 便利设施; 愉快; 礼仪, 礼节.
- 19: **amid**. [ə'mɪd]. *prep.* in the middle of; surrounded by. 在...之间; 被...包围; 在...之中.
- 20: **ammunition**. [æmju'niʃn]. *n.* projectiles shot from a weapon (bullets, grenades, bomb shells, etc.); something used to attack. 军火; 弹药.
- 21: **anguish**. ['æŋɡwɪʃ]. *v;adj.* suffering; tormented, agonizing. 使极苦闷; 使极痛苦; 感到痛苦.
- 22: **aniline**. ['ænɪli:n]. *n.* poisonous liquid (used to create dyes, perfumes and medicines). 苯胺.
- 23: **animate**. ['ænɪmeɪt]. *v;adj.* alive; lively, dynamic, vigorous, energetic; functioning in a way that resembles a live being (especially regarding animated cartoon characters). 赋予生命, 使有生命; 激励, 鼓舞; 使活泼, 使有活力, 使有生气; 驱动, 推动.
- 24: **animosity**. [æni'mɒsəti]. *n.* resentment; hostility. 敌意, 仇恨; 憎恶.
- 25: **antagonize**. [-naɪz]. *v.* cause to hate, make an enemy of; cause hostility, provoke antagonism; oppose, counteract (also antagonise). 使对抗; 对...起反作用; 使敌对; 中和.

- 26: **anthropological**. [ænθrəpə'lɒdʒɪk(l)]. *adj.* pertaining to anthropology (study of the development of the human race). 人类学的; 人类学上的.
- 27: **anthropology**. [ænθrə'pɒlədʒi]. *n.* study of the development of the human race. 人类学.
- 28: **apparel**. [ə'pærəl]. *v.* dress; ornament, adorn. 使穿衣, 装饰.
- 29: **arbiter**. ['ɑ:bɪtə]. *n.* arbitrator, judge; mediator; person whose opinion or judgement is deemed authoritative. 公断人, 裁决者, 仲裁人.
- 30: **archaeology**. [ɑ:ki'ɒlədʒi]. *n.* study of ancient cultures through their artifacts. 考古学.
- 31: **archbishop**. [ɑtʃbɪʃəp /ɑ:t-]. *n.* bishop of the highest rank. 主教长, 大主教; 枢机主教.
- 32: **arduous**. ['ɑ:dʒuəs]. *adj. adv.* 艰难的。费力的。累赘的。恼人的。讨厌的。· 艰巨的; 困难的; 费力的; 努力的.
- 33: **arid**. ['ærid]. *adj.* dry, parched. 干燥的, 不毛的.
- 34: **asylum**. [ə'saɪləm]. *n.* shelter, refuge; hospital for the mentally ill. 避难; 庇护所, 避难所; 政治避难权, 庇护权; 救济院, 收容所.
- 35: **attic**. ['ætɪk]. *n.* section of a house below the roof; low wall at the top of a classical building which hides the roof; upper section of the tympanic cavity of the ear (Anatomy). 阁楼, 顶楼.
- 36: **attune**. [ə'tju:n]. *adj;v.* adjusted to blend harmoniously, assonant, blended; coordinated ;fit, harmonize; adjust, coordinate. 调音; 使合调; 使相合.
- 37: **auction**. ['ɔ:kʃn]. *n.* public sale where items are sold to the highest bidder. 拍卖; 竞叫桥牌.
- 38: **austerity**. [ɔ'sterəti]. *n.* modesty; ascetic simplicity. 节俭, 苦行, 朴素.
- 39: **authenticity**. [ɔ:θen'tɪsəti]. *n.* reliability; genuineness. 可信赖性; 诚实; 确实.

- 40: **autism**. ['ɔ:tizəm]. *n.* abnormal self-absorption, usually affecting children, characterized by lack of response to people and actions and limited ability to communicate. 【心理】孤独性; 孤独症[癖]; 自我中心主义.
- 41: **aversion**. [ə'veɜ:ʃn]. *n.* disgust, distaste, detestation. 厌恶, 讨厌的事, 讨厌的人.
- 42: **avert**. [ə'veɜ:t]. *v.* prevent, avoid; turn away. 移开, 避开; 挡开; 避免, 防止.
- 43: **awash**. [ə'wɒʃ]. *adj.* floating on the water's surface; at or just above the surface of the water; overflowing with water, waterlogged. 与水面齐平的; 被浪冲打的.
- 44: **awe**. [ɔ:]. *v;n.* fear, fright; respect, veneration. 敬畏; 畏怯.
- 45: **baggage**. ['bæɡɪdʒ]. *n.* cargo, parcels; military equipment; naughty girl. 行李; 辎重.
- 46: **ballot**. ['bælət]. *v.* vote; cast a vote. 投票, 投票表决, 抽签.
- 47: **banter**. ['bæntə]. *v.* joke, tease, converse in friendly manner. 取笑, 逗弄; 开玩笑; 谈笑.
- 48: **baptism**. ['bæptɪzəm]. *n.* ceremonial immersion into water, initiatory rite of the Christian Church; purification by submergence. 浸洗; 严峻考验; 洗礼.
- 49: **barbed**. [bɑ:bd]. *adj.* spiked, spiky, hooked, thorny. 有刺的; 讽刺的; 尖刻的.
- 50: **bask**. [bɑ:sk]. *v.* expose oneself to sunlight; soak up warmth or pleasant atmosphere; tan in sun. 晒太阳; 愉快或舒适; 感到温暖.
- 51: **baton**. ['bætən]. *n.* wand; stick which is twirled by baton-twirlers in parades. 官杖, 权杖; 军乐队用指挥杖; 警棒; 指挥棒.
- 52: **befuddle**. [bi'fʌdl]. *adj.* confused, bewildered, addlepat; drunk in a stupid manner (Slang). 使昏迷; 使迷惑.

- 53: **beguile**. [bi'gail]. *v,adj.* charming, appealing, alluring; deceiving, misleading. 诱骗; 诱惑.
- 54: **behemoth**. [bi'hi:məθ]. *n.* hippopotamus; something huge, something having great size and weight. 河马; 庞然大物; 巨兽; 有巨大尺寸和重量的东西.
- 55: **bias**. ['baɪəs]. *v.* prejudice, influence opinions. 使存偏见.
- 56: **biased**. [baɪəst]. *adj.* prejudiced, having preconceptions. 存有偏见的; 偏见的.
- 57: **bickering**. ['bkərɪŋ]. *n.* quarreling, squabbling, disputing, arguing. 争吵.
- 58: **bipartisan**. [baɪpɑ:ti'zæn]. *adj.* of two political parties; two-party; supported by two political parties (also bipartizan). 两党连立的.
- 59: **blistering**. ['blɪstə]. *adj.* angry, furious; extremely intense or severe. 使起水泡; 痛打; 猛烈抨击; 起水泡.
- 60: **blitz**. [blɪts]. *v.* attack swiftly and suddenly, violently attack, rapidly bombard. 以闪电战攻击.
- 61: **blunt**. [blʌnt]. *v.* make less sharp or intense, dull, soften, alleviate. 使钝; 减弱; 使迟钝; 变钝; 变迟钝.
- 62: **bluntly**. ['blʌntli]. *adv.* simply, plainly, candidly. 钝地; 迟钝地; 率直地.
- 63: **blurb**. [blɜ:b]. *n.* short advertisement that is intended to make people interested in the item offered (especially about a new book or film). 夸大的广告.
- 64: **boisterous**. ['bɔɪstərəs]. *adj.* noisy, loud; stormy; excited. 猛烈的, 狂暴的, 喧闹的.
- 65: **bolster**. ['bəʊlstə]. *v.* support, strengthen, reinforce. 支撑; 援助; 加固; 支持.
- 66: **boon**. [bu:n]. *n.* favor; kind deed; granted request; blessing. 恩惠; 利益.

- 67: **borough**. ['bʌrə]. *n.* self-governing city; quarter, section. 自治的市镇; 区.
- 68: **bounty**. ['baunti]. *n.* generosity; money given as reward (often for the execution or capture of a wanted criminal). 慷慨, 恩惠, 宽大.
- 69: **brawl**. [brɔ:l]. *n.* noisy fight or quarrel, punch-up, wrangle, scrap. 争吵, 打架; 哗哗声.
- 70: **bridle**. ['braɪdl]. *v.* put a bridle on; restrain, control; draw up the head in resentment. 给系以缰绳; 约束; 上马勒; 控制; 昂首表示轻蔑; 动怒, 生气.
- 71: **brigade**. [bri'geɪd]. *n.* military unit consisting of many troops. 旅; 队, 团.
- 72: **brink**. [brɪŋk]. *n.* edge, verge, lip. 边缘.
- 73: **brunt**. [brʌnt]. *n.* unexpected effort; burden of something; main force of something bad (such as a blow); violence of any contention. 主力, 冲力.
- 74: **brutal**. ['bru:tɪl]. *adj. adv.* 野蛮的。不讲理的。粗暴的。残忍的。残忍的, 不讲理的, 野蛮的.
- 75: **bucolic**. [bju:'kɒlɪk]. *adj.* rural, pastoral, idyllic. 牧羊的; 田园风味的; 牧歌的.
- 76: **Buddhist**. ['budɪst]. *n.* one who believes in Buddhism, member of the Buddhist religion. 佛教徒.
- 77: **bullish**. ['bulɪʃ]. *adj.* resembling a bull, obstinate, stubborn; tending to cause a rise in prices (of the stock exchange). 似牡牛的, 上扬的, 看涨的.
- 78: **bumpy**. ['bʌmpɪ]. *adj.* shaky, jolting; rugged, uneven. 颠簸的; 崎岖不平的.
- 79: **buoyant**. ['bɔɪənt]. *adj.* floating; light, lively; cheerful, gay. 有浮力的, 心情愉快的.

- 80: **burglary**. ['bɜːgləri]. *n.* break-in, theft, robbery. 夜盗; 抢劫; 破门盗窃.
- 81: **buttress**. ['bʌtrɪs]. *v;n.* support, reinforce ;support, brace. 用扶壁支撑; 扶持.
- 82: **cabaret**. ['kæbəreɪ]. *n.* cafe or restaurant that includes live entertainment (generally singing and dancing). 酒店, 酒店的歌舞表演.
- 83: **canard**. [kæ'nɑːd]. *n.* false story, hoax; (Cooking) duck intended for food; airplane with its horizontal stabilizer placed to the front of the wing; airplane with a canard installed. 谣言, 误传.
- 84: **candor**. ['kændə]. *n.* honesty, openness, sincerity (also candour). 公正, 公平; 坦率, 真诚.
- 85: **cannibalize**. ['kænɪbəlaɪz]. *v.* use parts from equipment to use in the repair of other equipment of the same type, take parts from one machine to repair another; eat human flesh; practice cannibalism, engage in cannibalism; deprive of crucial elements; (Business) reduce staff or material in order to benefit in other companies or products (also cannibalise). 食肉; 调拨人员; 拆取部件.
- 86: **capitulation**. [kəpɪtʃu'leɪʃn]. *n.* surrender, giving in under agreed conditions. 有条件投降, 条件, 投降书.
- 87: **cardinal**. ['kɑːdɪnəl]. *adj.* main, primary, fundamental. 主要的, 深红色的.
- 88: **casualty**. ['kæʒjuəlti]. *n.* people killed or injured in war or in disasters, losses. 严重事故, 受害者, 伤亡.
- 89: **catastrophe**. [kə'tæstrəfi]. *n.* disaster, calamity, cataclysm. 大灾难; 大祸.
- 90: **caucus**. ['kɔːkəs]. *v.* hold a party meeting, meet in a caucus. 召开干部会议.
- 91: **cavernous**. ['kævənəs]. *adj.* hollow, sunken, deep-set, yawning. 似巨穴的.
- 92: **cede**. [siːd]. *v.* assign, grant. 放弃.

- 93: **chafe**. [tʃeɪf]. *v;n.* rub against; make sore by rubbing; warm by rubbing; irritate ;irritation; friction, rubbing; soreness caused by rubbing. 擦伤, 擦痛, 擦破; 磨损, 磨坏; 擦热; 惹怒; 擦伤; 羞恼; 磨擦; 焦躁.
- 94: **chattel**. [ˈtʃætəl]. *n.* portable possession. 动产; 奴隶.
- 95: **cheeky**. [ˈtʃiːki]. *adj.* insolent, rude, impudent. 厚颜的, 无耻的.
- 96: **choke**. [tʃəʊk]. *vt.* 吞。咽下。发音含糊。吞（音）。耗费。花费 swallow. 窒息, 噎, 阻塞.
- 97: **christen**. [ˈkrisn]. *adj.* given a name at baptism. 施洗, 命名, 行施洗礼.
- 98: **chronology**. [krəˈnɒlədʒi]. *n.* sequence of past events; science of arranging time in periods and ascertaining the order of past events. 年代学; 年表.
- 99: **claimant**. [ˈkleɪmənt]. *n.* one who asserts a right or title to something. 主张者; 原告; 要求者; 索赔者.
- 100: **clamber**. [ˈklæmbə]. *v.* climb with hands and feet, scramble, scale. 爬上; 攀登.
- 101: **clamp**. [klæmp]. *n.* vice, brace, device that applies pressure, device that holds things together (used by carpenters). 夹子; 夹钳; 夹具.
- 102: **clan**. [klæn]. *n.* tribe, family, group related by common interests or characteristics. 氏族, 党派, 宗族.
- 103: **clash**. [klæʃ]. *v.* make a loud banging sound; bang together; strongly disagree, confront. 冲突, 抵触; 使发出撞击声.
- 104: **clinch**. [klɪntʃ]. *v.* secure; settle, make final, arrange; hold an opponent (Boxing). 敲弯钉尖使钉牢; 用臂钳住对手; 拥抱, 紧抱.
- 105: **cloak**. [kləʊk]. *v.* cover, conceal. 遮掩, 披斗篷, 隐匿.
- 106: **coalesce**. [kəʊəˈles]. *v.* merge, unite; grow together into one body. 联合; 愈合; 接合.

- 107: **colloquy**. ['kɒləkwɪ]. *n.* conversation; conference. 谈话, 自由讨论, 会话.
- 108: **colonel**. ['kɜːnl]. *n.* commissioned military officer. 陆军上校; 团长.
- 109: **colossal**. [kə'ləsəl]. *adj.* enormous, gigantic, tremendous. 巨大的, 巨像似的.
- 110: **communal**. ['kɒmjʊnəl]. *adj.* belonging to a community; pertaining to a community; public. 公有的.
- 111: **communion**. [kə'mjuːnjən]. *n.* act of sharing, participation; association; Christian ceremony commemorating the last supper of Jesus and his disciples, sacrament of the Lord's Supper, Eucharist. 交流; 共有; 恳谈.
- 112: **conciliatory**. [-iətəri]. *adj.* appeasing, disarming, pacifying. 安抚的; 调和的.
- 113: **concoction**. [-kʃn]. *n.* brew, potion; invention, contrivance. 调合; 调合物; 混合.
- 114: **condolence**. [-əns]. *n.* expression of sympathy, commiseration, consolation. 哀悼; 吊唁.
- 115: **confine**. ['kɒnfain]. *adj.* constricted, restrained; limited, bound; referring to a small or tight area or space. 限制, 禁闭, 闭居; 邻接, 接壤.
- 116: **conglomerate**. [kən'glɒməreɪt]. *n.* group or mass formed from diverse elements; large corporation formed by the merge of separate companies; (Geology) detrital sedimentary rock that is coarse grained and composed of round fragments cemented together. 集成物, 砾岩, 集块.
- 117: **consecutive**. [kən'sekjʊtɪv]. *adj.* sequential, following one after another. 连续的, 始终一贯的, 联贯的.
- 118: **consensus**. [kən'sensəs]. *n.* general agreement, majority. 一致; 舆论; 合意; 共识.

- 119: **conspicuous**. [kən'spɪkjʊəs]. *adv;adj.* noticeable, obvious, easy to see. 显著的, 出众的, 显眼的.
- 120: **constituency**. [kən'stɪtjuənsɪ]. *n.* voting district; voters in a district, electoral district. 选民, 读者, 顾客.
- 121: **contamination**. [kən'tæmɪ'neɪʃn]. *n.* pollution, something which contaminates; spreading of impurities; infection (by a disease). 污染, 弄脏; 致污物; 玷污.
- 122: **contend**. [kən'tend]. *v.* maintain, assert; compete; struggle, strive. 奋斗, 竞争, 斗争; 为...斗争; 坚决主张, 声称.
- 123: **contentious**. [-ʃəs]. *adj.* belligerent, argumentative, controversial; causing an argument; likely to cause an dispute. 好争吵的, 有异议的, 爱争论的.
- 124: **contour**. ['kɒntʊə]. *n.* outline; outer edge of a figure. 轮廓; 等高线; 周线.
- 125: **conundrum**. [kə'nʌndrəm]. *n.* puzzle, riddle, problem. 谜语; 机智问答; 难题.
- 126: **convict**. [kən'vɪkt]. *v.* prove someone guilty of a crime; convince someone of error or wrongdoing, instill someone with a sense of guilt; declare guilty. 宣告有罪, 使知罪.
- 127: **convoy**. ['kɒnvoɪ]. *n.* train of vehicles or ships accompanied by a protecting escort; armed escort; group of military vehicles traveling together on a mission. 护送, 警护, 护卫.
- 128: **convulsion**. [-lʃn]. *n.* violent shaking, spasmodic muscular contraction; disturbance, commotion. 震动, 动乱, 震撼.
- 129: **cordon**. ['kɔːdn]. *v.* enclose with a cordon (defensive line of policemen, soldiers, warships, etc.). 用警戒线围住.
- 130: **counterfeit**. ['kauntə(r)fɪt]. *n.* illegal copying (of money, documents, etc.); forgery. 伪造; 酷似; 仿造; 假装, 伪装; 从事伪造活动; 假装; 伪造.

- 131: **covet**. ['kʌvɪt]. *adj.* greatly longed for, desired. 垂涎; 渴望; 贪图; 垂涎; 贪图.
- 132: **crater**. ['kreɪtə]. *n.* bowl shaped pit (on the moon, at the mouth of a volcano, etc.); hole formed by the explosion of a mine or other explosive. 火山口, 弹坑, 喷火口.
- 133: **credo**. ['kri:dəu]. *n.* confession of faith, creed, formula of belief. 信条.
- 134: **crook**. [kru:k]. *n.* thief (Slang); hook; rod with a curved end, shepherd's crook. 弯曲的东西; 曲柄杖; 钩; 弯曲.
- 135: **crucible**. ['kru:sɪbl]. *n.* pot for heating a substance (generally metal) at very high temperatures; difficult test or trial. 坩锅; 严酷的考验.
- 136: **crusade**. [kru:'seɪd]. *v.* go on a crusade, join a medieval military expedition to recover the Holy Land from the Muslims; champion a cause, campaign for a cause. 加入十字军; 投身正义运动.
- 137: **crux**. [krʌks]. *n.* heart of the matter, main point. 十字架形, 难题, 关键.
- 138: **cubicle**. ['kju:bɪkl]. *n.* small room, small partitioned space. 小卧室.
- 139: **cull**. [kʌl]. *v.* choose, select; sift, separate. 采, 拣, 摘.
- 140: **culmination**. [kʌlmi'neɪʃn]. *n.* climax, highest point; completion, final action, concluding action. 顶点; 高潮的到达.
- 141: **culprit**. ['kʌlpɪt]. *n.* one accused, offender, guilty party. 被控犯罪的人; 罪犯; 刑事被告.
- 142: **cumbersome**. ['kʌmbəsəm]. *adj.* awkward, unwieldy, bulky, burdensome, inconvenient. 讨厌的, 累赘的, 麻烦的.
- 143: **curtail**. [kə:'teɪl]. *vt,adj.* shortened, cut-short, reduced, diminished. 缩减, 简略, 剥夺.
- 144: **custody**. ['kʌstədi]. *n.* detention, confinement; supervision; guardianship. 监护, 监禁, 拘留.

- 145: **cynical**. ['sinɪkl]. *adj.* sarcastic; doubting the sincerity of others, pessimistic. 愤世嫉俗的, 冷嘲的, 讽刺的.
- 146: **dabble**. ['dæbl]. *v.* play in water; be superficially involved or interested; wet slightly, splash. 浸入水中; 溅, 洒; 嬉水; 嬉水; 涉足; 涉猎, 浅尝.
- 147: **daunt**. [do:nt]. *v;adj.* intimidating, awesome. 吓倒; 使气馁, 使畏缩.
- 148: **defamation**. [defə'meɪʃn]. *n.* slander, libel, calumny. 诽谤; 中伤.
- 149: **defamatory**. [di'fæmətəri]. *adj.* slanderous, abusive, libelous. 破坏名誉的; 诽谤的.
- 150: **defiant**. [-nt]. *adj.* resisting, opposing, disobedient. 挑衅的, 目中无人的.
- 151: **defy**. [di'fai]. *v.* oppose, resist; challenge. 藐视, 使落空, 挑衅.
- 152: **degradation**. [degrə'deɪʃn]. *n.* humiliation, dishonor, disgrace; reduction (in size, amount, etc.); breaking down (Chemistry). 降格, 退化, 堕落.
- 153: **deliberate**. [di'libərət]. *adj,adv.* carefully considered, intentional; slow, unhurried, methodical. 深思熟虑的, 从容的, 故意的.
- 154: **delinquent**. [-nt]. *n.* one who is delinquent; one who is guilty of an offense; juvenile delinquent. 行为不良的人, 流氓.
- 155: **demise**. [di'maɪz]. *n.* decease, death; passing, coming to an end. 死亡; 转让; 终止; 遗赠.
- 156: **dent**. [dent]. *n.* depression, hollow; small hollow caused by a blow. 凹痕.
- 157: **depict**. [di'pɪkt]. *v.* portray, characterize, draw, describe. 描述; 描写.
- 158: **derivative**. [di'rɪvətɪv]. *n.* conjugate (Grammar); by-product, offshoot. 引出之物, 衍生字, 系出物.
- 159: **detention**. [di'tenʃn]. *n.* delay, detainment; confinement. 滞留; 拘留; 延迟.

- 160: **detractor**. [**-tə**]. *n.* one that insults; informer; one who belittles or derogates. 诽谤者; 恶意批评者.
- 161: **dignitary**. [**'dignitəri**]. *n.* one who holds a position of honor, notable, personage. 高贵的人, 高僧, 高官.
- 162: **dilapidation**. [**dilæpi'deɪʃn**]. *n.* ruin, disrepair, collapse, deterioration. 荒废; 浪费; 破损.
- 163: **dilute**. [**dai'ljʊ:t**]. *v.* make a liquid thinner or weaker, water down, reduce the strength of. 稀释; 降低; 削弱.
- 164: **dire**. [**'daɪə**]. *adj.* dreadful, terrible, frightful, awful. 可怕的, 阴惨的, 悲惨的.
- 165: **disbar**. [**dis'bɑ:**]. *v.* expel a lawyer from the legal profession. 逐出法庭; 剥夺律师资格.
- 166: **discretion**. [**di'skreʃn**]. *n.* caution, wisdom, careful judgment. 慎重, 考虑, 辨别力; 判定.
- 167: **disembody**. [**disim'bɒdɪ**]. *adj.* disconnected from the body, without a body (as in a spirit). 肉体脱离; 使脱离实体.
- 168: **disenfranchise**. [**disin'fræntʃaɪz**]. *v.* take away rights which belong to a citizen (i.e. right to vote). 剥夺...的公民权.
- 169: **dismal**. [**'dɪzməl**]. *adj.* gloomy, cheerless, depressing, sad. 阴沉的; 暗的; 凄凉的.
- 170: **dismantle**. [**dis'mæntl**]. *v.* disassemble, take apart; strip of furniture or equipment. 拆除...的设备, 去除覆盖物, 分解.
- 171: **disparity**. [**di'spærəti**]. *n.* inequality; difference, dissimilarity. 不一致.
- 172: **dispense**. [**di'spens**]. *v.* do without, give up; distribute, give out, hand out. 分发; 分配; 免除; 省掉.
- 173: **dispute**. [**di'spju:t**]. *adj.* controversial, under debate, challenged. 争论; 对...提出质疑; 争执; 阻止, 抵抗; 争论; 争执.

- 174: **disruption**. [ˈpʃn]. *n.* upset; interruption, disturbance; division. 分裂; 瓦解; 崩溃.
- 175: **disruptive**. [ˈtɪv]. *adj.* upsetting; disturbing; divisive. 分裂性的, 破裂的.
- 176: **dissipate**. [ˈdɪsɪpeɪt]. *v.* scatter, spread out; be scattered. 散失, 浪费, 驱散; 消散, 放荡.
- 177: **distil**. [ˈdɪˈstɪl]. *v;adj.* pertaining to distillation. 蒸馏; 浓缩; 净化; 吸取...的精华; 蒸馏; 提炼.
- 178: **divergent**. [ˈdɪʒənt]. *adj.* branching off from a common point, going off in different directions from a center. 分歧的.
- 179: **don**. [dɒn]. *n;v.* put on clothing, wear, cover oneself. 穿上; 穿着; 披上.
- 180: **douse**. [daʊs]. *v.* throw water on, plunge into water; strike, punch, hit; take in or lower a sail (Nautical); extinguish a fire or flame with water; become completely wet; take off a hat; remove any item of clothing (Archaic). 插入水中; 弄湿; 把弄熄; 浸泡.
- 181: **drone**. [ˈdrəʊn]. *n;v.* stingless male bee; UAV, unmanned small aircraft that is operated by remote control; monotone, low and continuous dull sound; buzzing noise; humming sound; (Music) any bagpipe without finger holes that produces a single tone, bourdon; idler, lazy person, dawdler ;hum, buzz; speak in monotonous tone. 雄蜂; 寄生虫; 懒人, 游手好闲者; 无人驾驶飞机; 嗡嗡声; 风笛的单音管; 低沉单调的声音; 风笛声.
- 182: **dubious**. [ˈdjuːbjəs]. *adj.* uncertain, doubtful. 可疑的; 不确定的.
- 183: **due**. [djuː]. *adj.* 必须的。应当的。应得的。急需的。出价的。发盘的。□□供的。应得的; 正当的; 应付的.
- 184: **dupe**. [djuːp]. *v.* fool someone, sucker someone. 欺骗; 愚弄.
- 185: **earnest**. [ˈɜːnist]. *adj.* serious, sober; sincere, fervent, eager. 认真的, 重要的, 热心的.

- 186: **edge**. [edʒ]. *v.* sharpen; provide with an edge or border; advance gradually or furtively. 使锋利; 镶边; 挤进; 缓缓移动; 侧着移动.
- 187: **eligible**. ['elɪdʒəbl]. *adj.* suitable, worthy of, qualified. 符合条件的; 合格的.
- 188: **elude**. [i'lu:d]. *v.* avoid; shirk, escape. 逃避, 使困惑, 规避.
- 189: **embolden**. [ɪm'bəʊldən]. *v.* make bold, encourage, strengthen. 使大胆; 使有勇气.
- 190: **emerald**. ['emərəld]. *n.* green precious stone. 翡翠, 翠绿色, 绿宝石.
- 191: **emissary**. ['emisəri]. *n.* messenger, envoy, delegate, representative. 密使, 使者, 间谍.
- 192: **empathy**. ['empəθi]. *n.* entering into the feelings of another, sympathy, vicarious emotion, understanding. 移情作用; 神入.
- 193: **emulate**. ['emjuleɪt]. *v.* imitate, try to equal or excel, take after, copy. 效法, 同...竞争, 尽力赶上.
- 194: **enamor**. [i'næmə]. *vt,adj.* in love, delighted, charmed. 迷住, 使迷恋.
- 195: **endemic**. [en'demɪk]. *adj.* native, local, indigenous; limited to an area; characteristic of a particular location or region. 风土的, 地方的.
- 196: **envoy**. ['envɔɪ]. *n.* diplomat, messenger, representative; concluding verse of a poem (also envoi). 外交使节; 特使.
- 197: **epic**. ['epɪk]. *adj.* pertaining to a long narrative poem which tells of the adventures and feats of a single hero. 史诗的, 叙事诗的.
- 198: **equivalent**. [-nt]. *adj.* equal in worth or value, equal in importance; corresponding. 相等的; 同意义的; 相当的.
- 199: **erode**. [i'rəʊd]. *v.* wear away, grind down, corrode; slowly consume, eat away. 腐蚀, 侵蚀; 受腐蚀.
- 200: **escalate**. ['eskəleɪt]. *vt,adj.* increased, intensified, heightened. 使逐步上升; 逐步扩大, 逐步增强, 逐步升高.
- 201: **escalator**. ['eskəleɪtə(r)]. *n.* mechanical moving stairway. 电动扶梯.

- 202: **eschew**. [is'tʃu:]. *v.* avoid, keep away from. 避开, 远避.
- 203: **escort**. ['esko:t]. *v.* accompany, attend (in order to guide, protect, guard, etc.). 护卫, 护送.
- 204: **espionage**. [espia'na:ʒ]. *n.* spying, intelligence. 间谍组织, 间谍活动.
- 205: **espouse**. [i'spauz]. *v.* marry; champion a cause, support an idea or principle. 支持, 嫁娶, 赞成.
- 206: **ethos**. ['i:θɒs]. *n.* (Anthropology) characteristic nature of a people or community or era; natural disposition of a people or community. 民族精神, 风气, 社会思潮.
- 207: **etiquette**. ['etiket]. *n.* rules which govern social behavior. 礼仪, 成规, 礼节.
- 208: **evaporate**. [i'væpəreit]. *adj, v.* condensed; turned into vapor. 使蒸发; 蒸发, 消失, 失去水分.
- 209: **evasion**. [i'veiʒn]. *n.* avoidance of paying taxes, not reporting income. 逃避, 藉口.
- 210: **eviction**. [-kʃn]. *n.* expulsion, dispossession, ejection. 逐出; 赶出.
- 211: **eviscerate**. [i'visəreit]. *v.* remove the intestines; remove essential parts; clear out. 取出内脏, 除去精华, 除去主要部分; 凸出.
- 212: **exasperated**. [-tid]. *adj.* angered, infuriated, annoyed, irritated. 激怒的; 恼火的.
- 213: **excoriate**. [eks'ko:rieit]. *v.* harshly criticize, denounce; remove the skin from. 剥皮, 严厉的责难, 擦破皮肤.
- 214: **exemplary**. [-əri]. *adj.* serving as a model or example, worthy of imitation, praiseworthy. 可仿效的, 可做模范的.
- 215: **expletive**. [ek'spli:tiv]. *n.* meaningless phrase; curse, swearword. 填充词, 语助词; 咒骂语; 感叹语; 填补物.
- 216: **fable**. ['feibl]. *n.* tale, story that is not based on fact; fictitious story having supernatural elements, legend, myth, fairy tale. 寓言; 谎言; 神话.

- 217: **fabricate**. ['fæbrikeit]. *adj.* made up, concocted; fake, forged. 制造; 伪造; 组装; 杜撰.
- 218: **falter**. ['fɔ:lte(r)]. *v.* hesitate; stammer; stumble; sway, totter, be unstable. 支吾, 蹒跚地走.
- 219: **fanfare**. ['fænfer /-feə]. *n.* flourish played by trumpets, showy display. 喇叭或号角嘹亮的吹奏声, 吹牛.
- 220: **faucet**. ['fɔ:sit , 'fɔ- /'fɔ:s-]. *n.* tap, spigot, device which controls the flow of liquid from a pipe. 龙头; 插口; 旋塞.
- 221: **feat**. [fi:t]. *n.* deed, task, accomplishment. 壮举, 技艺表演, 功绩.
- 222: **felony**. ['feləni]. *n.* serious crime or offense usually punishable by more than one year in prison (i.e. robbery or murder). 重罪.
- 223: **fend**. [fend]. *v.* repulse, drive back, ward off, defend; look after, support; avoid giving a direct answer. 保护; 供养; 谋生; 努力; 供养; 力争; 照料.
- 224: **fervent**. ['fɜrvnt /'fɜ:nt]. *adj.* ardent, passionate, intense, enthusiastic, zealous; hot, burning. 热的, 热心的, 炽热的.
- 225: **fickle**. ['fɪkl]. *adj.* changeable, inconsistent; inconstant in one's affections. 变幻无常的; 薄情的; 浮躁的.
- 226: **fiery**. ['faɪəri]. *adj.* containing fire; flaming; blazing hot; like fire; glowing, blazing; passionate; hot-tempered; lit; inflamed; scorching; spicy. 炽热的, 暴躁的, 热烈的.
- 227: **flank**. [flæŋk]. *v.* be placed at the side of; guard the side of; attack the side of; go around the side of. 攻击侧面, 守侧面, 面临着.
- 228: **fledgling**. ['fledʒlɪŋ]. *n.* young bird that cannot fly; inexperienced young person. 羽毛初长的雏鸟; 无经验的人; 刚会飞的幼鸟.
- 229: **flex**. [fleks]. *v.* bend; bend repeatedly; display muscles, move muscles. 弯曲; 折曲; 伸缩; 屈曲; 收缩.
- 230: **flinty**. ['flɪnti]. *adj.* hard as flint, hard as stone, unyielding; cruel, brutal; containing flint. 坚硬的, 含燧石的, 冷酷的.

- 231: **flit**. [flɪt]. *v;n.* fly; flutter; dart; move quickly; change location; escape in secret. 掠过, 迁徙.
- 232: **flock**. [flæk /flɒk]. *n.* herd, pack; crowd; congregation of religious believers; tuft of wool; stuffing for upholstery. 羊群; 人群, 群众; 群; 信徒, 会众; 一簇羊毛; 棉絮; 毛屑; 柔细材料.
- 233: **flout**. [flaʊt]. *v.* show scorn, show disdain for; mock. 轻视; 愚弄; 嘲笑; 表示轻蔑.
- 234: **fluctuate**. ['flʌktʃueɪt]. *v.* vacillate, waver, vary, change. 变动, 动摇, 上下; 使动摇; 使起伏; 使波动.
- 235: **fluff**. [flʌf]. *vi.* □使起毛. □马虎. 草率从事. 干傻事. □弄上污渍 (如 氈水、泥浆等). 软毛; 绒毛; 柔毛.
- 236: **fluidity**. [flu:'ɪdɪti]. *n.* quality of being fluid; quality of flowing smoothly and easily. 流动性; 变移性; 流质.
- 237: **foe**. [fəʊ]. *n.* enemy, adversary; opponent, rival. 仇敌, 敌人, 反对者.
- 238: **folksy**. ['fəʊksɪ]. *adj.* familiar, casual; friendly, sociable. 和气的; 友好的; 有民间风味的.
- 239: **forfeit**. ['fɔrfɪt /'fɔ:f-]. *v.* lose; give up, surrender. 没收; 丧失.
- 240: **formidable**. ['fɔrmɪdəbl /'fɔ:m-]. *adj.* frightening, causing fear; difficult, discouraging, intimidating; awesome; powerful. 强大的, 艰难的, 可怕的.
- 241: **foster**. ['fəstə(r) ,'fɔ- /'fɔs-]. *v.* encourage, nurture, promote; raise, act as an adoptive family; care for. 养育; 培养; 抚育.
- 242: **fray**. [freɪ]. *v;n.* wear out, make ragged; wear on the nerves, irritate; be worn out, become ragged; rub. 与...斗争; 磨损的边缘; 使紧张; 被磨损边缘; 紧张.
- 243: **fret**. [fret]. *n;v.* worry, annoy, irritate; get annoyed; become worried; corrode, erode; wear out, tire; decorate with fretwork. 使苦恼; 使发愁; 使烦躁; 侵蚀; 苦恼; 发愁; 烦躁; 被腐蚀; 用万字浮雕装饰; 用回纹装饰; 使烦恼, 使磨损, 腐蚀.

- 244: **frugal**. ['fru:gl]. *adj.* sparing, economical, thrifty; stingy. 节俭的; 朴素的.
- 245: **fruitful**. ['fru:tful]. *adj.* productive, prolific; fertile; profitable, worthwhile. 多实的, 肥沃的, 产量多的.
- 246: **fugitive**. ['fju:dʒitiv]. *adj.* runaway, fleeing, escaped; transitory, fleeting, passing; wandering; brief, of short duration; hard to understand. 逃亡的; 易变的; 无常的.
- 247: **fume**. [fju:m]. *n.* smoke; smog; vapor (often with a noxious odor). 熏; 冒烟; 发怒; 冒出; 怒气冲冲地说话.
- 248: **gaffe**. [gæf]. *n.* mistake; slip of the tongue; blunder. 过失; 失态; 出丑.
- 249: **galvanize**. ['gælvənaiz]. *v.* coat metal with a thin layer of zinc; application of an electric current (to a nerve, person, etc.); stimulate (also galvanise). 通电, 刺激, 镀锌.
- 250: **gambit**. ['gæmbit]. *n.* tactic in which a piece is sacrificed to gain an advantage (Chess); maneuver by which one seeks to gain an advantage. 交易的开始; 开始的行动; 话题.
- 251: **gasp**. [gæsp /gɑ:sp]. *v;n.* struggle for breath; pant; breathe in sharply and suddenly ;sudden intake of air; labored breath. 喘气, 渴望, 喘息; 喘着气说.
- 252: **gaze**. [geiz]. *vt;n.* look at for a long time, stare, watch, observe. 注视, 凝视.
- 253: **giddy**. ['gidi]. *adj.* dizzy, light-headed, unsteady; frivolous, fickle. 眼花的, 头晕的.
- 254: **gig**. [gig]. *v;n.* coach, two-wheeled carriage pulled by one horse; small boat; light racing boat; spear with a prong; harpoon; set of hooks used for fishing; temporary job; little item that is whirled round in play; live performance by a musician or other performer; musical engagement (Slang); demerit (Slang); roller that contains teasels to raise nap on a fabric. 鱼叉; 排钩.

- 255: **glamorous**. [ˈglæmərəs]. *adj.* charming, fascinating, alluring; having glamour; magical (also glamorous). 富有魅力的; 迷人的.
- 256: **gleam**. [gli:m]. *adj.* shining, reflecting. 闪烁; 隐约地闪现; 使发微光; 使闪烁.
- 257: **glisten**. [ˈglɪsn]. *v.* glitter, sparkle, shine. 闪耀; 反光.
- 258: **gloat**. [gləʊt]. *v.* feel or express triumphant and malicious satisfaction at another's misfortune, exult. 贪婪地注视; 心满意足地注视.
- 259: **glut**. [glʌt]. *v;n.* inundate, fill to overflowing; stuff; overeat; feed to excess. 满足; 充斥; 狼吞虎咽.
- 260: **gorge**. [ɡɔ:dʒ /ɡɔ:dʒ]. *v.* eat piggishly, stuff oneself with food, eat gluttonously. 塞饱; 狼吞虎咽.
- 261: **grapple**. [ˈgræpl]. *v;n.* struggle with; wrestle; attack; grip and hold (Wrestling); wrestling, struggling; scuffle, fist-fight; grip, hand-hold (Wrestling). 抓住, 抓牢; 与...扭打, 与...格斗; 抓住; 努力解决; 扭打, 格斗.
- 262: **grievance**. [ˈɡri:vns]. *n.* complaint; resentment; wrong; injustice. 不满, 不平; 抱怨, 牢骚.
- 263: **gruff**. [grʌf]. *adj.* rough, harsh; hoarse, raspy; coarse, crude; rude, surly. 粗暴的; 脾气坏的; 生硬的.
- 264: **hail**. [heɪl]. *v.* rain down hail; pour down like hail, fall with force; salute, greet, welcome; call to from a distance. 招呼; 来自; 招呼致意; 向...欢呼; 承认...为; 为...喝彩; 拥立; 使像冰雹般落下; 下冰雹; 冰雹般落下.
- 265: **harass**. [həˈræs /hærəs]. *v.* bother, hassle, torment. 使烦恼, 烦扰; 不断骚扰.
- 266: **harmonious**. [hɑːrˈməʊniəs /hɑːˈm-]. *adj.* marked by agreement, compatible; melodious, tuneful, having a pleasant sound. 和睦的, 和谐的, 调和的.
- 267: **harsh**. [hɑːʃ /hɑːʃ]. *adj.* rough, coarse; unpleasant (to taste, hear or see); cruel. 粗糙的, 严厉的, 刺耳的.

- 268: **hefty**. ['hefti]. *adj.* big, powerful; heavy, weighty. 重的, 肌肉发达的.
- 269: **hepatitis**. [hepə'taitis]. *n.* liver inflammation caused by a virus or toxin (characterized by enlargement of the liver, jaundice and fever). 肝炎.
- 270: **hinder**. ['haɪndə(r)]. *v.* slow down; disturb; prevent. 妨碍; 阻碍; 起阻碍作用; 成为障碍.
- 271: **hinge**. [hɪndʒ]. *v.* attach with a hinge; depend on, pivot; make dependant on. 装铰链; 靠铰链转动; 决定于.
- 272: **hobble**. ['hɒbl /'hɒbl]. *v.* limp, walk lamely; tie the legs of an animal. 蹒跚, 跛行; 使跛行, 阻碍.
- 273: **hostile**. ['hɒstl /'hɒstail]. *adj.* unfriendly, antagonistic. 怀敌意的, 敌对的.
- 274: **hustle**. ['hʌsl]. *v.* work quickly; push, shove, prod; act aggressively (especially in business); work as a prostitute (Slang). 催促; 猛推; 赶紧做; 硬逼; 硬挤过去.
- 275: **hype**. [haɪp]. *n.* exaggeration, embellishment; marketing message that exaggerates its description of the facts and embellishes the truth; ballyhoo; dishonest scheme. 夸大其词, 夸张, 装饰, 渲染; 对事实夸大形容的推销广告.
- 276: **hyperbole**. [haɪ'pərbəli /-'pə:b-]. *n.* exaggeration or overstatement intended for effect. 夸张法.
- 277: **hysteria**. [hi'stɪriə ,-'ster- /-'stɪər-]. *n.* uncontrollable outburst of emotion, exaggerated emotional response; pathological disorder characterized by violent emotional outbursts. 歇斯底里症, 不正常的兴奋.
- 278: **illicit**. ['ɪlɪsɪt]. *adj.* forbidden, against the rules, unlawful. 非法的, 违禁的, 不法的; 不正当的.
- 279: **illustrious**. ['ɪlʌstriəs]. *adj.* outstanding; distinguished, famous, renowned; luminous. 著名的, 明亮的, 辉煌的.

- 280: **immersed.** [i'mərst /i'mə:st]. *adj.* submerged, covered with water; baptized by submersion in water; deeply absorbed, engrossed. 浸入的; 专注的; 受浸礼的.
- 281: **imminent.** [iminənt]. *adj.* impending, forthcoming, about to happen, near, approaching (especially of an evil or dangerous event); projecting, overhanging. 即将来临的; 逼近的.
- 282: **impede.** [im'pi:d]. *v.* 阻碍。妨碍。防止。阻止。妨碍, 阻碍; 阻止.
- 283: **impediment.** [im'pedimənt]. *n.* hindrance, obstacle, obstruction; physical defect which causes speech problems. 妨碍; 障碍物; 阻碍.
- 284: **imperative.** [im'perətiv]. *n;adj.* necessity, obligation; command, order; imperative mood, form used when making an order or request (Grammar); verb in the imperative mood (Grammar). 命令; 需要; 诫命.
- 285: **inauguration.** [i'no:gjə'reifn /-gju'r-]. *n.* formal ceremony marking a beginning, opening ceremony; ceremony in which a person is inducted into office. 就职典礼; 开幕式.
- 286: **inauspicious.** [ino:'spifəs]. *adj.* unfavorable, unlucky. 不吉的, 恶运的, 凶兆的.
- 287: **incarnation.** [inkə'reifn /-'kɑ:'n-]. *n.* manifestation of a deity or spirit in an earthly form; body or form into which a soul is placed; being made incarnate; person or thing manifesting a certain quality or idea; certain form or state. 赋予肉体; 化身; 具人形.
- 288: **incinerator.** [in'sinəreitə(r)]. *n.* furnace which burns things to ashes. 焚烧装置, 焚尸炉, 焚烧炉.
- 289: **incite.** [in'sait]. *v.* inflame, provoke; stimulate, rouse to action. 激励; 煽动; 激起.
- 290: **incubator.** [ɪŋkjəbeɪtə /-jubəɪtə]. *n.* apparatus which keeps eggs warm until they hatch; temperature-controlled apparatus in which sick or premature infants are kept; device in which bacteria are cultivated. 孵卵器; 早产儿保育器; 细菌培养器.

- 291: **incumbent.** [in'kʌmbənt]. *adj.* presently holding an office or position; compulsory, necessary; resting, lying (Archaic). 凭依的, 负有义务的, 依靠的.
- 292: **indictment.** [in'daitmənt]. *n.* act of accusing; formal accusation presented by a grand jury (Law); accusation, criticism; state of being indicted. 起诉, 起诉状, 控告.
- 293: **indignant.** [in'dignənt]. *adj.* irate, angry, furious; exasperated, resentful. 愤怒的; 愤慨的.
- 294: **infantry.** ['infəntri]. *n.* (Military) ground troops, soldiers who fight on foot; branch of the military made up of foot soldiers. 步兵; 歩兵团.
- 295: **inflammable.** [in'flæməbl]. *adj.* flammable, easily set on fire, ignitable; excitable, passionate. 易燃的; 易怒的.
- 296: **infringe.** [in'frindʒ]. *v.* violate, break, disobey, transgress (a rule or law); trespass, encroach. 违犯; 违反; 侵犯; 侵犯; 侵害.
- 297: **infringement.** [in'frindʒmənt]. *n.* violation, transgression, breach; trespass, intrusion, encroachment. 违反; 侵害.
- 298: **inmate.** ['inmeɪt]. *n.* one who is imprisoned in a jail, prisoner; one who is confined to a hospital; one who lives with others in the same house (Archaic). 同住者; 居民; 同室者.
- 299: **innate.** [i'neɪt]. *adj.* native, natural, inborn; inherent. 先天的; 天生的.
- 300: **inquisitor.** [in'kwɪzɪtə]. *n.* interrogator, investigator; questioner, inquisitive person. 询问者, 检察官, 审问者.
- 301: **insomniac.** [in'sʌmniæk /-'sɒm-]. *n.* person who is unable get enough sleep. 失眠症患者.
- 302: **insurgent.** [in'sɜːdʒənt /-'sɜːd-]. *n.* rebel, person who revolts. 暴徒, 叛徒.
- 303: **intact.** [in'tækt]. *adj.* whole, entire; unbroken, undamaged; unscathed, inviolate; unchanged. 尚未被人碰过的, 完整的, 原封不动的.

- 304: **intimacy**. ['intiməsi]. *n.* profound closeness; close association; warm friendship; sexual relations; privacy. 亲密, 亲昵行为, 熟悉.
- 305: **intimate**. ['intimət]. *adj.* close, familiar; personal, private; warm, friendly; involving sexual relations; detailed; inner. 亲密的, 秘密的, 私人的.
- 306: **irk**. [ər̩k /ə:k]. *adj.* annoyed, bothered, irritated. 使厌倦, 使苦恼.
- 307: **irrigate**. ['irigeit]. *v.* artificially supply an area land with water; apply liquid to a part of the body to cleanse or disinfect (Medicine). 灌溉, 使潮湿, 冲洗伤口; 进行灌溉.
- 308: **itinerant**. [ai'tinərənt]. *adj.* wandering, traveling along a regular route; alternately working and travelling. 巡回的.
- 309: **jeopardize**. ['dʒepə(r)daɪz]. *n.* endangering, putting at risk, placing in danger. 危害, 使陷危地, 使受危困.
- 310: **jibe**. [dʒaɪb]. *n;v.* gibe, mock; fit, be in agreement; change direction, shift back and forth (Nautical). 嘲笑, 嘲弄.
- 311: **jugular**. ['dʒʌgjələ /-gjulə]. *adj.* pertaining to the neck, pertaining to the throat; pertaining to the jugular vein; of a number of large veins in the neck. 咽喉的, 颈静脉的, 颈部的.
- 312: **jujitsu**. [dʒu:'dʒitsu:]. *n.* Japanese method of self-defense which does not make use of weapons. 柔术, 柔道.
- 313: **junction**. ['dʒʌŋktʃə(r)]. *n.* period, stage, interval, determining hour; crisis, breaking point; place where two things meet and join, joint, hinge, seam; joining, union, connection. 接合, 接缝, 连接.
- 314: **junk**. [dʒʌŋk]. *v.* throw out, get rid of, trash. 把...当废物丢弃; 抛弃.
- 315: **jurisdiction**. [dʒʊrɪs'dɪkʃn /dʒuər-]. *n.* legal authority, right to make legal decisions; authority; range of authority, territory over which authority is exercised. 司法权, 管辖权, 审判权.
- 316: **juror**. ['dʒʊrə /'dʒuərə]. *n.* member of a jury. 陪审员; 审查委员.

- 317: **lag**. [læɡ]. *v.* fall behind, fail to keep up with the established pace, straggle; develop slowly; linger, tarry; slacken, flag, weaken; imprison (British Slang); insulate (from heat). 走得慢; 延迟; 落后; 滞缓; 落后于; 滞后于; 给...装外套; 押往监狱.
- 318: **lampoon**. [læm'pu:n]. *v;n.* satirize, ridicule, mock ;harsh satire, something which ridicules or makes fun of a person (or institution, etc.). 讽刺.
- 319: **lapse**. [læps]. *v.* fail to reach an accepted standard; gradually slip into or out of a state or condition; elapse, expire, come to an end; become void; fall out of general use. 失检; 陷入; 背离; 流逝; 使失效.
- 320: **latrine**. [lə'tri:n]. *n.* toilet, privy, public toilet (especially in a military camp, hospital). 厕所.
- 321: **lavender**. ['lævəndə(r)]. *n.* any of a number of plants or shrubs belonging to the mint family and having scented purple flowers; dried flowers and leaves of the lavender plant; pale bluish purple color. 欧薄荷, 淡紫色, 薰衣草.
- 322: **lavish**. ['læviʃ]. *adj.* expended in large quantities; generous; extravagant, wasteful. 非常大方的; 浪费的; 过分丰富的.
- 323: **leash**. [li:ʃ]. *v.* control or restrain by means of a leash; control, harness; tie, bind, connect. 以皮带束缚; 束缚.
- 324: **leery**. ['liri /'liə-]. *adj.* wary, cautious, doubtful, suspicious (especially of a look or expression). 机敏的, 细心的; 猜疑的, 迟疑的.
- 325: **lethargic**. [li'θɑ:dʒik(l) /li'θɑ:-]. *adj.* drowsy, listless, sluggish, lacking energy; causing lethargy. 昏睡的; 瞌睡的.
- 326: **liaison**. ['liəzən /li'eizn]. *n.* communication, contact; one who maintains contact; conspiracy; close connection; illicit love affair; (in French grammar) grammatical circumstance in which a usually silent consonant at the end of a word is pronounced at the beginning of the word that follows it. 联络; 私通; 联系; 连音.
- 327: **libel**. ['Laibl]. *n.* published material which slanders or maliciously defames (Law); publishing of slanderous material (Law); material

which intentionally slanders or maliciously defames. 以文字损害名誉; 侮辱; 诽谤罪.

- 328: **lineage**. ['liniɪdʒ]. *n.* direct descent from an ancestor; ancestry, family, genealogy. 后裔; 家系, 世系一行排列; 行数.
- 329: **linger**. ['lɪŋgə(r)]. *v.* stay longer than usual, tarry; delay; persist, remain; be slow in dying; move slowly. 逗留, 徘徊, 消磨; 消磨, 缓慢度过.
- 330: **lingering**. ['lɪŋgərɪŋ]. *adj.* continuous, prolonged (especially of an illness); enduring, persisting, remaining alive; remaining in one place; meditating, contemplating; walking slowly. 延迟的; 逗留不去的.
- 331: **liquor**. ['lɪkə(r)]. *v.* supply with alcoholic drinks (Informal); drink an excessive amount of alcohol (Informal); steep in liquor; steep in water. 浸水.
- 332: **lode**. [ləʊd]. *n.* vein of metal ore. 矿脉, 水道, 水路.
- 333: **lucrative**. ['lu:kɹətɪv]. *adj.* profitable, yielding monetary rewards, gainful. 有利益的, 合算的, 获利的.
- 334: **lug**. [lʌg]. *v; n.* pull, drag; carry with effort; operate poorly, hesitate or jerk due to strain; insert irrelevant material into a conversation. 使劲拉; 硬扯; 吃力地携带.
- 335: **lump**. [lʌmp]. *n.* solid shapeless mass of matter; swelling, bump; (Medicine) abnormal mass in a person's body (such as in the breast, etc.); collection, aggregation; stupid person (Slang). 团, 块; 小方块; 隆起, 肿块; 方.
- 336: **lure**. [lʊr /ljuə]. *v.* tempt, entice, attract, seduce; recall a hawk by means of a lure (Falconry). 引诱, 诱惑; 以诱饵吸引.
- 337: **lush**. [lʌʃ]. *adj.* luxuriant, growing in abundance (of plants, etc.); full of plant growth, overgrown; rich, ornate, luxurious. 苍翠繁茂的; 丰富的; 多汁的.
- 338: **luster**. ['lʌstə(r)]. *n.* gloss, shine, sheen; substance which gives a surface a gloss, polish; radiance, brightness; glory, splendor; cut glass

ornament on a chandelier; chandelier or other light decorated with cut glass ornaments; synthetic shiny fabric. 光泽; 光彩; 光辉; 荣耀, 荣光.

- 339: **mainstay**. ['meɪnstet]. *n.* strong rope supporting the mainmast of a sailing vessel (Nautical); chief support, something which is greatly relied upon. 支柱; 中流砥柱.
- 340: **malfeasance**. [mæl'fi:zəns]. *n.* (Law) wrongdoing, trespass (especially by a public official). 不正当; 渎职; 不法行为.
- 341: **malignant**. [mə'lɪgnənt]. *adj.* malevolent, malicious, spiteful; harmful; deadly, fatal, likely to cause death (Pathology); cancerous (Pathology). 有恶意的, 有害的, 恶性的.
- 342: **manicure**. ['mænikjʊə /-kjʊə]. *v;n.* shape and polish the fingernails. 修指甲, 修剪.
- 343: **mannequin**. ['mænikɪn]. *n.* dummy, model of a human figure on which clothing is displayed (especially in shops and window displays); model of a human figure used by tailors and dressmakers; clothes model; person whose work is to show clothes by wearing them. 服装模特儿; 人体模型.
- 344: **mantra**. ['mæntɹə]. *n.* word or combination of words that are chanted or sung as a prayer or incantation (Hinduism). 梵语颂歌; 真言; 祷告文.
- 345: **masquerade**. [mæskə'reɪd]. *v.* assume a disguise; attend a masked ball, attend a costume party; impersonate; pose. 参加化装舞会; 冒充; 化装.
- 346: **mayhem**. ['meɪəm /'meɪhem]. *v.* deliberately cause bodily injury; cause an impairment, cause a disability; cause disorder, cause chaos. 伤害罪之一种; 故意的伤害罪.
- 347: **mea culpa**. [meɪə'kʊlpə, mi:ə'kʊlpə]. *n.* Latin for "my fault", "my mistake". 我的过失.
- 348: **melee**. ['meɪli]. *n.* brawl, hand-fight; stormy discussion; confusion, bustle. 混战; 格斗; 搏斗.

- 349: **menace**. [**menis**]. *n.* threat; danger; bother. 威胁, 胁迫.
- 350: **merchandise**. [**mɜrtʃəndaiz , -dais /mɜ:-**]. *n.* goods, ware, stock. 商品; 货物.
- 351: **mercurial**. [**mɜr'kjuriəl /mɜ:'kjuəriəl**]. *adj.* of or in the metal mercury; fluid, quick; changeable. 墨丘利神的; 雄辩机智的; 水星的.
- 352: **miff**. [**mif**]. *v.* put out of humor; annoy; offend. 使恼怒.
- 353: **mimic**. [**mimik**]. *n.* pantomimist; one who is clever at imitation. 效颦者; 小丑; 模仿者.
- 354: **mob**. [**mab /mɒb**]. *v;n.* crowd, throng; swarm angrily, riot ;disorderly crowd of people; populace, common people; riffraff. 大举包围, 围攻, 乱挤.
- 355: **mock**. [**mak /mɒk**]. *adj.* imitation, false, fake, not real. 假的; 模拟的; 假装的.
- 356: **mogul**. [**məugl**]. *n.* important or influential person; mound or a bump on a ski slope (Sports). 莫卧儿人; 大人物; 有权势的人; 蒙古人; 显要人物.
- 357: **moratorium**. [**mɔrə'tɔriəm /mɔrə'tɔ:-**]. *n.* legally authorized delay in the payment of money due; abandonment of debts; temporary cessation of an activity (especially when dangerous or harmful). 延期偿付; 延期偿付期间.
- 358: **morsel**. [**mɔrsɪ /mɔ:sɪ**]. *n.* slice, crumb, a bit of, nibble, mouthful. 一口, 一片, 少量.
- 359: **mortar**. [**mɔrtər /mɔ:tə**]. *n;v.* cement, build or fix with mortar; shoot cannon, attack with mortars. 用灰泥涂抹; 用灰泥结合.
- 360: **mosque**. [**mask /mɒsk**]. *n.* Muslim house of prayer and worship. 清真寺.
- 361: **muddle**. [**mʌdl**]. *v.* confuse; mess up; soil; disturb; cause disorder; struggle through, push on. 混合; 使咬字不清晰; 使微醉; 胡乱对付.

- 362: **munch**. [mʌntʃ]. *v.* chew loudly, crunch; eat noisily. 咯吱咯吱地咀嚼; 津津有味地嚼.
- 363: **mundane**. [ˈmʌndeɪn]. *adj.* of this world, earthly; normal, banal, ordinary. 现世的, 宇宙的, 世俗的.
- 364: **muse**. [mjuːz]. *n.* poet's source of inspiration; (Greek Mythology) any of nine goddesses who are associated with inspiration and creativity for the arts (poetry, music, fine art, etc.). 沉思, 冥想; 若有所思地说; 沉思.
- 365: **mutual**. [ˈmjuːtʃʊəl]. *adj.* shared by each of a pair, reciprocal, joint in experience or ownership; interactive; having the same feelings one for another. 相互的; 共有的.
- 366: **myriad**. [ˈmɪriəd]. *n.* great number of persons or things, many, a lot, composed of a countless number of items. 万, 无数的人或物, 无数.
- 367: **nascent**. [ˈneɪsnt /ˈnæsn̩t]. *adj.* in the beginning stages of existence; newly developed; originating; in a nascent state (Chemistry). 发生中的, 初期的, 开始存在的.
- 368: **natal**. [ˈneɪtl]. *adj.* of or pertaining to one's birth; affecting one at birth; native. 出生的, 诞生的.
- 369: **nausea**. [ˈnɔːʒə /-sɪə ,-ziə]. *n.* queasiness, uneasiness of the stomach; revulsion, repugnance, disgust. 反胃, 恶心, 晕船.
- 370: **neutrality**. [nuːˈtræləti /njuː-]. *n.* state of being neutral, impartiality, condition of being without prejudice or bias. 中立, 中间状态, 不偏不倚.
- 371: **nostalgia**. [nɒˈstældʒiə /nɔː-]. *n.* feeling of longing for the past or bygone things, sentimentality. 乡愁; 怀旧之情.
- 372: **notoriety**. [nəʊtəˈraɪəti]. *n.* condition of being notorious; infamy, state of being unfavorably known; widespread reputation (usually poor). 恶名, 声名狼藉, 丑名.
- 373: **nuance**. [nuːˈɑːns /njuːˈɑːns]. *n.* slight difference, subtle distinction, nicety. 细微差别.

- 374: **oath**. [əuθ; pl.əuðz]. *n.* solemn vow; words of a solemn promise; curse. 誓言, 诅咒, 宣誓.
- 375: **obnoxious**. [əb'nakʃəs /-'nɒk-]. *adj.* repulsive; disgusting; offensively arrogant; annoying. 可憎的, 讨厌的, 不愉快的.
- 376: **obsolescence**. [əbsə'lesns /ɒb-]. *n.* state of being obsolete; state of being completely out of use due to the introduction of something new. 废弃; 废退; 陈旧过时.
- 377: **omen**. ['əumen]. *n.* sign of that which is to come (good or evil); portent. 预兆, 征兆, 前兆.
- 378: **ominous**. ['aminəs/'ɒm]. *adj.;adv.* delivering bad news; foreboding; threatening. 恶兆的, 预兆的, 不吉利的.
- 379: **onerous**. ['anərəs /'ɒn-]. *adj.* burdensome, laborious; oppressive; involving obligations that outweigh any possible benefits (Law). 繁重的; 负有义务的; 麻烦的; 有偿的.
- 380: **ordeal**. [ɔr'di:l /ɔ:'d-]. *n.* trial; trying experience, hardship. 严酷的考验, 折磨, 痛苦的经验.
- 381: **ostracism**. ['astrəsizm /'ɒs-]. *n.* exclusion; banishment. 贝壳流放法; 排斥; 放逐.
- 382: **ouster**. [austə(r)]. *n.* one who forces out or expels; dispossession, unjust eviction (Law). 驱逐, 剥夺, 夺取.
- 383: **outlet**. ['autlet]. *n.* way out, exit; means of relief (emotional, physical, etc.); electrical source for connecting appliances; store that sells products directly from the manufacturer (often at a discount); stream flowing out of a lake or pond. 出口; 排气口; 出水口; 出路.
- 384: **outrageous**. [aut'reidʒəs]. *adj.* shocking; scandalous; atrocious; disgraceful; offensive; ridiculous or eccentric (about clothing, person, etc.). 暴虐的, 可恶的, 极无礼的.
- 385: **pamphlet**. ['pæmfli:t]. *n.* brochure, small informational leaflet. 小册子.

- 386: **Paralympics**. [pærə'limpiks]. *n.* Olympics for the disabled, sports competition for disabled athletes. 伤残奥运.
- 387: **paralysis**. [pə'rælisɪs]. *n.* palsy, condition in which one or more parts of the body become immobile (due to nerve or brain damage, etc.). 麻痹, 瘫痪, 停顿.
- 388: **paranoia**. [pærə'noɪə]. *n.* mental disorder characterized by delusions of persecution and suspicion of others. 偏执狂; 妄想狂.
- 389: **paranoid**. [pærənɔɪd]. *adj.* of paranoia, characteristic of paranoia. 多疑的.
- 390: **pare**. [per /peə]. *v.* cut off, chop off; cut away, trim away, peel; reduce, diminish. 剥, 修, 削.
- 391: **paring**. [perɪŋ /'peər-]. *n.* act of peeling, act of removing the outer covering. 削皮, 刨花, 削下的皮.
- 392: **parochial**. [pə'rəʊkiəl]. *adj.* of a parish, of a religious congregation; narrow-minded; provincial, of a limited scope. 教区的, 狭小的, 地方性的.
- 393: **particle**. ['pɑːtɪkl /'pɑːt-]. *n.* tiny portion, very small fragment; grain; preposition; conjunction. 粒子, 极小量, 点.
- 394: **pastor**. ['pæstə(r) /'pɑːs-]. *n.* priest, clergyman, parson; spiritual leader, spiritual guide. 牧师.
- 395: **pathology**. [pə'θɒlədʒi /-θɔɪ-]. *n.* study of diseases and their characteristics. 病理学, 病状, 病理.
- 396: **patron**. ['peɪtrən]. *n.* supporter; regular customer; sponsor; guardian, legal guardian. 赞助人, 保护人, 顾客.
- 397: **peculiarity**. [pɪkjuːli'ærəti]. *n.* oddness, strangeness. 特质, 怪癖, 特性.
- 398: **peg**. [peg]. *v.* fasten with clothespin; strengthen with a wedge, reinforce with a spike. 钉木钉, 限制, 固定; 坚持不懈地工作.

- 399: **penury**. ['penjəri /-jur-]. *n.* poverty, indigence; stinginess, miserliness. 贫困, 贫穷.
- 400: **pepper**. ['pepə(r)]. *v.* season with pepper; add pepper. 加胡椒粉于; 使布满; 雨点般地撒; 痛打.
- 401: **peril**. ['perəl]. *n.* danger, risk, hazard. 危险, 冒险.
- 402: **pesky**. ['peski]. *adj.* (Slang) troublesome, bothersome; irksome, tiresome; annoying, irritating. 麻烦的, 讨厌的.
- 403: **pessimistic**. ['pesi'mistik]. *adj.* seeing only the bad side, tending to expect the worst. 悲观的; 悲观主义的.
- 404: **pesticide**. ['pestisaɪd]. *n.* chemical mixture used to kill pests and insects. 杀虫剂.
- 405: **petition**. [pi'tɪʃn]. *n.* request, demand; plea, appeal. 请愿, 陈情书, 诉状.
- 406: **pharmaceutical**. [farmə'su:tɪkl /fɑ:mə'sju-]. *adj.* pertaining to pharmacists; related to pharmacy. 制药学的.
- 407: **philanthropic**. [filən'θrəpɪk(l) /-rɔ-]. *adj.* generous, benevolent; pertaining to charity. 博爱的.
- 408: **picky**. ['pɪki]. *adj.* choosy, selective; fastidious, meticulous, stringent. 吹毛求疵的, 找麻烦的, 挑剔的.
- 409: **piracy**. ['paɪərəsi]. *n.* robbery at sea; theft of another person's work or ideas; illegal copying or use of computer software (Computers). 海盜行为, 著作权侵害, 剽窃.
- 410: **pitchman**. ['pɪtʃmən]. *n.* salesman at a kiosk; aggressive salesman, energetic salesman. 摊贩; 广告员; 商品宣传员.
- 411: **pivotal**. ['pɪvətl]. *adj.* axial, pertaining to a pivot; fundamental, central; important, significant. 枢轴的, 关键的.
- 412: **plague**. [pleɪɡ]. *n.* epidemic, widespread disease, pestilence; bubonic plague; nuisance, annoyance, pest. 瘟疫, 灾祸, 麻烦.

- 413: **plateau**. [plæ'təu /'plætəu]. *n.* flat-topped hill, tableland; high flat surface; standstill, lack of progress. 高地, 高原.
- 414: **plight**. [plait]. *n.* misfortune, trouble; complication, entanglement. 境况.
- 415: **plop**. [plap /plɒp]. *v.* fall down, sink, drop. 扑通落下; 使掉下.
- 416: **plumb**. [plʌm]. *adv.* perpendicularly; vertically; utterly, quite, completely, totally (Slang). 垂直地; 完全; 恰恰, 正.
- 417: **podium**. ['pəudiə]. *n.* platform, stage; pulpit, rostrum. 矮墙, 指挥台, 腰墙.
- 418: **poised**. ['pɔɪzd]. *adj.* stable; hovering; suspended, hung; erect, upright. 泰然自若的, 平衡的.
- 419: **polio**. ['pəuliəu]. *n.* poliomyelitis, infectious viral disease affecting the central nervous system that causes paralysis. 脊髓灰质炎.
- 420: **posit**. ['pəzɪt /'pɒz-]. *v.* assume, postulate; present a position, establish a viewpoint. 安置, 断定, 布置.
- 421: **pragmatic**. [præg'mætɪk]. *adj.* practical, pertaining to action, of practice. 忙碌的, 实际的, 活跃的.
- 422: **preach**. [pri:tʃ]. *v.* moralize, discuss ethical or moral standards; lecture about religion, give a sermon; lecture, deliver a speech. 布道; 鼓吹; 讲; 反复灌输; 讲道; 鼓吹, 宣扬; 说教; 唠叨地劝诫.
- 423: **premium**. ['pri:miəm]. *n.* supplementary charge, additional charge; amount paid for insurance; prize, reward; tuition. 奖品; 额外补贴, 津贴; 奖金; 酬金.
- 424: **preposterous**. [pri'pasterəs /-'pɒs-]. *adj.* ridiculous, ludicrous; illogical, irrational; absurd, nonsensical, foolish. 前后颠倒的, 荒谬的, 不合理的.
- 425: **prerogative**. [pri'ragətɪv /-'rɒg-]. *n.* right, privilege; preferential privilege of a particular group; special individual advantage or privilege; special quality that gives superiority; preemptive privilege or right. 特权, 大权.

- 426: **prestige**. [pre'sti:ʒ]. *n.* reputation for being high quality, good standing within public opinion; good reputation, favorable regard. 名望, 威望, 声望.
- 427: **prestigious**. [pre'sti:dʒəs /-'stid-]. *adj.* respected, highly esteemed, favorably regarded, having a good reputation. 享有声望的, 声望很高的.
- 428: **prevail**. [pri'veil]. *v.* win, succeed; overcome, surpass, prove superior; predominate, rule, reign. 流行, 获胜, 盛行.
- 429: **prevalent**. ['prevelənt]. *adj.* common, widespread, predominant, current. 普遍的, 流行的.
- 430: **probation**. [prə'beɪʃn]. *n.* test period, trial period; attempt, trial; conditional release from jail during which a criminal is under supervision of a probation officer. 试用, 鉴定, 见习.
- 431: **prodigious**. [prə'dɪdʒəs]. *adj.* great, big, huge; enormous; wonderful, excellent, marvelous; amazing, astonishing, awe-inspiring. 很大的, 异常的, 惊人的.
- 432: **prone**. [prəʊn]. *adj.* tending, apt, disposed; lying with the face down, prostrate. 有...倾向的, 易于...的; 倾斜的; 俯卧的, 面向下的; 陡的.
- 433: **propaganda**. [prəpə'gændə /prɔ-]. *n.* information spread in order to promote a particular goal. 宣传, 宣传机关, 宣传活动.
- 434: **prosecutor**. ['prəsɪkjʊ:tə(r) /'prɔs-]. *n.* plaintiff, person who files a legal action; prosecuting attorney, attorney who manages the accusing side of a legal trial. 实行者, 告发者, 追诉者.
- 435: **protract**. [prəu'trækt /prɔ-]. *v.* prolong, postpone, lengthen; continue, maintain, preserve; stretch, extend, sustain. 延长, 拖延; 伸出; 绘制; 伸展.
- 436: **prowess**. ['praʊɪs]. *n.* valor, might, heroism; courage, bravery; superior combat skills, great combat ability; superior ability, excellent skill. 英勇, 超凡技术, 勇敢.

- 437: **prudent**. ['pru:dnt]. *adj.* cautious, careful; judicious, discreet; shrewd, wise, intelligent; frugal, thrifty, economical. 审慎的, 小心的; 节俭的; 精明的; 善于经营的.
- 438: **puberty**. ['pju:bə(r)ti]. *n.* sexual maturity. 青春期; 开花期; 妙龄.
- 439: **pummel**. ['pʌml]. *v.* pommel, beat with the fists, punch repeatedly. 击, 用拳头连续揍, 打.
- 440: **punitive**. ['pju:nətiv]. *adj.* serving as a punishment, serving as a penalty; inflicting punishment, penalizing. 刑罚的, 惩罚性的.
- 441: **putative**. ['pju:tətiv]. *adj.* commonly believed, generally accepted; presumed, supposed, assumed. 想象的, 传说的, 推定的.
- 442: **ramification**. [ræmifi'keɪʃn]. *n.* consequence, outcome of another event; branch, bough; act of branching out. 分枝, 树枝, 分歧.
- 443: **rampage**. [ræm'peɪdʒ, 'ræmpeɪdʒ]. *n.* riotousness, wild or frenzied behavior. 乱闹, 暴跳; 横冲直撞.
- 444: **rebate**. ['ri:beɪt]. *v.* give back part of a sum of money, provide a partial refund, give a discount. 退还; 对...贴现; 对...给回扣.
- 445: **recede**. [ri'si:d]. *v.* withdraw, retreat, draw back. 退, 后退; 变模糊, 变淡; 远去; 变得渺茫.
- 446: **recklessly**. ['rekləsli]. *adv.* in a rash manner, heedlessly, impulsively, hastily. 不在乎地; 不顾一切地; 鲁莽地.
- 447: **reel**. [ri:l]. *v.* roll up, wind onto a spool; sway, falter, move unsteadily. 卷, 绕; 抽出; 放出; 拉起; 卷, 绕; 摇纱; 蹒跚地走, 旋转.
- 448: **referee**. [refə'ri:]. *n.* arbitrator, unbiased person who makes decisions and settles disputes; umpire, official who enforces game rules during sports competitions. 裁判员; 介绍人, 推荐人; 仲裁人, 调停人; 审阅人, 专家.
- 449: **reimburse**. [ri:im'bərs /-'bə:s]. *v.* repay, refund; compensate for a loss, repay for an expense. 偿还; 补偿; 归还; 赔偿.

- 450: **rein**. [rein]. *v.* control, restrain; control an animal by pulling on the reins. 勒住; 控制, 统治; 驾驭; 勒马, 勒住牲口.
- 451: **reiterate**. [ri:'itəreit]. *v.* repeat, say again, restate. 反复地说, 反复地做, 重申.
- 452: **renaissance**. [rə'neisəns]. *n.* rebirth, revival, renewal of life. 复活, 文艺复兴, 复兴.
- 453: **renege**. [ri'nig /ri'ni:g]. *v.* go back on a promise, fail to fulfill a pledge; fail to follow suit when it is possible to do so (Cards). 食言; 违约; 背信; 有牌而不跟; 否认, 拒绝, 放弃.
- 454: **reprisal**. [ri'praizl]. *n.* injuries inflicted in response to injuries received; retaliation, revenge; use of force or political pressure to retaliate against another nation without officially going to war; retaliatory confiscation of property or capture of prisoners. 报复, 报复性劫掠, 报仇.
- 455: **rescind**. [ri'sind]. *v.* cancel, void, annul, revoke, repeal; remove, take away. 废止; 撤回; 取消, 使无效.
- 456: **resentment**. [ri'zentmənt]. *n.* feeling of ill-will, sense of bitterness, indignation, displeasure. 愤慨, 怨恨, 忿怒.
- 457: **resilience**. [ri'ziliəns]. *n.* elasticity, ability to return to the original shape; cheerfulness, quality of quickly recovering from sadness or failure, buoyancy. 弹回; 恢复力; 弹性.
- 458: **resonate**. [rezəneit]. *v.* resound, reverberate, echo. 共鸣; 共振; 起回声.
- 459: **restitution**. [resti'tu:ʃn /-'tju-]. *n.* reparation, compensation, reimbursement, remuneration; restoration to a previous condition. 归还, 赔偿, 偿还.
- 460: **restive**. ['restiv]. *adj.* nervous, uneasy, restless; stubborn, uncontrollable. 不愿向前走的, 难驾御的, 倔强的.
- 461: **resurgence**. [ri'sɜrdʒəns /-'sɜ:d-]. *n.* act of rising again; revival, renaissance, rejuvenation. 复活; 再起; 复苏; 再现.

- 462: **resurgent**. [ri'sɜrdʒnt /-'sɜ:-]. *adj.* rising again; experiencing revival, experiencing rebirth. 复活的; 再起的; 复苏的.
- 463: **reticent**. ['restisnt]. *adj.* remaining silent, keeping quiet; reserved, showing self-restraint; hesitant, unwilling, reluctant. 无言的; 谨慎的; 沉默的; 抑制的.
- 464: **retrospect**. ['retrəʊspekt]. *n.* review of past events, contemplation of the past. 回顾, 回想; 追溯.
- 465: **rev**. [rev]. *n;v.* increase the number of revolutions of an engine; increase; arouse excitement. 加速.
- 466: **revamp**. [ri:'væmp]. *v.* renovate, change, revise, redo. 给换新面; 改造; 修补; 改写.
- 467: **reverberate**. [ri'vɜrbəreit /-'vɜ:-]. *v;n.* echo, resound, resonate. 回响; 弹回; 反射; 反响; 使反响, 反射, 使回响.
- 468: **revolt**. [ri'vəʊlt]. *v.* rebel, rise up against authority; shock, cause disgust; be shocked, feel disgusted. 叛乱, 起义, 反抗; 使厌恶, 使恶心, 使反感.
- 469: **rhetoric**. ['retərik]. *n.* study of the effective use of language; art of speaking and writing effectively; oratory, study of language as a means of persuasion; use of bombastic language, use of unnecessarily florid language. 修辞, 修辞学, 华丽虚饰的语言.
- 470: **riddle**. ['ridl]. *v.* solve, interpret; swell up, inflate; perforate, pierce; detonate, explode. 筛; 充斥, 布满; 把...打得满是窟窿; 连续质问; 解...的谜; 使困惑; 给...出谜; 打谜似地说; 出谜, 打谜.
- 471: **rig**. [rig]. *v.* set up, make ready for use; equip, furnish with supplies or equipment; falsify, tamper with, manipulate fraudulently; dress, clothe (Informal); fit or install sails on a sailboat. 为装配帆及索具; 为装配构件; 装束, 打扮; 草草作成, 临时赶造.
- 472: **rivalry**. ['raivlri]. *n.* competition, contention; act of competing. 敌对, 对抗, 竞争.
- 473: **rive**. [raiv]. *v.* tear, rend, split; be torn, be rent, be split. 撕开, 使沮丧; 裂开, 破裂.

- 474: **rivet**. ['rivɪt]. *v.* attach with rivets, fasten with rivets; engross, hold someone's attention, fascinate. 用铆钉固定, 注目, 敲进去.
- 475: **rogue**. [rəʊg]. *n.* rascal, scoundrel, dishonest person, villain. 恶棍, 小淘气, 流氓.
- 476: **rosy**. ['rəʊzi]. *adj.* female first name. 玫瑰色的, 玫瑰红的; 脸红的; 红润的; 美好的, 乐观的, 光明的.
- 477: **rudimentary**. ['ru:di'mentəri / -tri]. *adj.* basic, elementary, fundamental; not fully developed, immature. 基本的, 初步的; 发展未完全的; 早期的.
- 478: **ruinous**. ['ru:inəs]. *adj.* destroyed, dilapidated; disastrous, causing ruin, causing destruction. 破坏性的, 招致毁灭的.
- 479: **rumble**. ['rʌmbəl]. *v.* make a deep loud sound like that of thunder; take part in a street fight, brawl (Slang); understand, discover (Slang). 隆隆响; 低沉地说话; 辘辘行驶; 咕哝; 使隆隆响; 低沉地说出; 使辘辘行驶.
- 480: **saddle**. ['sædl]. *n;v.* place a seat on the back of an animal; load with a burden or obligation. 给装鞍; 强加; 使负担; 跨上马鞍.
- 481: **sanction**. ['sæŋkʃn]. *v.* approve, authorize; endorse, ratify; penalize or encourage as a means of enforcing a law. 认可; 赞许; 批准; 支持.
- 482: **sanctum**. ['sæŋktəm]. *n.* holy or sacred place; private place, retreat. 圣所; 密室.
- 483: **sanguine**. ['sæŋgwin]. *adj.* optimistic, hopeful; confident, certain; having a reddish complexion, ruddy; red, having the color of blood; sanguinary. 怀着希望的; 血色好的, 红润的; 乐观的; 血红的.
- 484: **satirize**. ['sætiraɪz]. *v.* ridicule through the use of satire; write a satire, use mockery and derision to demonstrate the negative aspects of human folly (also satirise). 讽刺性描写.
- 485: **scant**. [skænt]. *adj.* lacking, having an inadequate supply; meager, barely sufficient, just enough; limited, deficient. 不充分的, 不足的.

- 486: **scoff**. [skaf /skɔf]. *v.* scorn, mock, deride, ridicule; eat voraciously (Slang). 嘲笑, 嘲弄; 嘲笑, 嘲弄; 藐视; 贪婪地吃; 偷窃; 抢劫; 狼吞虎咽.
- 487: **scourge**. [skɜrdʒ /skə:dʒ]. *v.* lash, whip, flog; chastise, punish severely. 鞭打, 蹂躏, 痛斥.
- 488: **scramble**. ['skræmbəl]. *adj.* mixed, blended; jumbled, combined in a disorderly fashion. 攀缘, 争夺, 杂乱蔓延; 攀登, 使混杂, 搅乱.
- 489: **scraping**. ['skreɪpɪŋ]. *n.* act of scratching; act of scrubbing or scouring; sound produced by two surfaces rubbing against one another. 擦去, 削去, 抹去.
- 490: **scrutiny**. ['skru:tɪni /-tɪni]. *n.* close examination, inspection; examining look, searching look. 细看, 监视, 仔细检查.
- 491: **scurry**. ['skəri /'skʌri]. *v.* scamper, run or move quickly, scuttle. 急赶, 急转, 急跑.
- 492: **sedan**. [si'dæn]. *n.* closed passenger car carrying four or more passengers in a single compartment; portable covered chair carried by two people, sedan chair. 轿子; 轿车.
- 493: **seismic**. ['saɪzmɪk]. *adj.* pertaining to an earthquake, pertaining to a movement or vibration of the Earth's crust; caused by an earthquake. 地震的; 因地震而引起的.
- 494: **sentiment**. ['sentɪmənt]. *n.* feeling, emotion; attitude, opinion; tender emotion. 感情, 心情; 情绪; 情操; 感伤, 多愁善感.
- 495: **sergeant**. ['sɑ:dʒənt /'sɑ:d-]. *n.* noncommissioned military officer ranked above a corporal or airman first class; police officer ranked below a captain or lieutenant. 警官, 军士.
- 496: **sham**. [ʃæm]. *adj.* false, deceptive; pretended, , feigned. 假的, 伪造的.
- 497: **shoddy**. ['ʃɑ:di /'ʃɒdi]. *adj.* cheap, inferior, of poor quality; phony, imitative, fake. 劣等的; 假冒的.

- 498: **shrewd**. [ʃru:d]. *adj.* clever, sharp, crafty; intelligent, judicious, astute. 精明的; 机灵的, 聪颖的, 敏锐的; 狡猾的.
- 499: **shrimp**. [ʃrimp]. *n.* any of a number of small long-tailed marine crustaceans (some of which are edible); small person or thing; insignificant person or thing (Informal). 虾; 无足轻重的人; 矮个子; 小东西.
- 500: **shun**. [ʃʌn]. *v.* avoid, stay away from, abstain from. 避开, 避免.
- 501: **simmer**. ['simə(r)]. *v.* cook steadily at a temperature just below the boiling point; be steadily cooked at a near-boiling temperature; seethe, be in a state of suppressed anger or excitement. 煨, 内部混乱状态, 炖; 慢慢地煮.
- 502: **sinister**. ['sinistə(r)]. *adj.* evil, malicious; threatening, ominous, portending evil; left, on the left side. 不吉利的, 左边的, 凶恶的.
- 503: **skeptic**. ['skeptik]. *n.* one who doubts, one who question the validity of claims; adherent of a school of skepticism. 怀疑者; 无神论者; 怀疑论者.
- 504: **sketchy**. ['sketʃi]. *adj.* rough, crude, serving as a basic outline; incomplete; superficial. 写生的, 概略的, 写生风格的.
- 505: **skittish**. ['skitiʃ]. *adj.* nervous, high-strung, tense; fickle, changeable; mischievous, frisky, lively; shy. 易激动的, 轻佻的.
- 506: **sleek**. [sli:k]. *adj.* shining, glossy; carefully groomed; well-fed; cunning, clever. 光滑的, 井然有序的, 茁壮的.
- 507: **sleuth**. [slu:θ]. *n.* detective; sleuth-hound, dog used to track or follow, bloodhound; group of bears. 警犬, 侦探.
- 508: **slight**. [slait]. *v;n.* treat with indifference, ignore; treat with disdain, disparage, snub, insult, affront. 轻视, 怠慢, 忽略.
- 509: **slur**. [slər /slə:]. *v;n.* speak indistinctly; stain, blemish; insult, disparage, belittle; pass over, ignore; play or sing a series of notes in a smooth and connected manner (Music). 忽视, 忽略; 弄脏, 玷污; 含糊地发; 诽谤, 诋毁.

- 510: **soak**. [səuk]. *v.* immerse, dip; drench, saturate; moisten; absorb; permeate, penetrate; overcharge, extort, charge exorbitantly (Slang). 使上下湿透, 吸入, 浸; 浸泡, 渗透.
- 511: **solicit**. [sə'lisit]. *v.* try and obtain something through persuasion or earnest requests; attempt to convince someone to give or do something; try to influence another to commit an illegal act; offer sex in exchange for money. 请求; 乞求; 恳求; 征求.
- 512: **sovereignty**. ['savrənti /'sov-]. *n.* supreme power; autonomy, self-rule, independence; self-governing state or territory. 君权, 统治权; 主权国家; 主权; 拥有主权的地区.
- 513: **spar**. [spar /spɑː]. *n;v.* act of fighting with blows (as in boxing practice); quarreling. 装圆材于; 拳斗, 争论.
- 514: **spasm**. ['spæzm]. *n.* sudden involuntary contraction of a muscle or muscles, convulsion,cramp; sudden outburst of intense activity. 痉挛, 抽搐; 一阵发作.
- 515: **spate**. [speit]. *n.* sudden outpouring; flood (British); sudden heavy rainstorm (British). 泛滥, 大雨, 洪水.
- 516: **spectrum**. ['spektrəm]. *n.* range of colors (as seen in a rainbow); broad range of connected ideas or events. 谱; 频谱; 光谱; 射频频谱.
- 517: **speculation**. [spekjə'leɪʃn /-ju'l-]. *n.* contemplation, deliberation; conjecture, hypothesis; act of engaging in risky business transactions; buying and selling of commodities in order to profit from market fluctuations. 思索; 推测; 沉思; 投机.
- 518: **spike**. [spaɪk]. *v.* fasten or secure with a spike; pierce with a spike; provide with a spike; block, make ineffective (Slang); add alcoholic liquor to a drink (Slang); hit a ball downward (Volleyball). 以大钉钉牢, 阻止, 使失效.
- 519: **spiral**. ['spaɪərel]. *v.* wind, coil, twist around an axis, form into a spiral, move in a looping or winding fashion; progressively increase or decrease. 盘旋; 螺旋形上升; 成螺旋形; 不断加剧地增加; 使成螺旋形; 使作螺旋形上升.

- 520: **sprawl**. [sprɔ:l]. *v.* stretch out one's legs and arms in a relaxed manner (while sitting or lying); spread out, extend. 伸开四肢躺; 蔓生, 蔓延; 笨拙地爬行; 无计划地扩展; 懒散地伸开; 使不规则地延伸; 使蔓生.
- 521: **spree**. [spri:]. *n.* binge, period of unrestrained self-indulgence (drinking, shopping, etc.); fun social activity. 戏耍, 宴会, 喧闹.
- 522: **spur**. [spər /spə:]. *v.* stimulate, urge; encourage a horse to move faster by using spurs; ride quickly, gallop; move quickly; put on spurs. 用靴刺踢; 给...装踢马刺; 鞭策, 鼓励; 策马飞奔; 给予刺激; 急速前进.
- 523: **squelch**. [skweltʃ]. *v.* squash, trample, crush; suppress, silence; make wet splashing sounds (as when walking through mud). 压扁; 镇压; 把...镇住; 粉碎; 变扁; 嘎吱作响.
- 524: **stagger**. ['stæɡə(r)]. *v;n.* totter, waver, sway, wobble; astound, overwhelm; arrange in a zigzag pattern; arrange in a series of alternating intervals, schedule in different time periods; reeling or tottering movement; staggered arrangement, zigzag formation. 摇摇晃晃, 蹒跚而行; 畏缩; 犹豫, 动摇; 坚持进行; 使摇晃, 使蹒跚; 使吃惊; 使犹豫; 压倒.
- 525: **stall**. [stɔ:l]. *v.* put into a stable; delay, check the progress of; cause to stop, cause to turn off (of a motor). 把...关入畜舍; 使动弹不得; 使陷入泥潭; 使熄火; 被关入畜舍; 抛锚; 熄火; 失速; 拖延, 推迟; 拖时间使等候, 把...拖住; 支吾, 拖延; 拖延时间.
- 526: **steer**. [stir /stiə]. *v.* cause a vehicle to move in a particular direction (by means of a wheel, rudder, etc.); guide, direct, advise. 掌舵, 驾驶; 带领; 指导; 操纵; 驾驶, 掌舵; 被驾驶, 驾驶起来; 行驶, 行进.
- 527: **sterling**. ['stɜ:lin /'stɜ:l-]. *n;adj.* British currency; standard of fineness for silver or gold (Britain); sterling silver; objects made of sterling silver; sterling silver flatware; of or made of sterling silver; flawless, of the highest quality; of or pertaining to British currency. 英国货币, 标准纯银.
- 528: **stern**. [stɜ:n /stɜ:n]. *adj.* strict, uncompromising, firm; grim, harsh, austere. 严厉的, 坚定的, 严格的.

- 529: **stomp**. [stamp /stɒmp]. *v.* stamp, trample, tread heavily. 踩, 重踏, 践踏; 跺脚, 重踏, 践踏.
- 530: **stratospheric**. [strætəʊ'sferɪk]. *adj.* pertaining to the stratosphere, pertaining to the layer of the Earth's atmosphere located between the troposphere and the mesosphere. 同温层的, 平流层的.
- 531: **stray**. [streɪ]. *v.* wander off, leave the correct course; roam, meander; deviate from the norm, err; digress. 迷路, 走失; 闲逛; 走散; 流浪.
- 532: **stump**. [stʌmp]. *n.* section of a tree trunk remaining in the ground after the tree has fallen or been cut down; artificial leg; heavy footstep; remaining part (of a limb, tooth etc.); figurative platform for political speeches; (Slang) short fat person. 树桩, 烟头, 残余.
- 533: **subsidize**. [sʌbsɪdaɪz]. *v.* provide financial assistance (also subsidise). 给与补助金, 贿赂, 给与奖助金.
- 534: **sully**. ['sʌli]. *v.* dirty, soil, tarnish; taint, defile, disgrace. 弄脏; 使丢脸; 玷污.
- 535: **summon**. ['sʌmən]. *v.* convene, assemble; send for, request the presence of; order to appear before a court; demand; rouse, call forth. 召唤, 号召, 召集.
- 536: **swank**. [swæŋk]. *v.* show off, behave in an arrogant or boastful manner. 出风头, 炫耀.
- 537: **syndication**. [sɪndɪ'keɪʃn]. *n.* formation of a syndicate. 企业联合组织化.
- 538: **synergy**. ['sɪnə(r)dʒi]. *n.* combined action of two or more agents which produces a result stronger than their individual efforts; cooperation between two or more groups, combined action. 共同作用, 协力, 合力; 协同作用.
- 539: **systematic**. [sɪstɪ'mætɪk(l)]. *adj.* of or pertaining to a system; methodical, orderly, organized, carefully planned. 有系统的, 体系的, 分类的.

- 540: **tableau**. [tæ'bləu /'tæbləu]. *n.* dramatic scene, vivid description; representation of a scene in which all the actors stand silent and motionless. 生动的场面, 戏剧性局面.
- 541: **tactical**. ['tæktɪkl]. *adj.* of or pertaining to tactics; of or pertaining military tactics; skilled in developing methods to attain goals. 战术的, 策略的, 用兵上的.
- 542: **tactician**. [tæk'tɪʃn]. *n.* expert in combat tactics, expert in the art of planning short-term military strategies; one who is skilled in developing methods to attain goals. 战术家, 策士.
- 543: **tame**. [teɪm]. *adj.* trained, domesticated; gentle; submissive, obedient; dull, boring. 经驯养的, 驯服的; 易驾驭的; 温顺的, 听使唤的, 驯良的; 安全无害的.
- 544: **tantrum**. ['tæntɹəm]. *n.* fit of ill-temper, outburst of rage. 发脾气, 发怒.
- 545: **tarmac**. ['tarmæk /'tɑ:-]. *v.* cover with tarmac, cover with a combination of tar and crushed rocks. 停机坪; 柏油路.
- 546: **terse**. [tɜrs /'tɜ:s]. *adj.* concise, succinct, curt, short. 精练的, 简练的.
- 547: **tether**. ['teðə(r)]. *v.* fasten with a tether, tie an animal with a rope or chain in order to restrict movement. 栓, 限制, 束缚.
- 548: **thud**. [θʌd]. *n;v.* produce a dull heavy sound; strike with such a sound. 砰地落下; 发出砰声.
- 549: **thwart**. [θwɔrt /θwɔ:t]. *v;n.* prevention, foiling. 反对, 横过, 阻碍.
- 550: **tiara**. [ti'ɑ:rə]. *n.* crown, coronet. 古波斯人的头饰; 教皇的职权; 三重冕.
- 551: **tinge**. [tɪndʒ]. *v.* tint, color lightly; give a slight trace of, mix with a small amount of. 微染, 使带气息.
- 552: **tonic**. ['tɒnɪk /-'tɒn-]. *adj.* 滋补的。提神的。使强壮的。· 滋补的; 强直的; 使人精神振奋的; 声调的.

- 553: **topple**. [ˈtɒpl /ˈtɒpl]. *v.* drop, collapse. 使倒塌; 颠覆; 推翻; 倒塌, 摇摇欲坠.
- 554: **torn**. [tɔːn /tɔː-]. *adj.* ripped, rent. 扯; 撕破; 撕; 被撕裂; 飞跑; 被扯破; 狂奔; 流泪; 含泪.
- 555: **torpedo**. [tɔːrˈpiːdəu /tɔː-]. *v.* attack with a torpedo; damage with a torpedo; undermine, sabotage, destroy, subvert; detonate an explosive device inside an oil well in order to facilitate the extraction of oil. 用鱼雷袭击; 使彻底完蛋; 破坏.
- 556: **toss**. [tɒs /tɒs]. *v.* throw, fling, pitch; roll, rock. 抛, 投, 扔; 把...抛来抛去; 使上下摇动; 突然抬起; 摇摆, 辗转, 颠簸.
- 557: **traction**. [ˈtrækʃn]. *n.* towing power. 曳, 牵引力, 牵引.
- 558: **trajectory**. [trəˈdʒektəri]. *n.* course, path; path of a missile. 轨道, 轨线, 弹道.
- 559: **transcend**. [trænˈsend]. *v.* outdo, excel, rise above, go beyond; be transcendent. 超越, 胜过; 超越; 优于.
- 560: **trauma**. [ˈtrɔːmə]. *n.* a powerful shock that may have long-lasting effects. 损伤, 外伤.
- 561: **trepidation**. [trepiˈdeɪʃn]. *n.* tremulous agitation or fear; trembling movement. 恐惧, 忧虑, 惊惶.
- 562: **trophy**. [ˈtrɒfi]. *n.* object honoring a victor such as a statue; any token of honor (for winning a contest, for skill, for bravery, etc.); spoil, prize, anything taken in war or hunting; memorial. 战利品, 奖品.
- 563: **trounce**. [traʊns]. *v.* beat, vanquish; thrash, punish; baffle, bewilder. 打, 严惩, 痛打.
- 564: **trove**. [trəʊv]. *n.* collection of objects, aggregation of items; sum of money or collection of valuable items of unknown ownership that may be legally kept by the finder. 被发现的东西, 收藏的东西.
- 565: **tumultuous**. [tuːˈmʌltʃuəs /tju-]. *adj.* loud, noisy, disorderly; riotous; raucous; emotionally or mentally agitated. 吵闹的, 骚乱的, 纷乱的.

- 566: **turmoil**. [**tɜrmoɪl** /**tɜ:-**]. *n.* tumult, uproar, commotion. 骚动, 混乱.
- 567: **tussle**. [**tʌsl**]. *v.* struggle, scuffle, fight. 扭打, 格斗, 打斗.
- 568: **twilight**. [**twailait**]. *n.* soft light from the sky between sunset and full night or just before sunrise; time of day characterized by faint sunlight; period of decline; faint light; vagueness. 微明; 微光; 薄暮; 黄昏.
- 569: **ubiquitous**. [**ju:'bikwɪtəs**]. *adj.* present everywhere (especially at the same time); omnipresent; widespread, all over the place; extending throughout the world, global, universal. 到处存在的; 普遍存在的.
- 570: **umbilical**. [**ʌmbɪ'likl**]. *adj.* of or pertaining to the cord connecting a fetus with the placenta of the mother; relating to the navel or central region of the abdomen; attached as with an umbilical cord. 脐带的, 脐状的, 脐的.
- 571: **vaccine**. [**væksi:n**]. *n.* solution of weakened or modified pathogen cells which is injected into the body in order to stimulate the production of antibodies to a disease, inoculation; (Computers) program that is designed to protect against computer viruses. 疫苗.
- 572: **vagrancy**. [**veigrənsɪ**]. *n.* condition of having no permanent home, state of wandering and having no occupation. 游移不定; 流浪; 漂泊.
- 573: **vandalism**. [**vændəlɪzm**]. *n.* purposeful destruction or damage of something that is beautiful or something that belongs to someone else; practices or spirit of the Vandals. 对艺术的破坏.
- 574: **vanguard**. [**vængərd** /**vængɑ:d**]. *n.* troops in the forefront of the battle; leading position in an movement, those who are on the cutting edge of a trend. 前锋, 领导者, 先锋.
- 575: **veer**. [**viə**]. *v.* change direction, swerve, turn about, alter one's course. 转向; 顺转; 使转向; 放出.
- 576: **vehement**. [**viəmənt**]. *adj.* fervent, impassioned; intense, strong. 激烈的, 热烈的, 猛烈的.

- 577: **venerable**. ['venərəbl]. *adj.* worthy of honor and esteem (because of age, achievement, or position); deserving reverence and respect (because of historical or religious status). 庄严的, 古老的, 值得尊敬的.
- 578: **verdant**. ['vərdnt /'və:d-]. *adj.* green; covered with vegetation; inexperienced. 翠绿的, 生疏的, 青翠的.
- 579: **verdict**. ['vərdikt /'və:-]. *n.* judgment made by a jury, sentence; decision. 裁决, 判断, 判决.
- 580: **veteran**. ['vetərən]. *n.* soldier who has been serving in the armed forces for a long time and has much experience; former member of the armed forces; one who is seasoned and experienced in any area. 老兵, 富有经验的人, 老手.
- 581: **vicious**. ['viʃəs]. *adj.* evil, spiteful; ferocious, fierce; faulty in character. 邪恶的, 品性不端的.
- 582: **vigil**. ['vidʒil]. *n.* period of wakefulness during the night (particularly for the purpose of watching or guarding); time of prayer on the eve of a religious holiday. 警戒, 守夜, 监视.
- 583: **vigilante**. [vidʒi'lænti]. *n.* one who takes the law into his own hands; volunteer on a vigilance committee. 义务警员.
- 584: **vigorous**. ['vigərəs]. *adj.* robust, strong; energetic, active. 精力旺盛的, 健壮的, 有力的.
- 585: **vilify**. ['vilifai]. *v.* slander, defame. 诽谤, 轻视, 贬低.
- 586: **virulent**. ['virələnt /-rul-]. *adj.* infectious, causing infection; poisonous; hateful; obnoxious. 有毒的, 充满敌意的, 有恶意的.
- 587: **vitriolic**. [vitri'alik /-'ɔl-]. *adj.* of or pertaining to vitriol; biting sarcasm; resembling glassy metallic sulfate. 硫酸的, 刻薄的, 象硫酸的.
- 588: **volatile**. ['vələtl /'vələtail]. *adj;n.* evaporating easily; rapidly changing; fickle; liquid that quickly vaporizes at relatively low temperatures (i.e. gasoline, paint thinner, etc.). 挥发性的, 不稳定的, 可变的.

- 589: **volcanic**. [val'kænik /vɒl-]. *adj.* 火山的。火成的。．火山的, 猛烈的, 象火山的.
- 590: **vomit**. ['vəmit /'vɒm-]. *v.* eject stomach contents through the mouth; throw up. 呕吐, 大量喷出; 吐出, 呕吐.
- 591: **voucher**. [vaʊtʃə(r)]. *n.* certificate that bears monetary value, coupon; receipt; authorizer, endorser. 证人, 证明者, 保证人; 凭单.
- 592: **wafer**. ['weɪfə(r)]. *n.* thin crispy cookie or cracker (often eaten as a desert with ice cream); bite-size piece of unleavened bread taken during the Eucharist (Christianity); chip (Electronics); flat round bit of adhesive (as is used to seal an envelope). 晶片, 薄饼, 圆片.
- 593: **wane**. [weɪn]. *v.* diminish; decline; ebb, subside, dwindle; approach the end (of life, a period, etc.). 变小, 衰落, 亏缺.
- 594: **whip**. [hwɪp /w-]. *v;n.* strike with a whip, lash, flog; cause to become frothy, beat (of egg whites, cream, etc.); snatch; move suddenly, jerk; defeat; bind. 鞭打, 搅拌, 挥动; 拍击, 抽打, 急走.
- 595: **woo**. [wu:]. *v.* court; run after; ask for, look for; bring upon oneself; persuade. 向...求爱, 恳求, 追求; 求爱, 恳求.
- 596: **wrangle**. ['ræŋɡl]. *v.* persuade; argue; bicker. 争论, 口角, 争吵; 辩驳, 放牧.
- 597: **wrath**. [ræθ /rɒθ]. *n.* fury, anger, rage. 愤怒, 猛烈的力量, 激怒.