

The New York Times

Late Edition

Today, less humid but warm, some sun, high 89. Tonight, mostly clear, cooler, low 66. Tomorrow, comfortable, sunshine and clouds, high 80. Weather map appears on Page D8.

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Ireland Paying A High Price For Austerity

As Europe Seeks Cuts, a Cautionary Tale

By LIZ ALDERMAN

DUBLIN — As Europe's major economies focus on belt-tightening, they are following the path of Ireland. But the once thriving nation is struggling, with no sign of a rapid turnaround in sight.

Nearly two years ago, an economic collapse forced Ireland to cut public spending and raise taxes, the type of austerity measures that financial markets are now pressing on most advanced industrial nations.

"When our public finance situation blew wide open, the dominant consideration was ensuring that there was international investor confidence in Ireland so we could continue to borrow," said Alan Barrett, chief economist at the Economic and Social Research Institute of Ireland. "A lot of the argument was, 'Let's get this over with quickly.'"

Rather than being rewarded for its actions, though, Ireland is being penalized. Its downturn has certainly been sharper than if the government had spent more to keep people working. Lacking stimulus money, the Irish economy shrank 7.1 percent last year and remains in recession.

Joblessness in this country of 4.5 million is above 13 percent, and the ranks of the long-term unemployed — those out of work for a year or more — have more than doubled, to 5.3 percent.

Now, the Irish are being warned of more pain to come.

"The facts are that there is no easy way to cut deficits," Prime Minister Brian Cowen said in an interview. "Those who claim there's an easier way or a soft option — that's not the real world."

Despite its strenuous efforts, Ireland has been thrust into the same ignominious category as Portugal, Italy, Greece and Spain. It now pays a hefty three percentage points more than Germany on its benchmark bonds, in part because investors fear that the austerity program, by retarding

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LUKE SHARRETT/THE NEW YORK TIMES

Court Nominee Opens Her Case

Elena Kagan faced Senators Jeff Sessions and Patrick J. Leahy on Monday in Day 1 of her confirmation hearings. Page A15.

Setting Diversity as Hallmark, Mayor Falls Far Short of a Vow

By DAVID W. CHEN and JO CRAVEN MCGINTY

Since winning a third term in November, Mayor Michael R. Bloomberg has announced a parade of major appointments: bringing aboard three new deputy mayors and six commissioners and trumpeting most of those arrivals in the Blue Room at City Hall.

All nine are white. All but one is a man.

Those selections are hardly anomalous. Despite a pledge he made when he took office to make diversity a hallmark of his administration, Mr. Bloomberg has consistently surrounded himself with a predominantly white and male coterie of key policy makers, according to an analysis of personnel data by The New York Times.

The city's non-Hispanic white population is now 35 percent, because of an influx of nonwhite immigrants and other demographic changes in the past two decades.

But Mr. Bloomberg presides over an administration in which more than 70 percent of the senior jobs are held by whites, and he has failed to improve on the oft-criticized diversity record of Mayor Rudolph W. Giuliani.

"Obviously, it demonstrates no greater commitment under Bloomberg than there was under Giuliani in appointing minorities to high-level positions in government," said Abraham May Jr., executive director of the city's Equal Employment Practices Commission, an independent

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10 People Arrested Inside U.S. As Deep-Cover Russian Agents

By SCOTT SHANE and CHARLIE SAVAGE

WASHINGTON — They had lived for more than a decade in American cities and suburbs from Seattle to New York, where they seemed to be ordinary couples working ordinary jobs, chatting to the neighbors about schools and apologizing for noisy teenagers.

But on Monday, federal prosecutors accused 11 people of being part of a Russian espionage ring, living under false names and deep cover in a patient scheme to penetrate what one coded message called American "policy making circles."

An F.B.I. investigation that began at least seven years ago culminated with the arrest on Sunday of 10 people in Yonkers, Boston and northern Virginia. The documents detailed what the au-

thorities called the "Illegals Program," an ambitious, long-term effort by the S.V.R., the successor to the Soviet K.G.B., to plant Russian spies in the United States to gather information and recruit more agents.

The alleged agents were directed to gather information on nuclear weapons, American policy toward Iran, C.I.A. leadership, Congressional politics and many other topics, prosecutors say. The Russian spies made contact with a former high-ranking American national security official and a nuclear weapons researcher, among others. But the charges did not include espionage, and it was unclear what secrets the suspected spy ring — which included five couples — actually managed

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JUSTICES EXTEND FIREARM RIGHTS IN 5-TO-4 RULING

BEYOND FEDERAL LAW

Local Application of 2nd Amendment — No Specifics Offered

By ADAM LIPTAK

WASHINGTON — The Second Amendment's guarantee of an individual right to bear arms applies to state and local gun control laws, the Supreme Court ruled Monday in a 5-to-4 decision.

The ruling came almost exactly two years after the court first ruled that the Second Amendment protects an individual right to own guns in District of Columbia v. Heller, another 5-to-4 decision.

But the Heller case addressed only federal laws; it left open the question of whether Second Amendment rights protect gun owners from overreaching by state and local governments.

Justice Samuel A. Alito Jr., writing for the majority, said the right to self-defense protected by the Second Amendment was fundamental to the American conception of ordered liberty. Like other provisions of the Bill of Rights setting out such fundamental protections, he said, it must be applied to limit not only federal power but also that of state and local governments.

The ruling is an enormous symbolic victory for supporters of gun rights, but its short-term practical effect is unclear. As in the Heller decision, the justices left for another day just what kinds of gun control laws can be reconciled with Second Amendment protection. The majority said little more than that there is a right to keep handguns in the home for self-defense.

Indeed, over the course of 200 pages of opinions, the court did not even decide the constitutionality of the two gun control laws at issue in the case, from Chicago and Oak Park, Ill. The justices re-

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ROBERT C. BYRD, 1917-2010

A Pillar of the Senate, a Champion for His State



STEPHEN CROWLEY/THE NEW YORK TIMES, 2001

By ADAM CLYMER

Robert C. Byrd served 51 years in the United States Senate, longer than anyone else in history, and with his six years in the House of Representatives, he was the longest-serving member of Congress. But it was how he used that record tenure that made him a pillar of Capitol Hill — fighting, often with florid words, for the primacy of the legislative branch of government and building, always with canny political skills, a modern West Virginia with vast amounts of federal money.

He had become an institution within an institution, as President Obama suggested in a statement of tribute on Monday, hours after Senator Byrd died at the age of 92 in a hospital in Fairfax, Va. Mr. Byrd, his health failing in recent years, had been admitted there late last week, experiencing heat exhaustion and severe dehydration as temperatures in the Washington area approached 100 degrees.

"America has lost a voice of principle and reason," the president said.

Mr. Byrd had held a number of Senate offices, including majority and minority leader and president pro tem. But the post that gave him the most satisfaction was chairman of the Appropriations Committee, with its power of the purse, a post he gave up only last year as his health declined.

A New Deal Democrat, Mr. Byrd used the position in large part to battle persistent poverty in West Virgin-

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BRIAN SOKOL FOR THE NEW YORK TIMES

A grant for the poor was elusive to Chanchala Devi until she used India's right-to-know law.

Right-to-Know Law Gives India's Poor a Lever

By LYDIA POLGREEN

BANTA, India — Chanchala Devi always wanted a house. Not a mud-and-stick hut, like her current home in this desolate village in the mineral-rich, corruption-corroded state of Jharkhand, but a proper brick-and-mortar house. When she heard that a government program for the poor would give her about \$700 to build that house, she applied immediately.

As an impoverished day la-

borer from a downtrodden caste, she was an ideal candidate for the grant. Yet she waited four years, watching as wealthier neighbors got grants and built sturdy houses, while she and her three children slept beneath a leaky roof of tree branches and crumbling clay tiles.

Two months ago she took advantage of India's powerful and wildly popular Right to Information law. With help from a local activist, she filed a request at a local government office to find

out who had gotten the grants while she waited, and why. Within days a local bureaucrat had good news: Her grant had been approved, and she would soon get her check.

Ms. Devi's good fortune is part of an information revolution sweeping India. It may be the world's largest democracy, but a vast and powerful bureaucracy governs. It is an imperial edifice built on feudal foundations, and for much of independent India's

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INTERNATIONAL A4-14

Leaving Afghanistan

As President Obama tries to maintain flexibility on the withdrawal timeline, many are wondering just what will happen next summer. PAGE A10

Vatican Chastises Cardinal

A rare and revealing memo airs disagreements over the church's handling of the sex abuse crisis. PAGE A4

NEW YORK A24-29

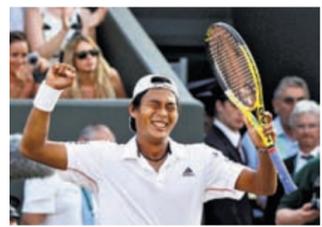
Paterson vs. Legislature

Lawmakers voted to restore millions in spending, and Gov. David A. Paterson struck back with a veto. PAGE A27

SPORTSTUESDAY B10-15

A Wimbledon Surprise

Yen-Hsun Lu of Taiwan, who is ranked 82nd, defeated the three-time finalist Andy Roddick in five sets. Lu became the first Asian man to reach a Grand Slam quarterfinal since 1995. PAGE B10



NATIONAL A15-21

Another 'What if' for Spill

Although relief wells have been viewed as the ultimate solution for plugging the oil leak in the Gulf of Mexico, BP and government officials have begun talking about a contingency plan to pump the oil to an existing platform if relief wells fail — a backup for the backup. PAGE A20

ONLINE

On the Tour de France

Juliet Macur of The Times answers questions on the Tour de France, which starts this weekend and features Alberto Contador and Lance Armstrong.

nytimes.com/sports

SCIENCE TIMES D1-8

The Virtues of Daydreaming

In the past, daydreaming was often considered a failure of mental discipline, or worse. But researchers are finding that stray thoughts can foster creativity and help in problem-solving. PAGE D1

ARTS C1-10

Stallone & Co., Back in Action

In "The Expendables," '80s action stars show they still have their chops. PAGE C1

BUSINESS DAY B1-9

Dell Sold Faulty PCs, Suit Says

Dell sold millions of PCs with faulty electrical components to companies and institutions, unsealed court documents show. Company records in a lawsuit, which is still pending, indicate that Dell employees knew that the computers were likely to break, but they played down problems. PAGE B1

EDITORIAL, OP-ED A30-31

David Brooks

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