



PETER ANDREWS/REUTERS

German Cheers for a Greek Downfall (in Soccer)

Chancellor Angela Merkel on Friday as Germany beat Greece in a Euro 2012 quarterfinal game that reflected tensions. Page A6.

CHINESE DATA SAID TO MASK SLOWING

Officials Inflate Figures to Impress Beijing

By KEITH BRADSHAW

HONG KONG — As the Chinese economy continues to sputter, prominent corporate executives in China and Western economists say there is evidence that local and provincial officials are falsifying economic statistics to disguise the true depth of the troubles.

Record-setting mountains of excess coal have accumulated at the country's biggest storage areas because power plants are burning less coal in the face of tumbling electricity demand. But local and provincial government officials have forced plant managers not to report to Beijing the full extent of the slowdown, power sector executives said.

Electricity production and consumption have been considered a telltale sign of a wide variety of economic activity. They are widely viewed by foreign investors and even some Chinese officials as the gold standard for measuring what is really happening in the country's economy, because the gathering and reporting of data in China is not considered as reliable as it is in many countries.

Indeed, officials in some cities and provinces are also overstating economic output, corporate

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Killings Curb Reporting of Mexican Crime Wave

By RANDAL C. ARCHIBOLD

XALAPA, Mexico — Throwing his burly frame to the ground, the photojournalist Alberto Morales click, click, clicked away on Tuesday as police officers and soldiers in body armor barked into radios, hoisted their rifles and crouched into position on word of a suspicious vehicle moving in.

Up the block, three people sitting in a car had been shot to death, their bloody end luring Mr. Morales of Multigrafica magazine into the night with hopes of that perfect photo. He did not have much competition.

"Just a month ago there would

have been 15 reporters here," he said, rising from the pavement and grabbing a few more frames. "But now it was just us," referring to a couple of other journalists.

Victor Báez, a longstanding, go-to police reporter, surely would have been there, as a reporter for his closely followed, tabloid-style Web site Reporteros Policiacos and a crime correspondent for Milenio, a national newspaper.

But his killing last week, in this hilly capital of a state, Veracruz, where drug violence has exploded in the past year, scared off many of his brethren. It has sown confusion and fear over whether

any precaution matters.

Mexico for several years has been one of the most dangerous countries in the world for journalists, with 45 killed or missing since 2007, according to one tally. But Veracruz State is considered the most dangerous patch of all in which to report the news. The violence here has gone off the charts, with at least nine journalists killed in the past year and a half.

Veracruz, with prime drug and migrant trafficking routes crisscrossing the state, plus a busy port on the Gulf of Mexico known for smuggling contraband, has

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RODRIGO CRUZ FOR THE NEW YORK TIMES

Journalists kept low as a suspicious car passed a scene of killings in Xalapa, Mexico, on Tuesday.

Oregon Study Shows Benefits, and Price Tag, for Newly Insured

By ANNIE LOWREY

PORTLAND, Ore. — When Wendy Parris shattered her ankle, the emergency room put it in an air cast and sent her on her way. Because she had no insurance, doctors did not operate to fix it. A mother of six, Ms. Parris hobbled around for four years, pained by the foot, becoming less mobile and gaining weight.

But in 2008, Oregon opened its Medicaid rolls to some working-age adults living in poverty, like Ms. Parris. Lacking the money to cover everyone, the state established a lottery, and Ms. Parris was one of the 89,824 residents who entered in the hope of winning insurance.

With that lottery, Oregon became a laboratory for studying the effects of extending health insurance to people who previously

did not have it. Health economists say the state has become the single best place to study a question at the center of debate in Washington as the Supreme Court prepares to rule, likely next week, on the constitutionality of President Obama's health care law: What are the costs and benefits of coverage?

In a continuing study, an all-star group of researchers following Ms. Parris and tens of thou-

sands of other Oregonians has found that gaining insurance makes people feel healthier, happier and more financially stable. The insured also spend more on health care, dashing some hopes of preventive-medicine advocates who have argued that coverage can save money — by keeping people out of emergency rooms, for instance. In Oregon,

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Cardinal's Aide Is Found Guilty In Abuse Case

Cover-Up Conviction of Child Endangerment

By JON HURDLE
and ERIK ECKHOLM

PHILADELPHIA — Msgr. William J. Lynn, a former cardinal's aide, was found guilty Friday of endangering children, becoming the first senior official of the Roman Catholic Church in the United States convicted of covering up sexual abuses by priests under his supervision.

The 12-member jury acquitted Monsignor Lynn, of the Archdiocese of Philadelphia, of conspiracy and a second count of endangerment after a trial that prosecutors and victims rights groups called a turning point in the abuse scandals that have shaken the Catholic Church.

The single guilty verdict was widely seen as a victory for the district attorney's office, which has been investigating the archdiocese aggressively since 2002, and it was hailed by victim advocates who have argued for years that senior church officials should be held accountable for concealing evidence and transferring predatory priests to unwary parishes.

Monsignor Lynn, 61, sat impassively as the jury foreman announced the verdicts, but relatives behind him were in tears. Judge M. Teresa Sarmina of the Common Pleas Court revoked his bail, and the monsignor stood up, removed his clerical jacket and was led by sheriff's deputies to a holding cell area. His conviction, on the 13th day of deliberations, could result in a prison term of three-and-a-half to seven years; sentencing is set for Aug. 13.

The trial sent a sobering message to church officials and others overseeing children around the country. "I think that bishops and chancery officials understand that they will no longer get a pass on these types of crimes," said Nicholas P. Cafardi, a professor of law at Duquesne University, a canon lawyer and frequent church adviser. "Priests who sexually abuse youngsters and the chancery officials who enabled it can expect criminal prosecution."

The three-month trial cast a harsh light on the top leadership of the archdiocese, especially Cardinal Anthony J. Bevilacqua,

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SANDUSKY GUILTY OF SEXUAL ABUSE OF 10 YOUNG BOYS

SCANDAL AT PENN STATE

Victims Were Found at a Charity He Started While a Coach

By JOE DRAPE

BELLEFONTE, Pa. — Jerry Sandusky, a former Penn State assistant football coach, was convicted Friday of sexually abusing young boys, completing the downfall of a onetime local hero in a scandal that shook a proud Pennsylvania community, a prominent American university and the world of major college football.

A jury in Centre County Court convicted Sandusky, 68, of sexually assaulting 10 boys, all of them children from disadvantaged homes whom Sandusky, using his access to the university's vaunted football program, had befriended and then repeatedly violated. The jury, seven women and five men, more than

half with ties to Penn State, returned a verdict on the second day of deliberation.

Sandusky stood stoically as the jury foreman read off the verdicts on the 48 counts against him. The foreman said guilty 45 times. Many of the charges, which include rape and sodomy, carry significant prison terms, and it seems likely that Sandusky will spend the rest of his life behind bars. Sandusky was taken into custody after the verdicts were read.

The case against Sandusky, even before his trial, had exacted an enormous toll. Joe Paterno, the university's famed head coach who had been alerted to at least one of Sandusky's attacks on a boy, was fired, went into a kind of exile and was dead of cancer within months. The university's longtime president, Graham B. Spanier, was dismissed as well, and Penn State officials,

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Jerry Sandusky

Fees Flowed to Romney's Firm As Companies It Owned Failed

By MICHAEL LUO and JULIE CRESWELL

Cambridge Industries, an automotive plastics supplier whose losses had been building for three consecutive years, finally filed for bankruptcy in May 2000 under a mountain of debt that had ballooned to more than \$300 million.

Yet Bain Capital, the private equity firm that controlled the Michigan-based company, continued to religiously collect its \$950,000-a-year "advisory fee" in quarterly installments, even to the very end, according to court documents.

In all, Bain garnered more than \$10 million in fees from Cambridge over five years, including a \$2.25 million payment just for buying the company, according to bankruptcy records and filings with the Securities and Exchange

Commission. Meanwhile, Bain's investors saw their \$16 million investment in Cambridge wiped out.

That Bain was able to reap revenue from Cambridge, even as it foundered, was hardly unusual.

The private equity firm, co-founded and run by Mitt Romney, held a majority stake in more than 40 United States-based companies from its inception in 1984 to early 1999, when Mr. Romney left Bain to lead the Salt Lake City Olympics. Of those companies, at least seven eventually filed for bankruptcy while Bain remained involved, or shortly afterward, according to a review by The New York Times. In some instances, hundreds of employees lost their jobs. In most of those

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INTERNATIONAL A4-8

Turkish Warplane Shot Down

Turkey said Syria had shot down a Turkish warplane over the Mediterranean, a major setback in relations already torn over the Syrian uprising. PAGE A7

NATIONAL A9-13

Mississippi May End Abortion

Mississippi may soon be the only state without an abortion clinic when a law requiring clinic doctors to have hospital privileges takes effect. PAGE A13

BUSINESS DAY B1

A Rules Debate Behind Doors

The U.S. commodity trading regulator has gone behind closed doors to settle a clash over rules on overseas trading by American companies. PAGE B1

THIS WEEKEND

House of Cards

A Florida billionaire and his wife attempt to build America's largest private home in the documentary "The Queen of Versailles." ARTS & LEISURE

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Joe Nocera

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RollingStone

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