

BP Agrees To Record Settlement

NEW ORLEANS (AP) — Trying to close the books on the worst offshore oil spill in U.S. history, BP agreed Thursday to provide billions of dollars in new money to five Gulf Coast states in a deal the company said would bring its full obligations to an estimated \$53.8 billion.

Federal and state government officials touted the record-breaking \$18.7 billion agreement as a historic milestone in the Gulf Coast’s recovery. The Deepwater Horizon disaster killed 11 rig workers and spewed millions of gallons of crude that stained beaches, coated wildlife and polluted marshes.

BP also gets a valuable return: Much of the payments, to be made over the next 18 years, could be tax-deductible. And by finally providing shareholders with a clearer cost picture, the London-based oil giant will be freer to embark on new ventures.

“This allows us to manage BP as an oil company,” BP CEO Bob Dudley said during a conference call. He said BP could launch as many as 20 major new projects by 2020, depending on oil prices.

The Justice Department said Thursday’s agreement would be the largest environmental settlement in U.S. history as well as the largest-ever civil settlement with a single entity. Civil claims by the five Gulf states and the federal government were, by far, the largest unresolved piece of BP’s financial obligations for the spill.

Campaigns Fight To Find Referendum

ATHENS, Greece (AP) — Costas Christoforidis hasn’t decided how to vote in Sunday’s referendum on a bailout deal for Greece’s troubled economy. The problem is, the 37-year-old farmer isn’t sure what he’s voting for.

“If it’s saying ‘No’ to austerity, then it’s a ‘No’ from me too. But if we are rejecting Europe, I disagree with that,” he said — a position that many of Greece’s perplexed public find themselves in ahead of one of the most important votes in their country’s modern history.

As Greek banks and markets remained closed Thursday for a fourth day, rival campaigns scrambled to roll out their messages. And a prediction from the International Monetary Fund that Greece will need piles of additional cash from eurozone countries and others over the next three years put even more pressure on the government.

“Our efforts are focused on overcoming the crisis as fast as possible — with a solution that preserves the dignity and sovereignty of our people,” Prime Minister Alexis Tsipras said.

The popular 40-year-old prime minister is gambling his government on a call to voters to reject austerity measures demanded by bailout lenders, despite coming close to a deal last week.

Counterterrorism Strategy Criticized

WASHINGTON (AP) — At the CIA’s Counterterrorism Center, it was a cause for celebration: Meticulous intelligence analysis backed by Hellfire missiles had paid off, once again.

The CIA launched a drone strike last month on a Yemeni beach at three men it determined were al-Qaida militants. One of them turned out to be Nasser al-Wahishi, about as important a figure as agency man-hunters could hope to eliminate. He had been both al-Qaida’s second in command and the leader of the group’s dangerous Yemeni affiliate.

American officials touted the death as a big victory. But did the demise of another senior extremist, the latest in a long line to be taken off the battlefield, make the United States and its allies any safer?

To many experts, including a growing number of former Obama administration national security advisers, that proposition is less convincing by the day.

With al-Qaida and the Islamic State group enjoying safe havens across parts of Yemen, Syria and Iraq, and with terror attacks on the rise worldwide, doubts are growing about the effectiveness and sustainability of the administration’s “light footprint” strategy against global extremist movements. A template predicated on training local forces and bombing terrorists from the air is actually making the situation worse, some say. Many are arguing for deeper U.S. involvement, if not with regular ground troops, then at least with elite advisers and commandos taking more risks in more places.

Egyptian Warplanes Strike Back

CAIRO (AP) — Egyptian warplanes launched new airstrikes and troops went house-to-house Thursday in the troubled Sinai Peninsula, a day after Islamic State-linked militants set off the area’s bloodiest fighting in decades in an unprecedented, coordinated attack.

The combat, described as “war” by the media and officials, heightened tensions across Egypt as it marks Friday’s second anniversary of the military’s overthrow of Islamist President Mohammed Morsi, a move that fanned an insurgency in north Sinai that has grown stronger.

It also follows the dramatic assassination this week of the country’s chief prosecutor in a car bombing in Cairo, prompting general-turned-politician President Abdel-Fattah el-Sissi to press for even harsher anti-terrorism laws targeting Islamic militants.

A special forces raid Wednesday on a Cairo apartment killed nine members of Morsi’s outlawed Muslim Brotherhood, which responded by calling for a “rebellion.”

Air raids at dawn Thursday killed 23 extremists just south of Rafah, a key Sinai border town near the Gaza Strip, Sinai security officials said. They added that the army was searching for militants in the town of Sheikh Zuweid, where a string of army checkpoints were attacked a day earlier.

Miss USA Pageant Goes To Reelz

LOS ANGELES (AP) — The Miss USA pageant, left without a TV home following blowback against co-owner Donald Trump over his comments on Mexican immigrants, has been rescued by the Reelz channel.

Reelz CEO Stan E. Hubbard said in a statement Thursday that the cable and satellite channel acquired the rights because of a belief that the pageant and the women who compete in it “are an integral part of American tradition.”

“As one of only a few independent networks, we decided to exercise our own voice and committed ourselves to bringing this pageant to American viewers everywhere,” Hubbard said.

While Reelz, which reaches 70 million homes, said it considered the interests of Miss USA contestants, the host city of Baton Rouge, Louisiana, and viewers in making its decision, it made no mention of Trump or the hot water he’s found himself in since he announced his presidential bid in June.

In an interview, Hubbard said the pageant is the issue, not Trump. He said the billionaire won’t make any money off the telecast.

Global Warming Puts Polar Bears At Risk

ANCHORAGE, Alaska (AP) — Polar bears are at risk of dying off if humans don’t reverse the trend of global warming, a blunt U.S. government report filed Thursday said.

“The single most important step for polar bear conservation is decisive action to address Arctic warming,” the U.S. Fish and Wildlife Service said in a draft recovery plan, part of the process after the agency listed the species as threatened in 2008.

“Short of action that effectively addresses the primary cause of diminishing sea ice, it is unlikely that polar bears will be recovered.”

Halting Arctic warming will require a global commitment, said Jenifer Kohout, the Fish and Wildlife Service’s regional program manager and a co-chair of the polar bear recovery team.

“In the meantime, the Fish and Wildlife Service and its partners are committed to doing everything within our control to give the bears a chance to survive while we await global action,” she said during a teleconference Thursday.

US Unemployment Falls To 7-Year Low, But Wages Are Flat

BY CHRISTOPHER S. RUGABER  
AP Economics Writer

WASHINGTON — U.S. unemployment fell to a seven-year low of 5.3 percent and employers hired at a solid pace in June, but other gauges of the job market drew a bleaker picture: A wave of people stopped looking for work, and paychecks failed to budge.

The figures released Thursday capture the persistently uneven nature of the recovery from the Great Recession.

The job market “remains consistent with a two-steps-forward, one-step-back expansion the U.S. economy finds itself in,” said Scott Andersen, chief economist at Bank of the West.

The economy gained 223,000 jobs last month, and unemployment edged down from 5.5 percent in May, the Labor Department reported.

That is the lowest jobless rate since April 2008, when it was 5 percent. It eventually soared to 10 percent in late 2009 after the recession had done its worst.

Yet unemployment dropped this time mainly because many people out of work apparently got discouraged and gave up looking for a job. The government doesn’t count people as unemployed unless they’re actively searching.

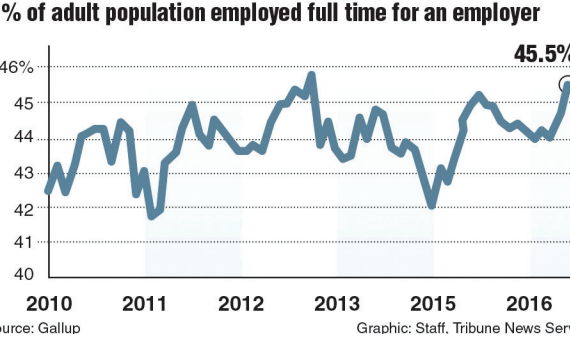
In fact, the proportion of Americans working or looking for work slipped to a 38-year low.

At the same time, wages have stalled, rising just 2 percent over the past 12 months.

The mixed data suggest the Federal Reserve may put off plans to raise short-term interest rates and end the stimulus effort that began in

Full-time employment rate up

The U.S. Payroll to Population employment rate (P2P), as measured by Gallup, was 45.5% in June. This is the highest rate since October 2012



Source: Gallup

Graphic: Staff, Tribune News Service

2008. Most economists had expected the Fed to make its move in September.

“After this report, I think it would make sense to wait until December to start that slow rate increase,” said Tara Sinclair, chief economist at the jobs site Indeed and a professor at George Washington University.

A Fed increase would lead to higher rates for mortgages, auto loans and other borrowing.

The sluggish wage growth suggests that many employers see no need to raise pay to attract or retain workers and that there are more people available for hire than the unemployment rate would indicate.

Some quirks of the jobs report might also explain why wages stagnated last month. The government’s survey ended relatively early in the month on June 12. As a result, it might have excluded some twice-monthly paychecks, noted John Silvia, chief economist at Wells Fargo.

Another sour note in the report was that construction companies failed to add any jobs in June. Manufacturing gained just 4,000 positions.

company is raising pay and adding perks to hire workers in marketing, information technology and finance.

“More people are traveling, because more people have disposable income,” he said. “And we believe that will continue.”

Americans are, in fact, spending more than they did earlier this year, when the miserable winter caused the economy to contract. The Conference Board said this week that consumer confidence reached the second-highest level since the recession.

Auto sales and home sales have jumped to their highest levels since 2007. And the economy is expected to grow at a 2.5 percent annual rate in the second quarter.

Yet Greece’s debt crisis and a slowdown in China could also weigh on U.S. growth this year.

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