



Mayors avoiding anti-incumbency

Kruzan, Hamilton yet to feel it in Bloomington; most mayors appear to be on solid footing

By **BRIAN A. HOWEY**

BLOOMINGTON - The question posed to both Bloomington Mayor Mark Kruzan and his Democratic primary challenger, John Hamilton was this: Is there a widespread detectable anti-incumbency sentiment stirring among the voters?

The question came just less than five months after Hoosier voters expressed frustration by defeating two congressmen while Republicans increased their state Senate majority to 37 seats and the House went from 48 to 60 GOP seats.

"I always run like I'm behind," Kruzan told HPI, noting that party "regulars" like Senate Minority Leader Vi Simpson and State Rep. Matt Pierce, along with virtually every elected Democratic official, are backing his reelection.

Hamilton, who headed FSSA and IDEM under Gov. Frank O'Bannon, said this race has yet to be fully enjoined. He acknowledged that if a scientific survey were to



Bloomington Mayor Mark Kruzan during Tuesday's joint appearance with primary opponent John Hamilton. An anti-incumbency sentiment has yet to surface in Bloomington and across Indiana. (HPI Photo by Brian A. Howey)

be conducted (and there has been no independent polling in this race to date), he would expect Kruzan to be ahead.

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Time to get out of box

By **RUSS STILWELL**

BOONVILLE - Last weekend I decided to take a trip to Urbana, Ill., and see firsthand what all the fuss is about in this college dominated community just a few miles from our Hoosier border. When I pulled into the parking lot of the Comfort Inn I knew right away that House Dems weren't holed up in a four-star hotel.

And no, there wasn't a hot tub, as Mitch likes to suggest from time to time. What I did see was a group of special Hoosiers defying all odds to ensure that their beloved



"There have been others out there accused of committing voter fraud, both famous and not famous. I'm the one person they go after."

- Secretary of State Charlie White



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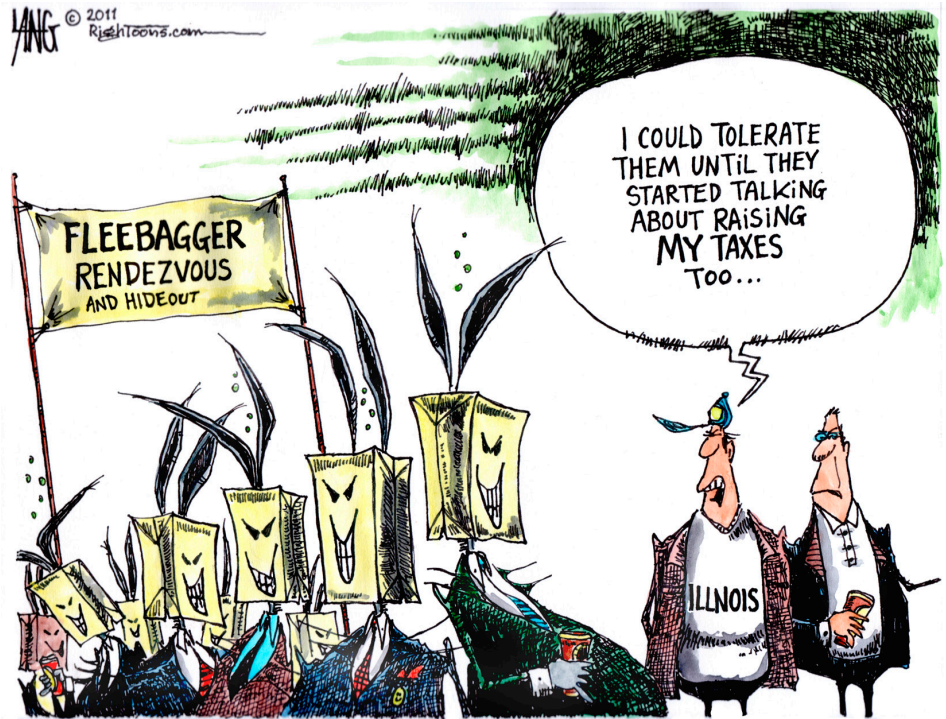
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state continues to value fairness in the workplace and classroom.

As I visited with these former colleagues, I realized that they're not in Urbana to score political points, and they're not in the Land of Lincoln for the purpose of offending the new Republican majority.

They know they are the last assemblage left in the Hoosier State that can prevent the wholesale destruction of the middle class and the union members who sustain the middle class.

They sent strong signals to the other side that they are prepared to come back, debate the issues and finish their collective work if one particularly offensive bill is rescinded. Seems like a simple solution to such a complex stalemate. But politics and Type A personalities never make for simple solutions.

I have known House Democrat leader Pat Bauer for a long time, and I'll readily admit that he can be difficult to deal with from time to time. But I also know a lot about this man that many folks don't. After spending several hours with him this past

weekend, I renewed my belief that no one, and I mean no one, would relish rolling in the muddy ring of politics with Pat Bauer.

Unlike most politicians, Pat Bauer is an excellent listener. He takes ridicule and Bauer-bashing with a grain of salt, although sometimes I think it bothers him more than he shows. But he is one thing above all else – one tough in-your-face leader.

Contrary to his critics, he doesn't always pick the fights. Most just come his way and unlike many of his contemporaries, Pat Bauer never walks away from a fight. And if that fight is for the things he champions most, there is not a fiercer combatant than the feisty out-spoken Irishman from South Bend, Indiana!

Pat Bauer champions the fight for the little people (and no, not because he is short) and those that need a voice. He champions the fight of the middle class, public schools and the rights of Hoosiers to have a union and earn a decent wage. Sometimes I think that is his calling.

Anyone engaged in a political fight with Pat Bauer had better be well



prepared and ready to go the full 15 rounds.

I really don't know what round this legislative stalemate is in, but I know that Pat Bauer has a lot of rounds left in him. He won't bite off your ear to end the fight, but when the bout is over, you might wish he had.

That brings me to the point of this article. Are Pat Bauer and the House Democrats in a box?

Some might suggest that these temporary residents of the Land of Lincoln are in a box. Others might suggest that Speaker Bosma and his band of 60 are in a box.

One should not be surprised that both caucuses are in a box. On any given day these Type A personalities are boiling, enraged, fighting mad, livid, singing songs in caucus, or just resigned to another useless day of waiting.

Like most Hoosiers, I would like for this stalemate to end. So I thought I would do what any enterprising Hoosier would do: Find out how to get out of a box.

Peanuts and the coconut

In Africa and parts of India the natives use a unique technique to catch monkeys. They hollow out one end of a coconut and tie a long line to it. Then they put peanuts inside the coconut and hide it in the bush. When a monkey discovers the coconut is filled with nuts, he works his hand through the small hole in one end of coconut to grab a fist full of nuts, but finds that when he makes a fist to grab the peanuts he is unable to pull his hand out through the hole.

Once the monkey has his hand inside the coconut, the natives slowly pull in the line attached to the coconut. No matter how loud the monkey squeals, he remains trapped as long as his fist is clenched. The monkey is in a box and the only way he can have the peanuts is to give up his freedom.

It looks to me that Speaker Bosma and the House Republicans are just like the proverbial monkey. They won't let go of their over-reaching fist-clenching agenda

on common construction, and every day Leader Bauer and his band of 39 pull that string ever closer to the brink of legislative destruction.

What is a box?

A box is a metaphor for a situation that restricts your freedom. House D's stuck in Urbana and House R's stuck in a half-empty legislative chamber are in boxes. But there is a way out of every box. One only needs to be willing to pay the price.

When you remain in a box, you pay a price. The House D's are feeling the wrath of Hoosiers for not doing the job they were elected to do. House R's are on the receiving end of a barrage of outrage from many of the voters who put them in office. I can't believe either side is enjoying its position.

The way out of the box is to pay a price.

The House D's have served notice that their price is one lonely legislative arrow in the overloaded Republican quiver of arrows.

The House R's? Seems their price was \$250 daily fines, a poorly sung melody in their caucus that pissed off the D's and a Republican letter serving notice that their agenda was nothing short of the Second Crusade.

Pay the price and get out of the box?

House D's were probing for a rallying cause, and the House R's sent them a Right to Work curve ball that was hit out of the park all the way to Urbana. It's time for Speaker Bosma to unclench his fist full of labor-troubling peanuts and this "session of all sessions" can begin anew.

When you are trapped in a box you should remember that Sun Tzu's "Art of War" claims that there is nothing more dangerous than a foe that has no way out but to fight. And if the fight goes another round, my money is on the tough-nosed guy in the corner protecting the little guy on the street. My money's on Pat Bauer and the House Democrats. ❖

Stilwell is the former Democratic House majority leader.

Mayors, from page 1

"Most people haven't focused on the campaign," Hamilton said. He hopes that once they do, the fact that he, who has been to hundreds of doorsteps making his pitch, will be in a position to move in on Kruzan. "I would expect a poll would show Mark Kruzan ahead right now," he said. "Our goal is to reach out to voters who haven't heard from the mayor. We're working it one door at a time."

This is of interest because in the 2007 mayoral election cycle, the battlefield was littered with incumbent primary losses including five-term Decatur Mayor Fred Isch,

two-term Ligonier Mayor Gary Bishop, Huntington Mayor Terry Abbett, Hobart's Linda Buzinec, Kokomo's Matt McKillip and Alexandria Mayor Steve Skaggs. There was another wave of former mayors defeating incumbents in the primary: James Garner to Doug England in New Albany; Rob Waiz to Tom Galligan in Jeffersonville; Al Nipp to Sherman Boles at New Castle; Jim Bullard to John Burkhart in Seymour.

In all of these incumbent losses, there was a common thread: the incumbents had personal conflicts with their councils and/or political establishments. McKillip and Garner openly feuded with their city councils.

By the 2007 general, HPI counted fully 40 per-



cent of sitting mayors had been tossed out, including incumbent mayors in Indianapolis, Terre Haute, Anderson, LaPorte, Delphi, West Lafayette, Tell City, Franklin, Madison, Charlestown, Plymouth, Vincennes, Washington, Huntingburg and Frankfort.

Bart Peterson in Indianapolis, Terre Haute Mayor Kevin Burke, Anderson Mayor Kevin Smith, LaPorte's Leigh Morris, former State Rep. Gary Cook in Plymouth, Al Huntington in Madison and Terry Mooney in Vincennes were all upset, some by large margins.

In talking with informed and reliable operatives in both parties, at this point in the mayoral cycle we are not detecting many mayors who appear to be poised for defeat.

At this point, Fort Wayne's Tom Henry, East Chicago's Anthony Copeland, Kokomo's Greg Goodnight, Gary's Rudy Clay, Lafayette's Tony Roswarski, Marion's Wayne Seybold, Elkhart's Dick Moore, Goshen's Alan Kauffman and Carmel's Jim Brainard appear to be in pretty good shape for reelection.

Even our next tier - Greg Ballard in Indianapolis, Tom Galligan in Jeffersonville, and Bloomington's Krusan - appear to be in a position to win reelection.

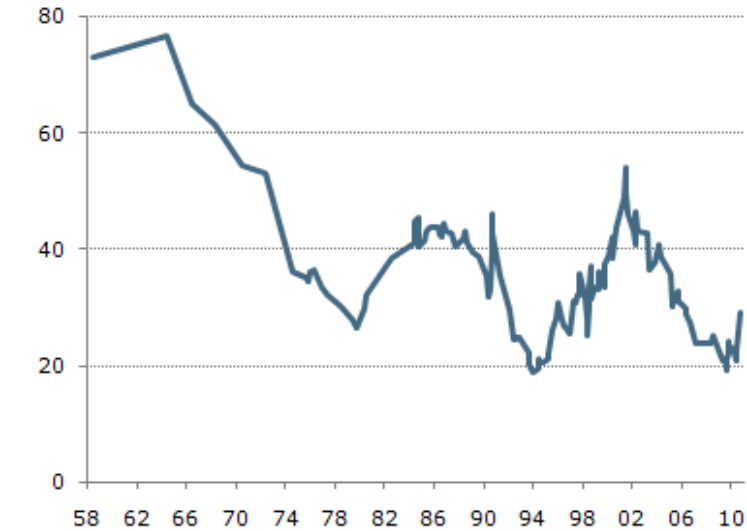
At this point, HPI sees the most vulnerable incumbent mayors as Muncie's Sharon McShurley and Terre Haute's Duke Bennett, and that analysis takes into account the volatile nature of recent elections (Terre Haute, which has a high propensity for throwing out incumbents), and Muncie, where a female mayor who won by a razor thin margin four years ago is trying to beat the gender reelection gap. As we noted in January, in 2007 there were 11 of 14 female mayors who lost reelection bids.

The important contrast to municipal races is the Indiana General Assembly, where House Democrats have walked off the job for a month. In just about every other level of government, from the White House down to cities, no one has the political cover to walk off the job.

While there has been virtually no scientific surveys

Public Trust in Government, 1958-2011

Trust the government in Washington to do what is right "just about always" or "most of the time"



PEW RESEARCH CENTER Feb. 22-Mar. 1, 2011. QA25. Trend sources: Pew Research Center, National Election Studies, Gallup, ABC/Washington Post, CBS/New York Times, and CNN Polls. From 1976-2010 the trend line represents a three-survey moving average.

publicly released in the Indiana news media in this cycle, a recent national Pew Research Center poll (Feb. 22-March 1) showed that while the public remains deeply frustrated with the federal government, fewer Americans say they are angry at government than did so last fall. Overall, the percentage saying they are angry with the federal government has fallen from 23 percent last September to 14 percent today, with much of the decline coming among Republicans and Tea Party supporters. That should be good news for Carmel's Brainard, who is being challenged by Councilman John Accetturo, a

Tea Party-backed candidate.

Pew Research continues: While anger at government has subsided, the public expresses no greater taste for political compromise today than it did last fall. As political leaders head into a tough political debate over the budget, 54 percent say they like elected officials who stick to their positions, while 40 percent prefer officials who make compromises with people they disagree with. This is virtually identical to the balance of opinion among registered voters last September.

By roughly two-to-one (63 percent vs. 32 percent), more Republicans say they like elected officials who stick to their positions rather than those who make compromises. About half of independents (53 percent) prefer politicians who stick to their positions compared with 41 percent who like elected officials who make compromises with people they disagree with. Democrats are evenly divided -- 48 percent like elected officials who stick to their positions, 46 percent like those who compromise.

It's noteworthy on the chart above that while it does not specifically relate to Indiana municipal races, clearly there was a higher level of public trust in government in 1999 and 2003 than in 2007 when Hoosier mayoral races became a killing field. The fact that the chart is on an uptick heading into 2011 is good news for incumbent mayors.



Bloomington

Democrat: Mayor Mark Kruzan, John Hamilton, John Gusan. **2007 Results:** Kruzan (D) 5,937, Sabbagh (R) 3,729. **Outlook:** The battle for mayor here comes down to two-term Democrat Mark Kruzan, who has the backing of most establishment Democrats, and John Hamilton, who is waging a door-to-door campaign and hopes to flesh out enough support to make this race competitive by the May primary.

The two met in a joint appearance on Tuesday before the Monroe County Democratic Women. In a race that has not had any scientific polling, it was impossible to gauge from the reaction in the room whether Hamilton can gain the upper hand from Kruzan, who has been a Democratic institution for a quarter century.

This is the first competitive primary for Kruzan, who was elected to the Indiana House in 1986 and became majority leader there before opting into the mayor's race in 2003 and being reelected easily in 2007.

Kruzan and Hamilton shared a table at the MCDW luncheon. "As I walked in and saw the shrimp and turkey soup on the menu, I thought it was a strange combination until I saw John and me sitting at same table," Kruzan said. "That's a strange combination."

Hamilton said he was pleased to share a table and the mic with Kruzan. They were on the same side of fights in Indianapolis during the days when Hamilton led the 10,000-employee FSSA and the 1,000 workers at IDEM and was Gov. O'Bannon's chief of staff. "We've been working on many things together," he said. "Now we're on opposite sides. We're at a fork in the road. Whatever happens, we'll be on the same side of the fights."

Hamilton attempted to delineate his vision from what he called a static status quo under Kruzan. "I am running for mayor because Bloomington can and must do better," he said. "We have challenges we need to meet and opportunities we need to pursue. The campaign is how we meet the challenges in front of us and how to take advantage of the opportunities in front of us. I have been talking with a lot of people and there's a hunger to rise and meet the challenges." He stressed his sense of collaboration, "open government and open style."

Hamilton, nephew of former congressman Lee Hamilton, articulated three issues: Jobs, public education and "efficient and effective government." He focused much of his attention on the likelihood that what many knew as "Bloomington Hospital" - now IU Medical - is about to leave

downtown for an 85-acre campus toward Ellettsville. "This would be anti-sustainable," Hamilton said, noting that if the city's second largest employer with 2,500 workers leaves the city center, it will contribute to urban sprawl, keep services away from the poor, and be off public transportation routes.

"The city needed to be very aggressive," Hamilton



Bloomington Mayor Mark Kruzan (left) and Democratic primary challenger John Hamilton speak before the Monroe County Democratic Women on Tuesday. (HPI Photo by Brian A. Howey)

said of keeping the hospital downtown, noting that he and the mayor have a "different style" when it comes to approaching the hospital. "It's the 11th hour," he said. "I don't think it's too late. I believe the community needs to be mobilized about this."

Kruzan characterized it as "wishful thinking" to present an "ultimatum" to a hospital board that is no longer local. "It could backfire," he said. "Their decision framework has changed dramatically" since IU Medical/Clarian purchased Bloomington Hospital in 2008. "Ultimately the hospital is going to make its decision based on its own bottom line." He said that in each of the last four years, the city has done "something concrete" to keep the facility downtown. "We've given them tools."

Hamilton pushed back, saying, "Part of this is how Mark and I will lead differently. What the city should have done, very quickly in a matter of weeks or months is develop aggressive responses. Here is why we think you should stay downtown. We talked about presenting that proposal but no proposal has been presented. Let's look at our options."

Hamilton pushed to establish a homeless shelter, saying a network of churches is now handling that responsibility. On the education front, he insisted that voucher



legislation before the Indiana General Assembly will drain revenue from public education.

Kruzan pointed to his leadership style that has allowed Bloomington to escape the Great Recession in much better shape than university cities such as South Bend, Terre Haute and Muncie, where there have been population contractions and cuts in services. He said he has concentrated on the physical growth of the city and how it "impacts its physical character." He said he drew the ire of the Bloomington Herald-Times for his limited annexation stance, saying he has a "more conservative approach to annexation. A city should never outgrow and outpace." He opposed the extension of sewer service, for instance, because he did not want to induce sprawl. **Horse Race Status:** Leans Kruzan

Fort Wayne

Democrats: Mayor Tom Henry, Frederick Steinke, Tom Cook, Charles Eberhard, D.C. "Mr. Roachclip" Roach. **Republicans:** Councilwoman Liz Brown, Eric Doden, Paula Hughes, Fred Osheskie Sr., Terrence Richard Walker. **2007 Results:** Henry 31,740, Kelty (R) 21,163. **Outlook:** Hughes announced that she is setting the goal of a 24 percent cut of existing city long-term debt by the end of her first term as mayor. Just this week, the credit reporting agency Experian announced levels of credit card debt by city. Experian said Fort Wayne residents led the country in consumer debt reduction at a rate of 24%. "It seems that the residents of Fort Wayne and I have the same goals when it comes to reducing

debt," Hughes said last Thursday. "It's too bad that Mayor Henry and the city council haven't gotten the memo." The City of Fort Wayne grew its long-term debt to \$405 million with \$78.4 million of those debts being accumulated in 2009 alone. "Fort Wayne residents are making cuts in their personal lives but the government is still living high on the hog," Hughes stated. "If the citizens of Fort Wayne can reduce their debt by 24%, city government can too."

Brown detailed her plans, ideas and guiding principles for use of the City of Fort Wayne Light Lease Community Trust Fund and settlement proceeds. "We are lucky and should be grateful for the foresight of our city's past leaders in establishing the City of Fort Wayne Light Lease Community Trust Fund. While the end resulted in contentious litigation, the City is fortunate to be faced with the issue at hand. At the same time, there are critical misconceptions around the facts and circumstances of the City of Fort Wayne Light Lease Community Trust Fund that must be clarified. First, the Fund's balance is currently about

\$38,000,000. While that is certainly a large sum of money, it is far short of the \$77,000,000 continually talked about and reported. Secondly, even if the settlement is approved by the applicable State agency, the remaining balance will be received in \$2,500,000 increments over fifteen years. Finally, and most importantly, although the Trust Fund's corpus could not be spent these past 35 years during the lease's existence, now that the lease has expired we are not required to spend it. **Horse Race Status:** Likely Henry

Indianapolis

Republican: Mayor Greg Ballard. **Democrats:** Sam Carson, Ron Gibson, Melina Kennedy. **2007 Results:** Ballard (D) 83,238, Peterson, Bart (D) 77,926, Peterson, Fred (L) 3,787. **Outlook:** Kennedy unveiled her first plan to improve public safety in Indianapolis – combating illegal guns (Howey Politics Indiana). "The use of illegal guns is undermining our community, and is destroying too many families," said Kennedy. "As Mayor, I will take the action necessary to make our streets and neighborhoods safer, and that includes taking head-on the issue of getting illegal guns off our streets. This is my commitment and the residents of Indianapolis can expect that I will follow through on that promise if I am elected Mayor." Kennedy noted that she is specifically going after those who possess guns illegally, and respects the rights of those who lawfully carry a weapon. "I respect the second amendment and am focusing my target on those criminals who have no business having a gun. As far as I'm concerned, any step we can take to keep a gun out of the hands of a criminal is a step closer to seeing the city of safety and opportunity that I envision." Kennedy also expressed concern that Indianapolis has not joined the bipartisan national Mayor's Against Illegal Guns alliance, an alliance that four Indiana mayors have already joined. **Horse Race Status:** Leans Ballard

Hammond

Democrat: Mayor Thomas McDermott, Oscar Sanchez, Alex Andrade. **Republican:** Humberto Prado, David Hacker, Matthew Saliga, Jeff MacDonald, Rob Pastore. **2007 Results:** McDermott (D) 5,289, Janiec (R) 4,802. **Outlook:** The Republican candidate tossed from the May 3 primary ballot by three Democratic election commissioners will appeal his removal in court, he said Friday (Times



HOWEY Political Report

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Upset City: Ballard's shock wave

15 incumbent mayors fall across the state, sending a defiant message to Statehouse

BY BRIAN A. HOWEY
INDIANAPOLIS - Republican mayor Greg Ballard took the stage at the Meet on Election Night and told a national crowd, "Welcome to the biggest upset in politics since the 1960s. It's a classic, from the ultimate example of government failure."

Ballard's upset of Mayor Bart Peterson was not the only one. The Meet on Election Night was held in 15 cities across the state, and each of the 15 incumbent mayors was defeated. The 15 cities which were upset are: Anderson, Ellettsville, Evansville, Fort Wayne, Gary, Hammond, Indianapolis, Muncie, Terre Haute, Valparaiso, Westfield, and Zionsville.



Republican Greg Ballard (right) and other the "biggest upset" in Howey history when he defeated Indianapolis Mayor Bart Peterson Tuesday. (PHS Photo by Brian A. Howey)

Hoosiers are changing

BY BRIAN A. HOWEY
INDIANAPOLIS - My competitor at DePaula Lepelle has taught them to propagate the notion that Hoosiers are "changing."

Since May 2004, Hoosiers have voted out Senate Majority Chairman Larry Spier, Gov. Mike Berry, and Senate President Pro Tempore Robert G. Cook. The Indiana Hoosier has switched hands, meaning we're led by Democrats in that line again. In fact, we've elected a Democratic Governor, a Democratic Attorney General, and a Democratic Lieutenant Governor. It's a sign of change and a sign of a new era in Indiana politics.



"Ballard shouldn't have an immunity bill."

Former Indiana Republican Chairman Mike McDaniel on the lack of GOP support for the major upset



Washington, Huntington and Frankfort were upset as well. See Page 3



of Northwest Indiana). The Lake County Elections Board booted George Janiec from the ballot last week because he holds a nonpartisan School City of Hammond board position. Janiec lost to incumbent Mayor Thomas McDermott Jr. by less than 500 votes in 2007. No state law exists preventing Janiec from seeking office, according to Jim Wieser, Democratic attorney for the board, and one of Janiec's colleagues on the school board also serves as a Democratic precinct committeeman in Hammond. Still, a member of the commission said it was "undesirable" for candidates to seek partisan office while holding a nonpartisan seat and he was removed by three Democrats over the objections of two Republicans. Janiec's attorney will have to file the appeal in Lake Circuit Court. Additional appeals, if either party decided to pursue them, would go to the Indiana Court of Appeals and the Indiana State Supreme Court. Wieser said he would represent the election board in the case. Kim Poland, chairman of the Hammond Republican Party and Republican city councilwoman from the 4th District, called the board's move "dirty politics" that wasn't based in law and predicted that Janiec would be placed back on the ballot. "It (speaks) to their fear of Janiec. They fear (him)," Poland said. "He came extremely close to winning last time." McDermott has acknowledged that Janiec, if he remains on the ballot, is his most credible opponent.

Doug Ross, editorial writer for the Times, writes: Early voting hasn't even started yet, and McDermott already has won his first, and perhaps biggest, victory. His leading opponent, George Janiec, has been tossed off the ballot. For now, anyway. Janiec came close to defeating McDermott in 2007. The vote was 5,289 to 4,802. McDermott said afterward, and has said since, that he wasn't campaigning hard enough and has learned his lesson. But Janiec has learned a bit since then, too. Janiec is now on the School City of Hammond board, which is why he was tossed off the GOP ballot for the May 3 mayoral primary. Follow closely; this could get confusing. The rationale his challenger used is that school boards, at least in Indiana, are nonpartisan. The Lake County election board decided Janiec's candidacy in the GOP primary makes him a partisan, thus his choice was to either resign from the School Board or forfeit his candidacy in the mayoral primary. Janiec told me Thursday he is choosing a third option -- taking legal action to appeal the election board's decision. Gary Community School Corp. board member Labrenda King-Smith, who wants to be on the ballot in her city's Democratic mayoral primary, was tossed off the ballot at the same time as Janiec, for the same reason. She filed her appeal Wednesday. Janiec noted Thursday that Lake Station Community Schools board member Michael Stills, who is running as a Democrat for an at-large seat on the City Council, wasn't tossed off the ballot. But no one challenged his candidacy. The Democrats are the majority on the elec-

tion board, and McDermott is Lake County's Democratic chairman, so the finger of blame -- or credit, depending on your point of view -- naturally is aimed at McDermott. McDermott denies pulling the strings. McDermott has a lot at stake in this election. As Janiec said, "His further political aspirations are probably doomed" if McDermott fails to win this election. There has been much talk of McDermott as a potential gubernatorial candidate, and lately as a possible lieutenant governor hopeful. McDermott is a good fundraiser, and he would bring his mayoral experience to the ticket. The immediate question, though, is whether the Lake County election board did McDermott a favor by booting Janiec from the ballot. Or will McDermott come off as a backroom schemer, pulling the election board's puppet strings? **Horse Race Status:** Leans McDermott ❖

Gregg 'encouraged' about '12 governor bid

By BRIAN A. HOWEY

INDIANAPOLIS - Former House Speaker John Gregg described his exploration of a potential 2012 Democratic gubernatorial bid by saying he feels "enthused and encouraged."

Gregg told HPI on Wednesday that he has spent time meeting with Indiana Democratic officials, elected officeholders and activists.

"I'm getting ready to visit with labor," Gregg said. "I've met with many party regulars in Southern Indiana. Going to DC next week to meet with the Democratic Governors Association."

And the week after that? Gregg will meet with labor officials and travel to Lake County.

Last week U.S. Rep. Joe Donnelly said he was considering a gubernatorial bid, but appeared to be more interested in a potential U.S. Senate race. Senate Minority Leader Vi Simpson told HPI she will look at a potential candidacy after the Indiana General Assembly sine die.

Simpson said that she, Donnelly and Gregg are in contact with each other. "When the session is over we'll sit down with other folks who have talked about it and see where we are," she said. "It's not good to have a contested primary. We want the best ticket we can put together."

There was also talk in Democratic circles that if Gregg gets in, he may also have a designated running mate. ❖



Indianapolis mayors past and present met at the University of Indianapolis last Friday, including (from left) U.S. Sen. Richard Lugar, William Hudnut, Stephen Goldsmith, Bart Peterson and Mayor Greg Ballard. (University of Indianapolis Photo)

Mayoral continuity can pay dividends for a city

By **BRIAN A. HOWEY**

INDIANAPOLIS - It usually takes a funeral, a celebration or a disaster to bring together past presidents and governors. At the University of Indianapolis Friday night came the extraordinary image of the modern Indianapolis mayors gathered together for a two-hour discussion that was poignant, emotional and at several points filled with humor.

Richard Lugar, Bill Hudnut, Stephen Goldsmith, Bart Peterson and Greg Ballard sat in overstuffed chairs and discussed their administrations, visions, triumphs and failures after taking "Naptown" 40 years ago and with unprecedented continuity in the American urban experience, and molding it into a dynamic city that has avoided the fates of metropolises in surrounding states. The mayors became political juggernauts, winning 11 elections, with only Peterson suffering a defeat. The University of Indianapolis set up the forum after establishing the Institute for Civic Leadership and Archives.

You could even notice the progression from hair color, with the white/gray heads of Lugar and Hudnut giving way to the salt and pepper of Goldsmith, and the relative youth of Peterson and Ballard.

U.S. Sen. Dick Lugar cited his Unigov initiative in 1969 that expanded the city to the Marion County lines,

allowing it to escape the fate that has befallen Detroit, Cleveland and St. Louis, cities that are surrounded by suburbs, statelines and lakes and have suffered population declines and eroding tax bases. Lugar noted that in five of his eight years as mayor (1968-75) property taxes declined. "After Unigov people began to build and the tax break rose dramatically. That trend continued with my successors dramatically."

Lugar cited the Greater Indianapolis Progress Committee that "forged partnership and spirit" which allowed the city to become the amateur sports capital of the nation, brought the Colts and NCAA to the city, and established the life sciences initiative that has allowed that economic sector to overtake auto production as the most dynamic economic engine in Indiana.

Peterson (2000-08) explained, "The secret of success is continuity itself." These mayors often took undeveloped blueprints they found on their first day in office and built on them. The classic example is the Fall Creek Place development that Mayor Goldsmith drew up and Peterson executed, turning a blighted, crack-infested neighborhood into a revived housing community that cuts across economic class. Mayor Ballard built on Peterson's control over charter schools. Peterson observed that in other cities, an incoming mayor will reverse course from a predecessor, "leading to a zig zag path. Stop trying to reinvent the wheel."

I reached that conclusion when I wrote a piece for Indianapolis Monthly in 2010. The assignment was to determine who the best and worst Indianapolis mayors were. After research, while there were strong mayors such



as Tom Taggart (1895-1901) and Robert Tyndall (1943-47), it was the progression of mayors from John Barton in the early 1960s (he was responsible for establishing the route of I-465) through Peterson (Indy Works, schools, police and fire mergers) that built on the legacies of predecessors.

Gauging Indiana's strongest cities such as Columbus, Indianapolis, Lafayette, West Lafayette, and Bloomington, there is that element of continuity, even after a political breakdown. Ballard, for instance, completed the police department merger with the Marion County Sheriff that was proposed by Peterson's Indy Works plans. The number of fire department mergers grew from two under Peterson to five under Ballard.

A city like Columbus has thrived under the three terms that Mayor Fred Armstrong has guided the city. In Mishawaka, that continuity was transferred from Mayor Robert Buetter to Jeff Rea. In Fort Wayne, first term Mayor Tom Henry is completing the downtown baseball and new city hall projects that commenced under two-term Mayor Graham Richard.

Compare this to Terre Haute, where voters have tossed out the last four incumbent mayors, with the last three fired after only one term.

All of the mayors said that education must be a priority, with Goldsmith stating that his "biggest failure" was not getting control of Indianapolis Public Schools. "The fact is that the mayor has no control, but has to deal with the consequences," Goldsmith said. The mayors cited high dropout rates they have had no control over, but were forced to deal with the results that included crime, teenage pregnancy, gangs and other aspects that cost taxpayers millions of dollars to deal with on the backside. Goldsmith called for "radical surgery" when it comes to education and that means "more charter schools. The city's future hangs in the balance of education."

"You look for diversity -- and new diversity, because the old days of manufacturing are gone and are not going to return," said Hudnut (1975-91). "We've made a transition to a service-oriented economy. It's also on life sciences, on biotechnology and clean and green businesses, and laboratories and research, and that leads you back again to education, which I think is critically essential if you're not going to have America divided into two classes."

Peterson recalled being confronted with legislation in the Indiana General Assembly in 2001 that would give him control over charter schools. He wasn't sure he wanted it. But he said a "wise" man counseled him to accept the responsibility. "It puts you at the table as an equal with

superintendents," Peterson explained. "If you're outside the system you can't change it."

Peterson added that mayors should be responsible for education "instead of the school board. You would have a single point of accountability. Elections can be referendum on the performance of the mayor in leading the schools. And you have the accountabilities that districts simply lack, where nobody knows the name of their school board members. Fundamentally, it's not a democratic system the way it is now. It would be with the mayor in



control."

Hudnut agreed, saying the mayor "should have control of the school board" and offered his own ideas on radical surgery: "abolish IPS" and "divide it like a pie" into the neighboring township schools.

Ballard said that principals of schools "should be CEOs" and "not mid-level managers."

As for advice to future mayors, Lugar said, "Listen to our conversation this evening. It's full of ideas, practicality" and added, "There's no reason for us to make the same mistakes."

Hudnut said, glancing at his former nemesis Goldsmith, "Plow the darn snow." He added, "Come, let us reason together, listen to each other." He said he headed off a firefighter strike simply by agreeing to meet with fire union officials for a Friday breakfast. Goldsmith said that "every minute" a mayor "can make someone's life better." He urged successors to "think outside the box in bold ways."

Peterson said, "Be bold. Have guts."

To which Ballard responded, "I agree with all of that." ❖



House Democrats lose faith in ability to debate

By **BRIAN A. HOWEY**

INDIANAPOLIS - Well, my offer of free beer for House Democrats at the Rathskeller Biergarten on St. Patrick's Day didn't work unless I get a call by day's end.

While Pat Bauer and the Dems may still be in Illinois, most of the city will be downtown stalking bagpipers. And this got me to thinking about other governmental units that have gone MIA.

There have been strikes - the most famous being the air traffic controllers in 1981 - but they weren't elected.

Of course, there are the Wisconsin Senate Democrats. Not only did they go AWOL, but they were outmaneuvered by their Republican counterparts last week.



There's our own Charlie White, who got cross ways with his press secretary for admitting he didn't know if the Secretary of Hack had shown up to work following his indictment.

And there was President Woodrow Wilson, who suffered a stroke and the First Lady essentially ran the show for a number of months. You can add former State

Rep. Dennie Oxley Sr., and State Sen. Glenn Howard to the MIA list, who suffered crippling medical maladies and didn't resign.

But when you think about it, most government entities from our presidents, through our governors, mayors, county commissioners, all the council members, all the dog catchers, even the township trustees, show up and do their duty.

But not the Indiana House Democrats.

They say they are working and Minority Leader Bauer has been negotiating with Speaker Bosma (see their letters on page 11). They have their victories, as the list of 11 bills has been apparently whittled down to three and, as of news reports on Tuesday, one major issue. Bauer and the Democrats can say their walkout produced some tangible victories for the common, working man. The problem with this is that part of the reform agenda so detested by the defenders of the status quo didn't get through the Senate, despite the towering 37-13 Republican advantage. Some of the Kernan-Shepard reforms that would have taken a huge taxpayer funded monetary chunk out of township government failed last month.

The bill, SB405 sponsored by Majority Leader Con-

nie Lawson, R-Danville, would have eliminated Indiana's township advisory boards and required township budgets instead be reviewed and approved by the county councils. It was rejected by a 28-21 vote.

A similar bill had passed the Senate before, only to die without debate in the House. It came after Gov. Mitch Daniels pressed for the reforms during his State of the State address and a number of Indiana newspapers printed a series of articles earlier this winter documenting alleged financial, ethical and moral abuses of township government.

Despite all of that support, it failed.

While I disagree with this rejection, I applaud the process. The Indiana Senate debated the legislation and rendered a verdict. That's how the process should work.

The bills House Democrats used as a premise to walkout on did not have anything close to monolithic support. There were notable pockets of opposition within the House Republican caucus to Right to Work, as well as that of Gov. Daniels, who said from the get-go this year was the wrong time and place.

While support appeared fairly wide for expanding charter schools, we saw on Tuesday Senate Education Chair Dennis Kruse make significant alterations in the legislation Gov. Daniels sought. On school vouchers, this was an unsettled situation that would have produced compelling testimony on both sides, from Republicans and Democrats. Its fate was far from certain.

On the new school funding formula, I gauged significant trepidation on behalf of not only urban legislators of both parties, but increasingly from rural Republicans who began to understand there would be significant funding cuts.

I've watched freshman Republican Reps. Sue Ellspermann and Wendy McNamara - both career educators - weigh the various reforms and there was hardly consensus. The Evansville Courier & Press reported in December: Ellspermann ... said she thinks a couple of the governor's ideas wouldn't suit her district. "The rural perspective isn't always heard as loudly as I would like at the Statehouse," she said.

McNamara was open to dropping the "de-ghoster" from the formula, saying it makes sense in "a logical, rational world." But, then she noted that it would hurt the three school corporations in her district - including a \$2.5 million hit for Mount Vernon Schools - and observed, "You don't want to see your schools hurt. That's a big, steep hill to climb."

The saddest aspect of the House walkout is not only do House Democrats seemingly lack any kind of compelling vision beyond defending the status quo, they've lost faith in their ability to even debate the issues facing a 21st Century Indiana. ❖



Letters from the Great Midwest:

Here are the two letters generated over the past two days between House Speaker Brian Bosma and House Minority Leader B. Patrick Bauer as they grapple with the four-week Democratic House walkout.



STATE OF INDIANA
HOUSE OF REPRESENTATIVES
THIRD FLOOR STATE HOUSE
INDIANAPOLIS, INDIANA 46204

Brian C. Bosma
Speaker of the House
Website: www.in.gov/h88
E-mail: H88@in.gov
Phone: (317) 232-9657

March 16, 2011

The Honorable B. Patrick Bauer
House Democrat Leader
Indiana House of Representatives
200 W. Washington Street
State House, Room 3-2
Indianapolis, IN 46204

Dear Representative Bauer,

It has now been nearly one month since you and your caucus fled to Urbana while taxpayers and the remaining members of the House await your return to perform your constitutional obligations. It's time to get back to work.

As we discussed last evening, your letter dated March 15 again requests that we completely sidetrack an issue which has passed out of committee and is on the second reading calendar. We have made it abundantly clear that this is not a possibility. Rep. Davis and Rep Messmer have reviewed the provisions of HB 1216 and concluded that their goals for this legislation remain intact if the current level for common construction wage projects is set at \$350,000 and the language they have proposed relating to referendum projects is included in the bill. A copy of the amendment they intend to offer and support on the floor of the House is enclosed.

We have been abundantly clear about our commitment to treat amendments in committee and on the floor of the House in accordance with the rules. We have also been abundantly clear that matters will not be removed from the calendar. We have also communicated our support for our amendment on House Bill 1003 which limits School Choice Scholarships to 7,500 participants in the first year and 15,000 participants in the second year.

We request that you and your caucus return to the chamber tomorrow at 10 am to deal with the calendar which has now sat dormant for the past month, and to present a quorum to conduct the business which comes before the House consistently for the remainder of this session. If you and the members of your caucus are unwilling to make that commitment, we will have to explore all other means of protecting taxpayers and addressing the important issues before us.

The time for long distance discussion is over. The time for floor action is now. We look forward to your return.

Very truly yours,

Brian C. Bosma, Speaker
IN House of Representatives
117th General Assembly



STATE OF INDIANA
HOUSE OF REPRESENTATIVES
THIRD FLOOR STATE HOUSE
INDIANAPOLIS, INDIANA 46204

B. PATRICK BAUER
DEMOCRATIC LEADER
THIRD FLOOR STATE HOUSE
200 WEST WASHINGTON STREET
INDIANAPOLIS, IN 46204

March 17, 2011

The Honorable Brian Bosma
Speaker of the House
200 West Washington Street Rm. 3-7
Indianapolis, IN 46204

HAND DELIVERED

Dear Speaker Bosma,

Thank you for your response to my letter, and thank you for your commitment to move forward with only second and third reading bills that were on the calendar when we left, and focus only on those bills.

I appreciate confirmation of your commitment to make a twenty-five per cent reduction in the cap on taxpayer funded vouchers, which will in turn reduce the tax dollars transferred from public to private schools. This is a positive step.

You have said that your one million dollar exclusion for living wage projects has been reduced to \$350,000. This keeps hope alive for a viable compromise. I would suggest we use cost of living increases from the last adjustment in this threshold as a guide to a reasonable solution.

Local government autonomy should be a consideration over very expensive special referendum elections for needed projects. We need libraries, police stations and other local buildings to protect and educate our citizens. For clarification, once House Bill 1216 is revised as you have committed, it will no longer impact project labor agreements for university and local school projects. Is this correct?

I believe we can work this out if we proceed calmly and positively with our children and working people as our main concern.

I thank you for your letter and positive approach, and with further discussions I believe we could resolve these issues as soon as the early part of next week.

Sincerely,

B. Patrick Bauer
House Democratic Leader

BPB:ds

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1216 be amended to read as follows:

- 1 Page 3, line 25, strike "one" and insert "three".
- 2 Page 3, line 25, insert in roman "hundred".
- 3 Page 3, line 26, insert in roman "fifty thousand dollars".
- 4 Page 3, line 26, delete "million dollars (\$1,000,000)." and insert
- 5 "\$350,000".
- 6 Page 4, line 7, insert in roman "school corporation."
- 7 Page 4, line 7, after "any" insert "or".
- 8 Page 4, delete lines 17 through 20.
- 9 Page 5, between lines 40 and 41, begin a new paragraph and insert:
- 10 "SECTION 5, IC 6-1-20-3.9 IS ADDED TO THE INDIANA
- 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 12 [EFFECTIVE JULY 1, 2011]: Sec. 3.9. (a) This section applies if a
- 13 political subdivision wants authority to use project labor
- 14 agreements in the plans, specifications, or contract documents for
- 15 any public works project that is part of the controlled project.
- 16 (b) The definitions in IC 5-16-12 apply in this section.
- 17 (c) In addition to the question placed on the ballot under section
- 18 3.6(c) of this chapter, the following question shall be submitted to
- 19 the eligible voters at the election conducted under section 3.6 of this
- 20 chapter:
- 21 "Shall _____ (insert the name of the political subdivision)

- 1 be authorized to suspend the provisions of IC 5-16-12-5
- 2 allowing a union-only contract for any public works projects
- 3 paid for from the proceeds of the bonds or lease to finance
- 4 _____ (insert the description of the controlled project
- 5 used in the public question under section 3.6(c) of this
- 6 chapter)?"
- 7 (d) If a political subdivision submits the public question
- 8 described in subsection (c) to the voters, the political subdivision
- 9 shall submit to the department of local government finance an
- 10 explanation of the effect of suspension of IC 5-16-12-5 with the
- 11 information required to be posted on the department's Internet
- 12 web site under section 3.6(d) of this chapter.
- 13 (e) If a majority of the eligible voters voting on the public
- 14 question put to the voters under section 3.6(c) of this chapter vote
- 15 in opposition to that public question, the result of the vote on the
- 16 public question put to the voters under this section has no effect.
- 17 (f) If a majority of the eligible voters voting on the public
- 18 question put to the voters under subsection (c) vote in opposition
- 19 to that public question, the political subdivision may not suspend
- 20 the provisions of IC 5-16-12-5 for any public works projects paid
- 21 from the proceeds of the bonds or lease.
- 22 (g) IC 3 and section 3.6 of this chapter, to the extent not
- 23 inconsistent with this section, apply to an election held under this
- 24 section."
- 25 Renumber all SECTIONS consecutively.
- 26 (Reference is to HB 1216 as printed February 18, 2011.)

Representative Davis



The political evolution of social media

By **BRIAN A. HOWEY**

INDIANAPOLIS - Dick Lugar has become a social media animal.

It's a matter of political survival as potential Republican Senate primary challengers Richard Mourdock and Mike Delph have made Facebook a staple in their ability to reach out to a constituency and raise money. If you want to know what Sen. Delph is up to, a quick scan of his Facebook page. In a quick read, you will see Delph posing with his campaign staff and daughters and read about his support for a resolution for the Nation of Israel.

"We take social media ideas seriously," Lugar told several reporters on Sunday, some of them tweeting and posting on Facebook as the session progressed. He noted that at recent IUPUI and Franklin College visits, "Many were tweeting throughout the events, even as I was speaking. I was receiving questions from an audience much broader" than the room in which he stood.

Lugar noted that in the political realm, it can come down to "how quickly you respond."

"If the battle is not being fought in Sunday media, talk shows, editorials, everyday reporters, it may be you need to answer these questions, raise some of your own. Go back and forth. From time to time our staff becomes aware some paper or radio station is conducting a poll. Sometimes I'm part of the poll. They might alert some of our friends there is a poll going on."

As the Mourdock Senate bid got underway, the Evansville Courier & Press conducted an online survey and Lugar won it by more than 20 percentage points, or as Lugar put it, "I won the poll by a very decisive majority. There was an enormous surge in voting. Well, welcome to social media."

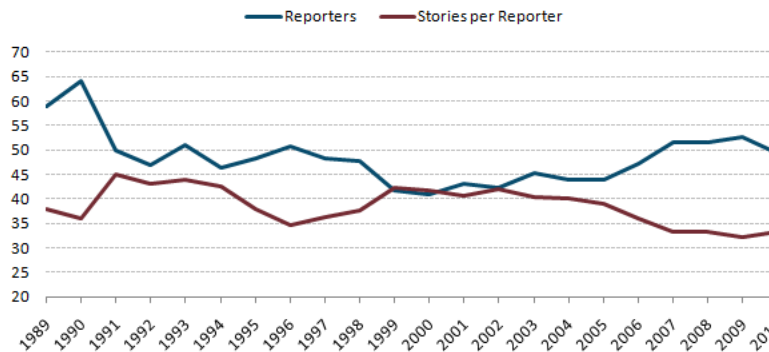
The consequences of the poll were limited. It was a one or two news cycle victory and it came in Mourdock's hometown. As any political figure can tell you, an accumulation of "winning" a various news cycle along with its timing can make the difference between victory

and defeat.

The Pew Research Center released its annual State of the Media report and while there were dire elements such as the elimination of more than 1,500 newsroom jobs this past year nationally, it revealed that there is still a growing thirst for information. A new survey released with this year's report, produced by Pew Internet and American Life Project in association with the Knight Foundation, found that nearly half of all Americans (47%) now get some form of local news on a mobile device. What they turn to most there is news that serves immediate needs – weather, information about restaurants and other local businesses, and traffic. And the move to mobile is only likely to grow. By January 2011, 7% of Americans reported owning some kind of electronic tablet. That was nearly double the number just four months earlier.



Number of Reporters Declines While Workload Increases
Year-to-Year Averages



Source: ADT Research

PEW RESEARCH CENTER'S PROJECT FOR EXCELLENCE IN JOURNALISM
2011 STATE OF THE NEWS MEDIA

Pew noted: The migration to the web also continued to gather speed. In 2010 every news platform saw audiences either stall or decline — except for the web. Cable news, one of the growth sectors of the last decade, is now shrinking, too. For the first time in at least a dozen years, the median audience declined at all three cable news channels.



For the first time, too, more people said they got more news from the web than newspapers. The Internet now trails only television among American adults as a destination for news, and the trend line shows the gap closing. Financially the tipping point also has come. When the final tally is in, online ad revenue in 2010 is projected to surpass print newspaper ad revenue for the first time. The problem for news is that by

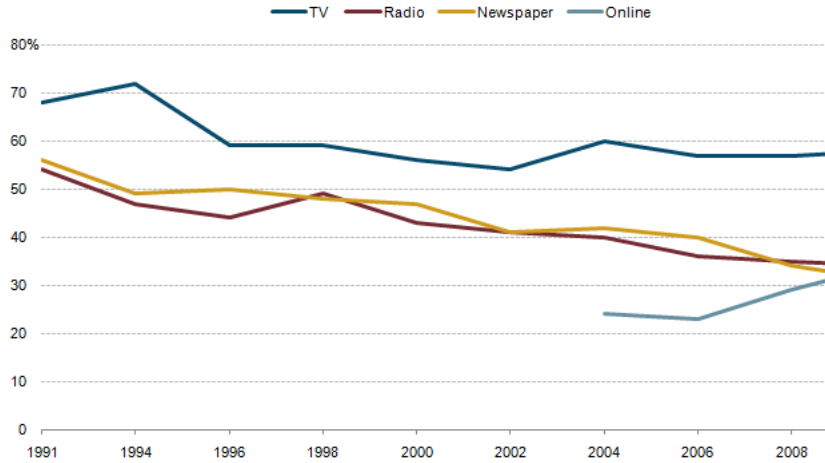
far the largest share of that online ad revenue goes to non-news sources, particularly to aggregators. Traditional newsrooms, meanwhile, are different places than they were before the recession. They are smaller, their aspirations have narrowed and their journalists are stretched thinner. But their leaders also say they are more adaptive, younger and more engaged in multimedia presentation, aggregation, blogging and user content. In some ways, new media and old, slowly and sometimes grudgingly, are coming to resemble each other.

Campaigns are having to adapt on that front. A classic example came last week when the Ogden on Politics blog filed a report suggesting that Lugar had residency issues that could parallel those of indicted Secretary of State Charlie White. Paul Ogden made his posting but made no effort to contact Lugar's Senate office or campaign. "A reporter would have done some research to the validity of the charge," Lugar noted. "Call me to see what my reaction would be as far as human interest."

It was Howey Politics Indiana which contacted the Lugar Senate office. The campaign responded by citing provisions of the Indiana and U.S. Constitutions that gave Lugar legal cover. Fort Wayne Journal Gazette reporter Brian Francisco followed up by quoting a 1982 opinion from then Indiana Attorney General Linley Pearson regarding the Lugar residency (he still votes in the precinct of his 1969 address, as allowed by state law). It is just the latest example of bloggers that prompt mainstream media coverage, which often centers on completing the cycle of information.

While the technological changes have been wrenching for many print and broadcast newsrooms, the

The Web Surpasses Newspapers in News Audience
Percent of Respondents Who Got News "Yesterday" From Each Platform



Source: "Americans Spending More Time Following the News." Pew Research Center For The People & The Press. September 12, 2010.
PEW RESEARCH CENTER'S PROJECT FOR EXCELLENCE IN JOURNALISM
2011 STATE OF THE NEWS MEDIA

real drama could come to a political campaign just over the horizon. Democratic political consultant Joe Trippi said Sunday that it's just a matter of time before a third-party candidate comes out of nowhere to upend a presidential front-runner — and it could happen as soon as next year to President Barack Obama (Politico). Trippi presided over Howard Dean's meteoric rise and fall as the first

true Internet candidate who flashed out with his loss and scream on the night of the Iowa caucuses in 2004. It was a prelude to the \$750 million Obama campaign, and many believe that by 2012 presidential campaigns will reach the billion dollar range.

In October 2010, Nevada Tea Party Republican Sharon Angle raised an astounding \$14 million in her unsuccessful challenge to Senate Majority Leader Harry Reid. Angle was unfocused, with her campaign at one point obsessed with hiring planes to wage a skywriting campaign. Challengers like Mourdock believe they can tap into social media and the Tea Party network to overcome the initial \$2.5 million cash advantage that Lugar has going into the 2012 Republican primary.

"This will be one of the big frontier breakthroughs for politics, either in 2012 or 2016, and my guess is it's going to be a challenger," Trippi told Politico. "What happens is that really smart people, even the Obama guys, they get fat and lazy and they're in charge and the conventional wisdom thing even seeps in for them and some guy out there, some candidate, some woman running, who doesn't have much of a chance, decides innovation is the only way out." Trippi predicts it will be a third party candidate. "There's going to be a moment, and it could be in 2012 — you know for my party's sake, I hope it's in 2016 — but some independent candidate is gonna just come out of nowhere and raise a billion dollars on the Internet, saying 'screw both these parties, it's you and me baby, let's go change this thing.'" That, Trippi predicted, "will be the end of the two parties." ❖



Daniels' 'Washington month' concludes

By **BRIAN A. HOWEY**

INDIANAPOLIS - Gov. Mitch Daniels' Washington Month Phase I is over.

Between mid-February and last weekend, Daniels took the nation's capital by storm, giving a fiscally stirring address to CPAC, and then the Gridiron Dinner where he arrived with CBS's Katie Couric, along with appearances on Fox News Sunday and NBC's Meet the Press thrown in for good measure. Pundits ranging from George Will of the Washington Post to David Brooks of the New York Times fell in love with our governor.

So, do we know anything more about a potential Daniels presidential bid?

Nope. Nada. Zip.

NBC's Chuck Todd showed Daniels "final" 2008 TV ad in which he said, "No matter what your outlook on politics, here's some good news. This is the last time you will have to watch me in an ad like this. You see, governor is the only office I'd run for or ever will."

Asked why that ad wasn't deceiving in light of the presidential speculation, Daniels responded, "I wrote it, like I write most of my own stuff, I meant every word of it and others have said over the last course of a year and a half, that I ought to consider something that's never entered my mind and I've agreed to consider it."

Asked about the "truce" on social issues, Daniels said, "We're going to have to make changes, at least moving forward, that will permit us to maintain a growing economy and the American dream of upward mobility for those at the bottom and we're going to have to get together with people who disagree on

other things, that's all I've said," Daniels said.

As for the Gridiron, it was the first time that President Obama and Daniels shared the bill.

Daniels needled the president by recalling one of Obama's private musings to fundraisers during the 2008 campaign that conservatives found refuge in religion and guns. Daniels, his right arm in a sling due to rotator cuff surgery, quipped: "Mr. President, until I get this thing off, I can cling to my gun or my Bible, but not both."

Later he turned to Obama and mockingly took a shot at the president's use of the TelePrompter. "Mr. President you're not laughing, who forgot to put ha-ha-ha on the teleprompter?"

Daniels also sarcastically joked that it's hard not to let all the favorable press attention he's been getting go to his head. "Just listen to a quick sample," Daniels said as the audience roared. "Small, stiff, short, pale, unimposing, unassuming, uninspiring, understated, uncharismatic, accountantlike, nontelegenic, boring, balding, blunt, nerdy, wooden, wonky, puny and pint-sized. It all points to one inescapable conclusion," Daniels added as his right arm shot to the sky. "It's destiny!"

Obama got the last word. Daniels, Obama said, tore into his filet mignon "like it was a public employee."

If Daniels isn't ready to commit to a presidential run, the opportunity is certainly still there. A PPP Poll showed Mike Huckabee leading the GOP field at 18 percent, followed by Mitt Romney at 17 percent, Sarah Palin at 16 percent, Newt Gingrich at 14 percent, Ron Paul at 9 percent, Tim Pawlenty at 5 percent and Daniels at 4 percent.

It is the first time in generations that a frontrunner isn't in the 30th percentile at this stage.

Essentially, the GOP race is wide open. Governor, that ringing in your ears isn't Gridiron applause. It may be history calling. ❖



Republican Presidential Candidate Images

Among Republicans and Republican-leaning independents

	Positive Intensity Score*	Recognition %
Mike Huckabee	25	87
Michele Bachmann	20	52
Newt Gingrich	17	85
Sarah Palin	16	96
Rick Santorum	16	42
Mitt Romney	15	81
Tim Pawlenty	14	41
Jon Huntsman	14	20
Ron Paul	13	76
Haley Barbour	11	42
Mitch Daniels	10	30
Gary Johnson	5	12

* % with highly favorable opinion minus % with highly unfavorable opinion, based only on those who recognize candidate

Question wording: Next, I am going to mention the names of some people in the news. For each one, please tell me if you recognize the name, or not. (Asked of those who recognize each person): Please tell me whether you have a generally favorable or unfavorable impression of _____. Is that a strongly (favorable/unfavorable) opinion or just (a/an) (favorable/unfavorable) opinion?

Feb. 28-March 13, 2011

GALLUP



Daniels, Bosma play class warfare

By **SHAW FRIEDMAN**

LAPORTE, Ind. - Did you hear the one about the Wall Street billionaire, the unionized public employee and the Tea Party member who were all sitting around a table eyeing a plate of one dozen chocolate chip cookies? The financier reaches across the table and takes 11 cookies, looks over at the tea partier and says, "Watch out for that union guy. He wants your cookie."



Can you imagine we've come to a point where governors like Mitch Daniels and Speakers of the House like Brian Bosma are blaming tight budgets on middle class public servants like teachers, firefighters and police? They call 'em greedy for wanting a share of the American dream. Who was the bank robber who was once asked – why do you

rob banks and the guy responded without blinking an eye – "because that's where the money is."

As we need additional state revenue to help fund schools, pay for police and fire and provide basic services, why is our governor and his buddy Brian Bosma absolutely unwilling to look to their friends in the corporate suites to do their part? Isn't that where the money is? Why must we turn on public employees for the sacrifices?

Remember, it's the multi-state and multi-national banks who do business in our state who helped bring our economy to its knees and who benefited by billions in taxpayer funded TARP funds.

What about companies like GE, Carnival, Boeing, FedEx, News Corp, ExxonMobil, Pfizer, P&G and yes, Eli Lilly, who pretend their profits are earned in tax havens like the Cayman Islands and their losses are earned in the U.S., lowering both their federal and state tax bills?

These corporations are heavy users of our taxpayer funded public infrastructure and property rights protection systems. They use our regulated marketplace, call upon our law enforcement systems and judiciary to remedy disputes. They're protected by our police forces and firefighters. They enjoy all the privileges and benefits of taxpaying citizens. They just don't pay their fair share for those services.

Corporate income taxes used to make up 12% of

our state revenue needs twenty years ago – now it's down to just 6%. With enablers like Mitch Daniels and Brian Bosma, some of the biggest and most profitable corporations can extort whatever they want from state government – tax breaks, loan guarantees, subsidies - oftentimes with little new jobs produced as a result. (Check out WTHR's outstanding series on IEDC's wildly overblown claims of jobs actually produced.)

The non-partisan Multi-State Tax Commission says Indiana is losing out on one third of a billion dollars a year because of various tax shelters like passive investment corporations, reincorporations in tax havens and transfer pricing.

Because of this massive shift of tax obligations to ordinary working families – our kids are supposed to be satisfied in overcrowded classrooms, local libraries are to be closed, our streets, highways and bridges are falling apart and we're told there's not enough money to pay for low income heating assistance, homeless shelters for our veterans or even Meals on Wheels.

Times are tough.

Well, someone HAS to pay. Why not start with those who can MOST afford it? Many of these largest and most profitable multi-national and multi-state corporations who do business in our state are sitting on loads of cash.

But what did this governor and Brian Bosma do? They told unemployed Hoosiers that they are to get by with a 25 percent cut in unemployment benefits while rewarding corporations with a 25 percent corporate tax break under SB589.

Folks - there's a reason that thousands of working people descended on the State Capitol again this past week. Ordinary Hoosiers know that sacrifice is only being asked from them while the wealthiest corporate execs like those who crowded into the opulent new \$150 million concert hall in Carmel and toasted each others' success were being asked to do little.

Stop the charade Governor Daniels and Speaker Bosma. It's class warfare you're waging and those on the receiving end know it. ❖

Shaw Friedman is a LaPorte attorney and a regular contributor to HPI.



Opposing opinion need not demand respect

By **MORTON J. MARCUS**

INDIANAPOLIS - Last week more than 200 people assembled in Hobart to hear a panel of vigorous speakers explore the various dimensions of ethics in government.

The discussion focused on officials, elected and appointed, who convert their power into personal gain. We call it corruption in the form of graft, bribery, nepotism, conflict-of-interest, being-on-the-take, pay-to-play and a host of additional names.



These serious matters cost taxpayers billions of dollars annually at the state and local levels. The abuse of power is not limited to certain states, counties or cities. It is found everywhere, but it is not the

dominant characteristic of public service. The overwhelming majority of elected and appointed officials are honest servants of the people not looking for kick-backs or inappropriate advantages in their jobs.

Speakers at the meeting encouraged the audience to keep an eye on government, to be watchdogs, to endorse training government officials and workers about ethical issues. The culture of unethical behavior and the perception of public office as a private possession permit corruption to endure from one administration to another, in some cases for generations.

Ethics goes much further than not cheating the taxpayers by improperly applying their funds for personal gain. Missing from the discussion, however, was something less exotic than the petty thefts and grand larcenies that make the headlines. Ethics in government involves doing-the-right-thing and being effective.

The idea citizens are taxpayers alone leads to poor decisions. As consumers of services, we have other direct and indirect relationships with government beyond paying taxes. When we emphasize taxes, we focus on efficiency and often disregard effectiveness.

Take snow removal. It snows and streets are impassable. Crews come out, remove the snow, and normal functions resume. That's what we want. That's effective government.

Yes, we desire efficient government where funds are used honestly and in a prudent manner, keeping costs low. We don't want all the contracts for snow removal go-

ing to the mayor's friends and family. But removal of the snow is our primary concern. The possibility of saving some money in the process is desirable, but secondary.

This view does not condone illegal or unethical behaviors. But it adds a dimension to ethical government. Would we prefer perfectly appropriate contracting and a poor job of snow removal?

The essential ethical aspect of government, touched lightly at this conference is the need for government officials to do the right thing. Often the excuse is made there are differences of opinion as to what is right. This argument merely reveals an inadequacy of debate, sometimes disguising an unwillingness to oppose ill-informed views.

For example, is it morally justified to deny necessary services to the poor, the disabled, and the disadvantaged in order to maintain low taxes on the wealthy? Is it unconscionable to deny unemployment or worker's compensation in order to keep down taxes on workers holding jobs? (Many people believe that employers pay these taxes, but in all likelihood they are paid indirectly through lower wages for those at work.)

In Indiana and across the nation, arguments bubble concerning the effect on investment and the robustness of business if taxes are raised moderately. Those arguments are unfounded except in the mythology of the ignorant. We have a cadre of conservatives who would cut government spending in order to get people back to work. This is a fundamentally flawed idea.

To accept these positions, to honor them as valid expressions of personal values is unethical. To avoid debate because your opponent holds a different view is wrong. That is why legislative minorities in several states have denied the majorities easy victories. Failure to cooperate with an unethical power is a commendable ethical stand. ❖

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Did the public deal fail?

By JACK COLWELL

SOUTH BEND - For decades, in many cities, school districts, counties and states, public service employees and the politicians who employ them have had a deal, informal but understood.

It worked well for both sides - or so it seemed. Here's the deal:

Public service employees would work for modest pay, low really for those with responsibilities and dangers involved in protecting the public from fire and crime, also for others with the vital task of teaching the children, including kids with no parents in their lives.

Politicians, such as governors, mayors, legislators and other elected officials involved in budgeting, would then proclaim that they held the line on pay and didn't raise taxes.

In return for acceptance of modest pay, lower than many of them could have obtained in private employment with less threat and challenge, these public employees were offered generous pension plans, better than provided in most of the private sector, and excellent health care coverage requiring low employee contributions.

Why did it work?

The public employees, while not getting rich, were rewarded by public service involvement in which they took pride and by expectations of quality, affordable health care and solid pensions upon retirement. They bought the deal.

The politicians, able to hold down wages, the biggest expense in their budgets, could wink at the underfunded pension and health plans, leaving that for the future, and brag about preventing tax increases by sound, conservative management. They bought the deal and won reelection.

Alas, there comes now a day of reckoning.

Those politicians engaged in this deal didn't pay their bills. Now the bills are coming due in huge pension and health care obligations. Staggering expenses.

What to do?

Demonize the public service employees, of course.

Make them the bad guys, the greedy money-grabbers whose pensions and health care costs threaten to bankrupt some of our cities, school districts, counties and

states.

That's what some politicians now do.

Brazenly, this is the tactic even of some of the politicians, some Republicans, some Democrats, who once were part of the deal.

That deal in which they didn't pay their bills.

That deal in which they winked at underfunded pensions and health plans.

That deal in which they bragged about being conservative as they ran up their bills.

Are the pensions and health care provisions for a lot of public service employees now too expensive?

Yes.

They cannot be sustained, not at this time of reckoning, with the bills coming due. They will have to be reduced.

Are the public service employees the villains in this tough fiscal situation?

No.

They are the victims.

They didn't point guns at those governors, mayors, legislators and other elected officials who made the deal.

They were offered the deal and accepted in good faith. They would work for pay too often not commensurate with the vital services they perform, figuring that they would be compensated for modest pay with the promised generosity in health and pension plans.

It isn't their fault that the nation was hit by the Great Recession. But they suffer from it still. And they face further shattering of what had been their middle-class American dream.

It isn't their fault that the housing market collapsed. But the value of their homes has diminished. And this is so even if they never missed a mortgage payment.

It isn't their fault that the politicians didn't pay the bills. But they now are the ones who lose benefits they thought were promised in good faith. And they are demonized by politicians who broke the faith.

Demons.

What do you do with demons?

Expel them.

Politicians doing the demonizing seek to do just that - exorcism - expel, lay off, a lot of those money-grabbing demons, no matter the cost in public safety, service and education in this time of global competition.

They want again to put off costs and look good doing it.

So, now in dealing with demons, the deal involves laying off lots of public service employees, thus increasing unemployment just as it was coming down, and decimating their buying power, thus reducing consumer spending just as it finally was spurring the weak economy.

Another deal. ❖





Abdul-Hakim Shabazz, Indiana Barrister:

On Saturday morning I was having breakfast with a few political friends, when I had gotten word that Indiana Secretary of State Charlie White might be stepping down. As someone who trades in political gossip and rumor, this was good stuff. Let's face it. The Friday news conference outside the Hamilton County Courthouse was not one of White's finer moments. And his chief of Staff, Sean Keefer, has turned in resignation the same day. And from everything I've been able to gather, that news conference was the reason why. I immediately sent White a text message and threw that information up on Twitter. Within five minutes I heard back from White telling me he was neither stepping down nor stepping aside. A few minutes later he called and so we talked for about 30 minutes. White did not talk about the facts of the case, simply once again repeating that he was innocent and there's a lot more information out there that will back him up. He also said he had no concerns that that Friday's news conference would hurt his case. And that the office could function, despite his indictment. He declined to comment on why Keefer stepped down. Nor would he comment on the news that his Press Secretary, Jason Thomas, may be resigning on Monday. He did say the office's other 75 employees are doing a great job serving the people of Indiana. White spent quite a bit of time disputing the claim that the Indiana Secretary of State is the "Chief Election Officer". He said most of those election functions are carried out at the County level and most of what the Office does is ministerial in nature. He did admit to being out of his main office a couple days last week, but said one day he worked from home and the other day he spent in the Securities Division, which is in the Government Center. When I asked if he will be back in the office Monday he said, "Yes, I love my job and I love coming into work. I'm a fighter and I'm not going anywhere." He also expressed concern that the ordeal was having on his family. When we concluded our conversation and I was going through my notes, I tried to run through my mind an analogy that would fit all this. I wanted to keep the Charlie Sheen/Japanese nuclear reactor meltdown references down to a bare minimum if at all. And I all I could come away with was your typical Shakespeare character, whose drive, determination and ability to focus on one thing, bring him to power, but those same character traits are what become his downfall. I understand wanting to fight. If I was in White's shoes I'd mount a vigorous defense as well, but there are different ways to do it. And I'm not convinced that White can successfully fend off his charges and carry out his duties at the same time as Secretary of State. I'm not sure anyone could do that in that position. This is part of the reason why the law allows the Chief Deputy Secretary of State to take over should the elected officeholder temporarily step down. That fact also ties into some speculation as to why Keefer may have resigned. In addition to being upset about White's performance on Friday during his news conference, a number of Republicans have expressed concerns about him taking over the office since he was White's campaign manager and Keefer taking over the office would not have done much to quell the controversy. In fact, it would have only added to it. At the end of our 30-minute chat, I am more convinced than ever that White should temporarily abdicate his office and turn it over to the acting chief Deputy Secretary of State. He should fight the charges and if the grand jury did not get the whole story and



there are boxes of documents that will prove his innocence then he should be back by the end of the year. But there's no reason to try and fight this kind of war on two fronts. It never ends well, and sometimes when you win, you still lose. ❖

Matt Tully, Indianapolis Star:

For months now, as Gov. Mitch Daniels has taken up residency on the op-ed pages of the Wall Street Journal and collected gobs of frequent-flyer miles during his many visits to D.C., Indiana political observers have debated at length the question of whether he will run for president in 2012. But here's a better question: Should he run for president? Today, less than a year before the Iowa caucuses and New Hampshire primaries, let's discuss the five most compelling reasons for Daniels to make a run for the White House. (On Friday, we'll discuss the five reasons he should not.) Timing is crucial in politics, and there arguably has never been a time when the issues that set Daniels apart -- his laserlike focus on government spending and his long-standing crusade against deficits -- enjoyed such a prominent role in the political debate. This could be a rare opportunity for a bottom-line politician, one who looks more like an accountant than a presidential candidate, to grab a sizable chunk of the electorate. If voters truly are concerned about the federal debt and the nation's long-term fiscal situation, they may be willing and even eager to embrace a number-cruncher with a history of cutting costs. In many election cycles, voters are attracted to charisma, charm or the guy with whom you'd like to have a beer. There's a chance many Republicans in 2012 will look for the candidate you'd hire to do your taxes. He would enter the race with full credibility as a presidential candidate. Daniels has run a state, worked in the corporate world and served in two presidential administrations. He understands the inner workings of government and how D.C. policies affect states and businesses. He has the resume and, importantly, the national media and political worlds long ago deemed him a serious contender. Attaining credibility is the first hurdle many candidates have to cross. Many never do. But Daniels has. It'd be a shame not to take advantage of that. ❖

Rich James, Post-Tribune:

I'm not sure what it is with Republicans. Are they vindictive, or just not bright? Maybe both. Just five months after Sister Sarah and the tea partiers won control of the U.S. House and state legislatures across the country, Republicans have laid the groundwork for self-destruction. Hold the applause till later. The attacks on organized labor and social service agencies that primarily serve the poor have awakened the Democrats who forgot to go to the polls last fall. I don't recall the tea folks telling their candidates that the first thing they needed to do when elected was a frontal attack on organized labor. Yep, destroy the unions by essentially getting rid of collective bargaining. Republican Gov. Scott Walker in Wisconsin even said it. He is out to break the unions. Because of the attacks on unions, some 70,000 union folks turned out in protest in Wisconsin. Thousands more did so in Indiana and elsewhere. The Republicans will have some successes in their attacks on unions and the ability of people to organize, but in the end, they'll wish they hadn't made the first move. Walker in Wisconsin doesn't have a lick of sense. He doesn't know it now, but he'll be a one-term governor. ❖



Bosma raises idea of recall law

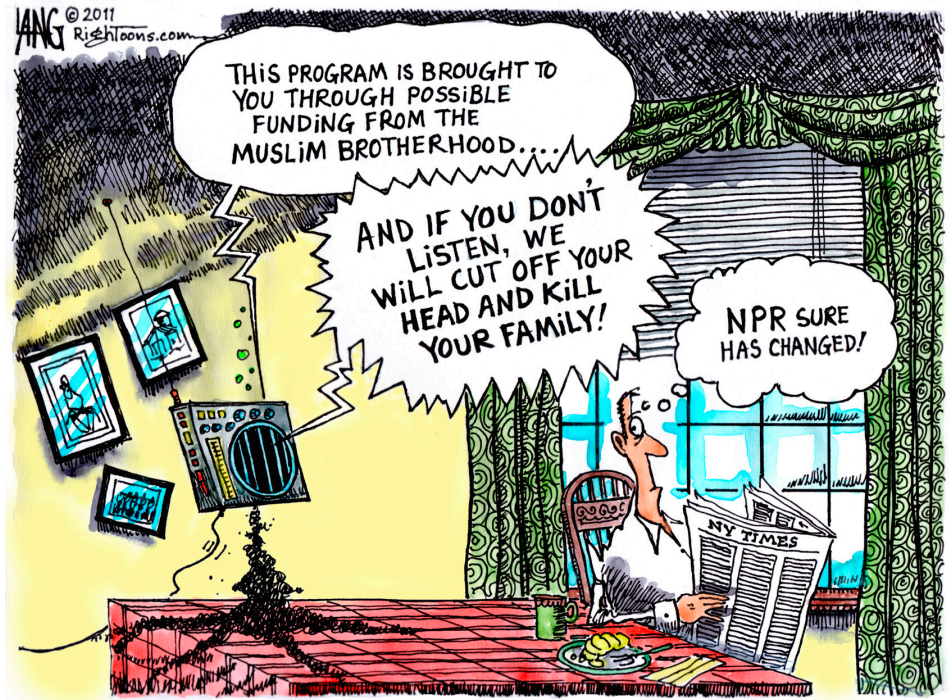
INDIANAPOLIS - Republican House Speaker Brian Bosma suggested Wednesday that lawmakers might consider in the future enacting a recall law enabling citizens to remove legislators from office during their term (Kelly, Fort Wayne Journal Gazette). "There's not a means for that in current Indiana statute," he said.

"We've had a lot of taxpayers ask for a remedy to that." Other states have a procedure in place, including Wisconsin, where recall petitions have started for both Republicans and Democrats involved in a budget tussle. In Indiana, House Democrats who have broken a quorum in that chamber since Feb. 22 can only be fined under House rules. The majority of that caucus remains in an Illinois hotel. Bosma also said Indiana used to have an anti-bolting statute on the books that called for misdemeanor convictions and a one-time \$1,000 fine against members. And it might be time to look at the constitutional provision requiring 67 members for a quorum. "If this is going to be the conduct of elected officials in the future, perhaps it's time to take a look at the constitution and revise it," Bosma said. Rep. Win Moses, D-Fort Wayne, said "the purpose of breaking a quorum is in part to bring the discussion back to the middle so we don't have extremists on either side and we are able to talk about these things and educate people."



Bauer outlines negotiation points

INDIANAPOLIS - Scotch



one labor bill, water down a private school voucher program and declare the "right to work" measure dead for the year (Bradner, Evansville Courier & Press). Those are the requests the leader of Indiana's boycotting House Democrats made in a letter his staff hand-delivered to Republican House Speaker Brian Bosma on Tuesday. The implication of House Democratic Leader B. Patrick Bauer's letter: If Republicans agree to those concessions, Democrats move much closer to leaving the Comfort Suites hotel. Bosma has said he is not willing to negotiate with Democrats anywhere but the floor of the House, where Republicans have a 60-40 majority but need a 67-member two-thirds quorum to conduct business. But Democratic Rep. Gail Riecken of Evansville said Bauer's letter presents a "great opportunity" to end the standoff that is now in its fourth week. "That's certainly something that I would be definitely interested in, no question," she said of the contents of Bauer's letter. The letter included one question and two proposals. The question was aimed at making sure the contentious "right

to work" measure that would allow workers to opt out of union dues and, opponents say, undermine union funding in the process, is really dead. It was one of 23 bills that hit procedural snags when Democrats fled to Illinois on Feb. 22. Bosma has previously said his chamber won't seek to insert language from those bills into any others for the rest of this session. Regardless of the answer, the Senate could still insert some of those proposals into other bills currently under consideration in that chamber. Still, Bauer said he wanted to know if Bosma's offer stands.

Senate panel changes charters

INDIANAPOLIS - Legislation expanding the availability of charter schools was changed by an Indiana Senate committee Wednesday to limit the effects of expansion on traditional public schools. Under the changes made to House Bill 1002, traditional schools would not have



to share transportation funding with charters, city mayors would not be allowed to sponsor charter schools and it would be more difficult to convert a traditional school into a charter. In addition, most teachers in a charter school would have to be certified and charter schools would have less access to unused school buildings. A charter school is a publicly funded school that operates under a contract or charter, with fewer restrictions than a traditional public school. State Sen. Earline Rogers, D-Gary, sponsored many of the changes enacted by the Senate Education Committee. She believes the changes correct some of the flaws in legislation as approved by the House. "There are legitimate concerns that an increase in charter schools has the potential of a negative impact on the traditional schools to carry out their mission," Rogers said. House Speaker Brian Bosma, R-Indianapolis, the sponsor of the legislation, said he does not support the new requirement that a majority of parents and teachers agree before a traditional school can become a charter. "That one was, I don't think, well advised," Bosma said. The education committee voted 8-2 to approve the amended legislation. Because the proposal spends state funds it will now go to the Senate Appropriations Committee for a second review.

No second term for Hillary

WASHINGTON - Secretary of State Hillary Clinton said on Wednesday she has no desire to continue in the job if President Barack Obama wins a second term in 2012. And she said she doesn't want to be president either. When Clinton was asked in a CNN interview during a trip to Cairo if she wanted a second stint as America's top diplomat, she was clear (Associated Press). "No," she answered -- and then moved on to rule

out future jobs as defense secretary, vice president or even president of the United States. Why would a politician who has sought the nation's top office lower her sights? "I have the best job ever," Clinton said, saying the world was changing so quickly "it's almost hard to catch our breath." "I want to be part of helping to represent the U.S. at this critical moment in time, to do everything I can in support of the president and the government, to stand for values and ideals and stand up for America's interest," Clinton said. As for the presidency -- not interested. "I had a wonderful experience running. I'm very proud of the support and the opportunity. But I'm going to be moving on," she said.

Durham arrested on \$200M fraud

INDIANAPOLIS - A former Indiana businessman who served for years as National Lampoon's chief executive was arrested Wednesday on charges he ran an elaborate Ponzi scheme that defrauded investors of more than \$200 million to help fund a lavish lifestyle, including a \$250,000 revamp of his luxury home's garage. A federal grand jury indictment unsealed Wednesday in Indianapolis charges Timothy Durham, business partner James F. Cochran and their accountant, Rick D. Snow, with 12 counts, including conspiracy to commit wire and securities fraud, wire fraud and securities fraud. The indictment, along with a separate Securities and Exchange Commission civil filing, accuses all three of defrauding about 5,000 investors in Akron, Ohio-based Fair Finance Co. of more than \$200 million. Tim Morrison, the first assistant U.S. attorney in Indianapolis, said the charges Durham faces involve Fair Finance and in no way pertain to National Lampoon. Morrison said many of the victims, including elderly investors, suffered severe financial harm in the alleged

scheme. "I can't stand here and purport to feel what they feel. There are people who are severely hurt because of this," Morrison said. FBI spokeswoman Laura Eimiller said Durham was arrested Wednesday morning at his home in West Hollywood, Calif. He was scheduled to appear in U.S. District Court in Los Angeles. Cochran and Snow were arraigned Wednesday in federal court in Indianapolis and released, although they are required to wear electronic-monitoring equipment, U.S. Attorney Winfield Ong said. James Voyles, an attorney for Cochran, declined comment Wednesday. Attorneys for Durham and Snow did not immediately return calls seeking comment.

I-69 contract awarded for Pike

EVANSVILLE - State officials have awarded a southern Indiana company a \$25 million contract to build a 4-mile section of the Interstate 69 extension that will run from Indianapolis to Evansville. Bloomington-based Crider and Crider, Inc. submitted the lowest bid for the Pike County project. The state Department of Transportation says the agency has awarded 11 of 15 contracts for the 142-mile interstate to Indiana firms at the lowest bid.

IMB expanding call center

DALEVILLE - The silo might be gone, but the jobs are coming. Technology giant IBM, which already employs more than 400 people at a customer contact center in Daleville in southwestern Delaware County, is expanding its operations into one of the few remaining spaces left in the nearby Heartland Business Center.