



### Battle for House centers on open seats



Democrats will aim at 8 GOP freshmen; Knollman, McClain may retire, avoiding primary wars

By **BRIAN A. HOWEY**

INDIANAPOLIS - The first sequence of the Battle for the Indiana House in the second 21st Century decade will likely take place in 14 open seats, including 10 that were redrawn without an incumbent.

The four seats that include Republican and Democrat incumbents appear to be split - on paper - with two

favoring each party, though one of those battles may not happen if State Rep. Peggy Welch decides to seek the 9th CD Democratic nomination.

In the four districts that feature at least two incumbents from a single party, retirements are likely in two of the seats. And sources in both parties tell HPI that State Rep. Chet Dobis is considering a move from HD14, where he would face fellow Democrat Vernon Smith in a heavily African-America district, to the open HD15 seat nearby.

While no final decisions have been made, State Reps. Tom Knollman - placed in HD68 with freshman Re-

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### Public investment lacks

By **MORTON J. MARCUS**

INDIANAPOLIS - Last week, the New York Times ran a story under the headline "Indiana: The Exception? Yes, but ..." The article gave a factual presentation of our state's economic circumstances, but with an overriding sarcasm that left a bad taste in Hoosier mouths.

Probably this piece was assigned to the reporters before our Governor withdrew from the presidential primary race. However, since they already did the work, and it was a slow news day, an article depict-



**"I never thought in a million years that politics would get so personal and dirty."**

**- Secretary of State Charlie White, after the Indiana Recount Commission ruled he could stay in office on Tuesday**



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ing the difficulties of the denizens of Indiana must have seemed harmless.

The problems of Indiana remain unchanged by receiving attention in the New York Times. Some of our fellow citizens were incensed by the Times story; others shrugged and continued to wait for the basketball season.

Despite growth in real personal income for six consecutive quarters, the Hoosier state demonstrates little more than mediocre economic advances. In the first quarter of this year, real personal income rose 0.86 percent in Indiana and 0.84 percent in the nation. Few can rejoice over such statistical noise.

For the past year, we grew by 3.05 percent and the nation by 3.09 percent. Since the start of the recent recession, Indiana scratched out a mere 0.17 percent growth in real personal income while the nation limped in at 0.66 percent.

This is our ongoing problem. In good times and bad, Indiana generally fails to match or exceed the national rate of growth. We may not choose the hardships of a leadership position, but dare we settle for 25th or 33rd position in the economic derby of the 50 states?

We boast our fiscal position is sound, but we cannot claim our public services meet responsible standards. Part of the problem is money. We don't want to invest in Indiana.

**We want the private** sector to invest in our state, but the necessary public investments in education, public health, public safety and transportation are lacking. Our political leaders fear a public that does not see the connection between private affluence and public goods, a public unwilling to bear higher taxes or fees in exchange for improved public services.

Only by leasing the Toll Road was the governor able to finance significant infrastructure improvements.

Only by selling off or leasing public facilities can the Indianapolis

mayor pave the most damaged streets in his city. Only by clinging to gambling money can communities from Evansville and Vevay to East Chicago and Hammond finance necessary projects.

**Our repeatedly** reelected General Assembly insists on making paupers of our cities, towns, counties, and school districts. These local governments now beg for funding to maintain ordinary public services.

Would anyone want to invest in Indiana when the quality of our communities crumbles under the fiscal burden of a Tea Party mentality?

Soon our low taxes will be all that we have to offer investors.

Ironically, the New York Times was able to see all this while most Hoosiers remain blind to the disintegration of our state.

And we were offended!

**Few candidates for** mayor this year and the two candidates-presumptive for governor in 2012 don't talk about these matters. The so-called "social agenda" of abortion and gay marriage are more important to voters than the "survival agenda" of a state in danger of becoming a hole in the map between Detroit/Toledo and Chicago, Dayton/Louisville and St. Louis.

We have the money to flourish as a state. We lack sufficient insight and the necessary will to be more than mediocre. ❖

**Marcus is an independent economist, speaker, and writer formerly with IU's Kelley School of Business.**



## Battle for House, from page 1

publican Jud McMillin - and State Rep. Rich McClain, who will face fellow Republican Don Lehe in the new HD25, are pondering retirement. That would leave a Republican primary showdown between powerful Ways & Means Chairman Jeff Espich and State Rep. Dan Leonard in the new HD 50.

Other potential retirements could include Republican State Rep. Dick Dodge in HD51 and Democrat State Rep. Sheila Klinker in HD27, where she will likely face a strong Republican opponent in a district that leans to the GOP, and in HD86 where State Rep. Ed DeLaney faces a much more potent GOP electorate. Indiana Democratic Chairman Dan Parker told HPI on Wednesday that he expects Klinker and DeLaney to seek reelection,

In addition to Rep. Welch seeking to challenge U.S. Rep. Todd Young, sources tell HPI that State Rep. Mary Ann Sullivan - now in a 47 percent Democratic HD97 - is weighing a challenge to State Sen. Brent Waltz.

Mike Gentry, who heads the House Republican Campaign Committee, told HPI that the caucus will focus on the 10 open seats without incumbents while protecting incumbents. Parker said his party will try to pick off seven Republican freshmen.

Gentry cautions Republicans from getting too complacent about the new maps. "In 2002, Democrats lost seats with their new maps," Gentry said, noting the chamber went from 53/47 in 1998 and 2000 to 51/49 Democrat in 2002. And had State Rep. Jim Atterholt not lost by a handful of votes, the chamber would have been tied at 50/50.

Both Gentry and Parker acknowledged it is far too early to understand what the dynamic will be like 17 months from now. But HPI believes that up to 30 House districts could be in play in either the 2012 primary or general elections.

Here is HPI's initial and exclusive analysis of the new House battleground seats for the 2012 cycle:

### Republican Intra Party Seats

**HD25:** Republican State Reps. Don Lehe and Rich McClain. Republican sources in Cass County tell HPI that

McClain is signaling he will retire instead of taking on Lehe in the GOP primary.

**HD68:** Republican State Rep. Tom Knollman would face freshman State Rep. Jud McMillin. Knollman has health problems and is at the top of the list of potential retirements. The new HD68 is also much more Republican friendly since many Democratic areas were cut out.

**HD50:** Ways & Means Chairman Jeff Espich and Republican State Rep. Dan Leonard look like they will have a primary showdown. We give an early edge to Espich in what will likely be a marquee GOP primary race in 2012.

### Democratic Intra Party Seat

**HD14:** State Rep. Chet Dobis is exploring a move into the open HD15, thus avoiding a primary showdown with State Rep. Vernon Smith in a heavily African-American district. The problem is that Dobis has to live in the district for a year before the November 2012 election. So Democrats are looking at overlapping precincts between his current district and the new HD.

### Republican vs. Democrat incumbent seats

**HD20:** Republican State Rep. Tom Dermody was paired with Democrat State Rep. Nancy Dembowski. Sources in both parties say this is a Democratic district that favors Dembowski.

**HD45:** Republican State Rep. Bruce Borders faces Democratic State Rep. Kreg Battles in what is now a distinctly Democratic district. While Borders is a tough and personable campaigner, Battles will be the early favorite.

**HD53:** Republican State Rep. Bob Cherry would face Democrat State Rep. Scott Reske in this new district that is distinctly Republican. Indiana Democratic Chairman Parker says that Reske is "keeping all of his options open." Cherry hasn't had a

tough race in years, while Reske defeated new 5th CD Republican Chairman Kyle Hupfer in one of the most expensive races of the 2010 election cycle.

**HD60:** State Rep. Ralph Foley would be the early favorite in a showdown with Welch, who appears likely to opt into the 9th CD and take on U.S. Rep. Young.

### Open Seats, No Incumbents

**HD11:** This is a southern Lake and Porter county



State Reps. Bruce Borders (left) and Kreg Battles are poised for a November 2012 showdown.





district that Republicans see as a “Leans GOP” district. Parker says it will “lean Republican in an off year and will be competitive in a presidential year.” Neither party identified any pending candidacies here.

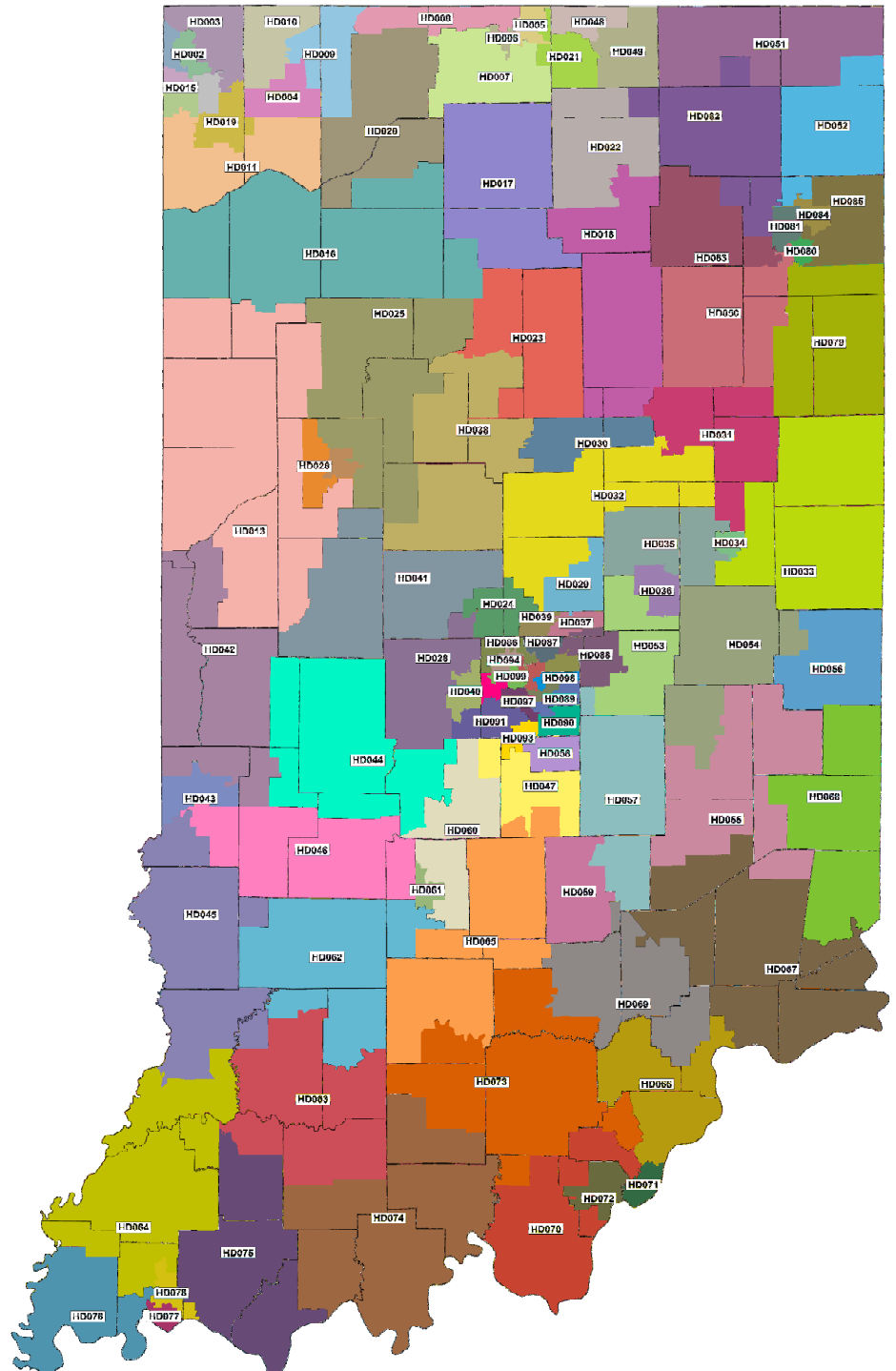
**HD13:** The “Cornfield District” takes in part of Newton, Jasper, Benton, Fountain, Montgomery and Tippecanoe counties, all within the Lafayette TV market. Gentry sees it as a “Leans” Republican district. Attica Clerk-Treasurer Sharon Negele, who narrowly lost to State Rep. Dale Grubb in 2010, is expected to run, as well as former Newton Republican Chairman Kyle Conrad. There could also be a primary candidate to emerge from Tippecanoe County. Democrats do not have a candidate to date.

**HD15:** The Lake County seat is centered around Schererville and St. Johns. Schererville Town Councilman Hal Slager is positioning for the Republican nomination in what Gentry describes as a “50/50 district.” There is speculation that State Rep. Chet Dobis might move into this district to avoid a primary showdown with Rep. Vernon Smith.

**HD17:** Coca-Cola executive Francis Ellert, who narrowly lost to Rep. Dembowski in 2010, will run in what is now a “Likely” Republican seat. No Democrats have surfaced yet.

**HD24:** This is a “Safe” Republican district centered around Zionsville, Westfield and the Village of West Clay. It is home to Republicans such as Recount Commissioner Tom Wheeler, Susan Brooks and Peter Rusthoven. Brooks and Rusthoven would be considered more 5th CD caliber candidates. The recent 5th CD Republican elections appeared to be part of horse trading that brought the chair to Kyle Hupfer. As told to HPI, Hupfer got Boone County backing with a tacit agreement that a Boone County Republican would get the nomination. Currently Boone County doesn’t have a House member.

**HD37:** This is a “98 percent” Fishers district with a few precincts from Noblesville. Gentry considers it “Safe” Republican but Parker maintains that Fishers is different than the rest of Hamilton County. In the flotsam of the



Charlie White case, Parker said that Fishers is home to “corrupt” government and believes a Democrat can compete there. No candidates have surfaced from either party to date.

**HD47:** This is a Johnson/Morgan County seat and will be “Safe” Republican. Johnson Councilman Josh McCarty is exploring a run.



Oldenburg and Lake Santee, is preparing to run. She ran unsuccessfully in the old HD67 after Rep. Cleo Duncan retired.

**HD64:** Centered around the Toyota plant in Gibson county with parts of Knox and Pike counties, Gentry sees it as a "Leans Republican" district, but Parker says it could "Lean Democrat in a presidential year." No candidates have emerged yet.

**HD82:** This seat is centered around Kendallville in Noble County and includes parts of Elkhart, LaGrange, Whitley and Allen counties. It is considered a "Likely" Republican district. Noble County Young Republican Chairman David Ober, 24, of Albion, has already declared and Denise Lemmon of Kendallville is weighing a run.

### Potential Open Seats

**HD 5:** This is State Rep. Craig Fry's district. Fry is running for mayor of Mishawaka and thus this seat could open up after the November election if he defeats Mayor Dave Wood. Gentry describes it as a "50/50" district. St. Joseph County Councilman Dale Devon is eyeing a run. He lost to State Rep. Ryan Dvorak in 2008.

**HD34:** This is State Rep. Dennis Tyler's district. He is an early favorite to defeat Republican Muncie Mayor Sharon McShurley in November. It is considered a "Likely Democratic" district.

**HD51:** This seat could open up if Rep. Dick Dodge decides to retire, which appears likely. Democrat Codie Ross, who lost to Dodge in 2010, is expected to move from Auburn to relocate in the district and run. There likely will be a contested Republican primary if Dodge retires.

### Republican Targets

**HD27:** State Rep. Sheila Klinker finds herself in a 53 percent Republican district. Gentry says that Klinker has taken criticism for her part in the Democratic walkout and also will suffer from the sentiment that "she's been there too long." HRCC is talking to a "high profile Republican" and Gentry says, "She will have a very tough race."

**HD56:** Democrat State Rep. Phil Pflum lost the New Castle portion of his district, which is now centered in Wayne County. Gentry says it is a "Leans Republican" district with Auditor Tim Berry getting 61 percent of the vote there in the 2010 GOP tidal wave. Former Wayne County Sheriff Matt Strittmatter might have been a candidate until he took a job with the Daniels administration.

**HD86:** This is a Washington Township seat in Indianapolis held by State Rep. Ed DeLaney. It has moved into parts of Pike Township. Gentry describes it as a "52



Freshman GOP Reps. Ellspermann and McNamara will be targeted.

percent" Republican district, but Parker disagrees, saying that over the past decade it has voted 51 percent Democrat. "That rises in a presidential year," Parker said. The Democratic chairman expects DeLaney to seek reelection.

**HD 97:** If Rep. Sullivan opts for a challenge to Sen. Waltz - which we believe is likely - this could pave the way for a comeback by former Republican Rep. Jon Elrod, who defeated 2001 map-maker Ed Mahern in 2006 before losing to Sullivan in 2008.

### Democrat Targets

Eight freshman Republicans - State Reps. Sue Ellspermann, Wendy McNamara, Ron Bacon, Mike Karickhoff, Kevin Mahan, Rhonda Rhoads, Cindy Kirchhofer and Matt Ubelhor - will be targeted by Indiana Democrats. Parker said that Ellspermann and McNamara will be the "No. 1 targets." Former State Sen. Bob Dieg is weighing a rematch with McNamara while former Rep. Trent Van Haaften is not expected to run. Parker said that former State Rep. Ron Herrell will not challenge Karickhoff in HD30, and former State Rep. Joe Pearson is not likely to seek a rematch with Mahan. Former State Rep. John Barnes is weighing a rematch with Kirchhofer or a challenge to State Sen. Pat Miller.

### Republican Primary

**HD54:** State Rep. Tom Saunders is expected to have a primary challenge from Henry County Councilman Nate Lamar, who had considered a 6th CD run.

### Democratic Primary

**HD6:** House Minority Leader B. Patrick Bauer finds himself with most of South Bend's African-American population in his district. In previous maps it had been split. Republican legislative leaders such as Sens. Robert Garton and Larry Borst lost primary races even though they were considered heavy favorites. This dynamic has not translated - to date - with Indiana Democrats, who have had to endure Bauer as the face of the party, much to the chagrin of mayors.

But Democrats in South Bend are pondering whether Bauer has been there too long. Dobis has described Bauer as "paranoid" and HPI has learned that Bauer's latest delusion of grandeur was a brief flirtation with a 2012 gubernatorial run. While Bauer has maintained an iron grip on his caucus, there are fissures appearing within. But the greatest threat to his storied, controversial, staccato tenure would be a well-financed Democratic primary battle with a South Bend rising star and President Obama on the ballot. ❖



## Charlie's credibility

By **BRIAN A. HOWEY**

INDIANAPOLIS - Our Secretary of Hack, Charlie White, emerged "triumphantly" from an Indiana Recount Commission this past week which voted 3-0 to let him keep his job - at least for now.

And Charlie told us, with a straight face, that his "credibility" was "intact."

I hate to be the bearer of bad news, Charlie, but even if you survive your seven felony charges for fraud in a court of law this August, "credibility" is the last word I would use for you.

When you look at all of our modern secretaries of state - Edgar Whitcomb, Bill Salin, Ed Simcox, Evan Bayh, Joe Hogsett, Sue Anne Gilroy, Todd Rokita - none behaved like Charlie White has. They recognized the office for what it is: the state's chief elections officer, the enforcer of securities, a registrar of business concerns, and a political springboard.



Whitcomb and Bayh spent two years in the office before running and winning the Indiana governorship. Hogsett and Rokita jumped out of the office with Congressional bids. Gilroy ran for mayor of Indianapolis. Only Salin and Simcox returned to the private sector and worked in banking and energy.

And none of these officials became the public spectacle that Charlie has become. They didn't come into office and then within days have the governor, party chairman and predecessors urge resignation because of the ethical clouds.

After Charlie White was indicted for vote fraud for living somewhere other than where his voter registration said, he tried to beg off the chief elections officer role, saying that wasn't what the office was about.

That comment transported me back in time to 1994, when a Democrat named Tim Jeffers ran for the job. His platform was this: abolish the office as an elected position. Secretary of state is a bureaucratic warren. It should be appointed by the governor - along with a controller (combining the state auditor and treasurer) - and a superintendent of public instruction. These offices should be part of a gubernatorial administration. The attorney general should be elected for checks and balance.

**The governor should head** a coordinated team that deals with finance, regulation and education.

The buck should stop with the governor. Just as it does with the American president.

What we have in these constitutional offices today

are aspiring politicians who view them as stepping stones. Only the Indiana Republican Party takes these offices seriously. There hasn't been a Democrat elected to one of the statewide constitutional offices for almost 20 years now, and that was when Jeff Modisett was elected attorney general, though he didn't even finish out his term.

**Because Indiana is a nominal** Republican state, the statewide constitutional offices are almost always filled with elected Republicans. Voters don't make a decision based on the qualifications of a treasurer or secretary of state. They vote for the party.

Indiana Democrats routinely place their emphasis and assets on winning the governorship, legislative and Congressional seats.

I don't have much faith that Indiana is going to change the way it governs itself. Yes, there were the 27 recommendations from the Kernan-Shepard Commission, and a handful of those have been implemented, but none of the big ones.

Indiana governance has taken on a Janus personality with a double-faced head. The Republicans parade around and talk about their abhorrence of unfunded mandates, urge decentralization, and local control.

But what's actually happened during the first decade of the 21st Century is that the Indiana General Assembly has become the state's city council. It has become the state's school board.

With the property tax reforms, they are now funding the operational budgets of every public school district. An Indiana biennial budget now may determine whether some of these tiny school corporations even exist. The legislature now rules as that giant city council, negating every local gun and discharge ordinance. The legislature passed - and voters in an anti-tax spasm approved - constitutional property tax caps. This has taken the funding flexibility from the biggest and most dynamic units of government we have in the state: our cities.

**When the 1851 Constitution** was forged, most Hoosiers lived in rural areas. They governmental units that served them best were counties and townships.

The Indiana Constitution doesn't even address municipal government. There are no protections for it.

But the Indiana Constitution gives us the right to chose candidates for bureaucracy, who make little public policy. And it gives us public servants like Charlie White, a man with unbridled political ambition, who was swept into office as a Republican, and not because of his resume.

Gov. Daniels likes to lecture the folks up in Lake County, who vote for their "crummy" and corrupt politicians, who are almost always Democrats. But all Hoosiers get the crummy government at the Statehouse we deserve with a guy like Charlie White, whose credibility is anything but intact. ❖



## Surveying the Charlie White criminal trial

By **ABDUL HAKIM-SHABAZZ**

INDIANAPOLIS - Now that the Indiana Recount Commission has ruled that Indiana Secretary of State Charlie White did not commit voter fraud, all eyes are turning toward the criminal trial scheduled for August 8. White has been charged with seven felonies including voter fraud (lying about where he was registered) and mortgage fraud.



I spoke to the special prosecutor in the case, Dan Sigler, who has no official comment on the Commission's ruling. He simply says he is planning to move forward with the criminal indictment and finish the job he was hired to do. How difficult that job will be remains to be seen.

There are some dynamics in play that I don't think a lot of observers have taken into account.

### The burden of proof

In a criminal trial the standard of proof is much higher than in a civil proceeding, however as some observers have opined the criminal law involved here is simpler than the civil law.

### The jury

If I was Charlie White I would favor a jury trial because all I need is one person to rule in my favor to score a victory. I'd also try to make sure one of the jurors went through a messy divorce. White is portraying himself as a family man, who was essentially "homeless" for a year, living for the most part in his car, with some overnight stays at his ex-wife's

home so he could spend time with his son. He says he didn't live in the condo he owned, out of respect for his fiance's wishes that they not shack up before marriage. The more the juror can see things through the eyes of a "trying to do the right thing for those I love" defendant, the easier life will be.

### The Administrative hearing

We can't forget the Recount Commission's holding; White did not commit voter fraud. Although White may have walked up to the line, he didn't cross it. If I were White's attorney, the first thing out of my mouth to a jury would be to point out that a panel of Democrats and Republicans looked at 500 pages of documents, hours of testimony and all unanimously agreed that there was no voter fraud.

(Indiana Democratic Chairman Dan Parker told HPI that there was no discovery in the recount case, and no way to cross-examine witnesses.)

### The smoking gun

There was no smoking gun in the civil hearing. The best "surprise" witness was the real estate agent who didn't really add much to the discussion one way or another. The prosecution will have to produce someone who changes the dynamic, like a nosy Gladys Kravitz next door who watched White's comings and goings at either address. And note, in real trials, all parties have an obligation to turn over to the other party the evidence that they have in their possession.

### The X-Factor

This is that thing that pops up at trial that no one expects, like contradictory testimony or a key witness who losses it on the stand. These are the things lawyers can't plan for but they must be ready to react to at a moments notice.

These are just a handful of items that come to mind as we watch the Charlie White story unfold. I'm sure there will be a lot more as we get closer to trial. Stay tuned. ❖



Secretary of State Charlie White survived the Indiana Recount Commission, but barely. Now he faces a Hamilton County criminal trial on Aug. 8.



## Speculation on Burton, Delph, McIntosh, Brooks

By **BRIAN A. HOWEY**

INDIANAPOLIS - Indiana's 5th CD was the subject of intense speculation this week as former congressman David McIntosh appeared to be ready to jump in while others speculated that U.S. Rep. Dan Burton might try to anoint a successor in the 11th hour before dropping out.

Other speculation centered on new names for the race: former federal prosecutor Susan Brooks and former 3rd CD challenger Bob Thomas.

McIntosh told HPI last week that he was weighing bids in the "5th and somewhat the 6th" CDs. Republican sources tell HPI that McIntosh has begun to call supporters saying he will challenge Burton. McIntosh did not return phone calls this week for comment. He would join former Marion County coroner John McGoff, who announced his third challenge to Burton last month.

Several informed and reliable HPI sources tell HPI that Burton is seeing internal polling that suggests his position is untenable after his 2010 race, where he barely staved off Luke Messer, winning only 29 percent of the vote. The new congressional maps deleted Burton strongholds in Huntington, Wabash and Miami counties, while adding Madison County, where McIntosh has an apartment in Pendleton. GOP financiers such as Jim Kittle Jr., Al Hubbard and P.E. MacAllister began urging McIntosh to run in the 5th, instead of the 6th CD, where they are backing Messer.

The sources tell HPI that Burton is signaling to a few prominent Republicans that he will remain poised for a reelection bid until just before filing deadline next February; predicting he may then drop out and endorse State Sen. Mike Delph, a close ally and former staffer.

Delph was in the news this past week after federal Judge Sarah Evans Barker issued an injunction on the immigration law he authored during the past session of the Indiana General Assembly.

"Liberal elitism is choking America, especially our halls of justice," Delph tweeted on Saturday. In another post he said, "Judicial reform is grossly needed both at the national and state level. One of the great American lies is that judges are apolitical."

Judge Barker was appointed to the federal bench by President Reagan.

WISH-TV's Jim Shella noted that Delph is studying for a second attempt at passing the Indiana bar exam. If

he was a licensed attorney, his comments could get him in ethical trouble, Shella reported. Said Bill Jonas, a board member with the state's bar association, when told of Delph's tweets, "I would counsel any applicant for the bar against intemperate criticism of any judicial official."

Thomas, a Fort Wayne auto dealer, ran a self-financed primary challenge to then U.S. Rep. Mark Souder in the 3rd CD Republican primary in 2010, losing by about 10,000 votes in a four-way race.

Brooks said in an email to WTHR-TV, "The early response has been very encouraging." Brooks, who served six years as the appointed US Attorney for the Southern District and was an Indianapolis deputy under Stephen Goldsmith, said she will make a decision in the next two weeks.

The US India Political Action Committee (USINPAC) is supporting Dr. McGoff, a strong candidate to unseat noted India critic Burton in next year's Republican primary election. McGoff is an emergency physician and a brigadier general in the Air National Guard.

Burton's numerous attacks on India include accusing India of "being one of the world's worst human rights abusers" and for having "a record of committing acts of terrorism." He has made unsubstantiated accusations about India on the floor of Congress more than 16 times in the past two decades.

"We are excited to work with USINPAC to support Dr. McGoff in this crucial race that is significant to the interests of Indian Americans and India," said Vinnie Rao, an Indian-American leader from Indianapolis.

### 2nd CD: Mullen is in

Chairman Parker said that it appears that Brendan Mullen, 33, a South Bend native who is a graduate of West Point, where he played football for Army, will seek the 2nd CD Democratic nomination. "He will provide an interesting contrast to Jackie Walorski," Parker said of the Republican, who came within a few thousand votes of upsetting Rep. Donnelly in 2010. Donnelly has opted for the Senate race. Mullen served in Iraq and South Korea.

Sources also said that State Sen. Carlin Yoder will not enter the Republican field. On Wednesday it was announced that Yoder would become U.S. Rep. Marlin Stutzman's district director.

### East Chicago mayor: Aguilera to run?

John Aguilera is rumored to be pondering a run for East Chicago mayor as an independent as the final call for municipal candidates approaches (NWI Times). Sources within county political circles said Aguilera, who served from 1994 to 2000 as a county councilman and the following six years as a state legislator representing East Chicago, was hoping to win Hispanic support for a run against Mayor Anthony Copeland in the Nov. 8 general







election. Aguilera didn't return calls seeking comment nor had he filed a petition, as required by state law, listing the signatures of registered East Chicago voters endorsing him as a candidate by Wednesday afternoon. But he and any others hoping to fill vacancies in the fall ballot have until noon Thursday to file candidacy papers. County GOP Chairwoman Kim Krull and County Democratic Chairman Thomas McDermott Jr. both said this week they are scouting for potential office seekers to make races out of scores of municipal offices that now have only one candidate before the voters since no one from the other party ran in the spring primary.

## **U.S. Senate: Money time for Mourdock**

Facing a June 30 FEC second quarter deadline, Indiana Treasurer Richard Mourdock is seeking to raise \$50,000 online by Thursday, appealing to "salt of the earth conservatives" to help fund his campaign against the "liberal" Sen. Dick Lugar.

"Right NOW, Indiana's liberal Republican senator, Dick Lugar, is on the phone asking his Washington, D.C., friends for money," Mourdock said in an email. "Right NOW, I am asking salt of the earth conservatives to stand behind my conservative challenge to Senator Lugar. We need to raise \$50,000 before this Thursday's deadline to fully fund my summer campaign initiatives. So far, over 500 conservatives have pitched in to raise over half of our goal." Lugar had a \$3 million campaign fund advantage after the first quarter.

Sources tell HPI that Mourdock hopes to post \$500,000 for the second quarter. Anything under that could crimp Mourdock's efforts to find a national fundraising base to upset Lugar in the May 2012 Republican primary. While candidate fundraising is important, the key to winning could be the independent 527 contributions. In the 2010 U.S. Senate race, U.S. Sen. Dan Coats and Democrat Brad Ellsworth raised similar amounts of money for their campaigns. However, independent expenditures brought \$2 million on behalf of Coats and nothing for Ellsworth, who trailed for most of the race by double digits.

Murdock made his money push coming off an unsettled month when his campaign at times appeared to be in disarray. He spent the past week in Israel, perhaps trying to make inroads to New York money via Tel Aviv.

His campaign manager got into a confrontation with a blogger shooting video at a Tea Party event in Kokomo on June 11. He also saw key campaign staff lose Indiana Republican Central Committee races when congressional districts reorganized 30 days after the new maps. Mourdock appeared to be the darling of national bloggers when he surfaced to challenge Lugar, but has fallen off the radar in recent weeks. Many of the blogs did not report Mourdock's campaign gaffes or the story last week that he had claimed

two homestead tax exemptions.

Sources tell HPI that Mourdock "self-reported" the dual homestead exemptions. A few days later, officials reported that "campaign professionals" asked for the homestead documents. WTHR-TV then broke the Mourdock story last Friday.

A robust second quarter FEC report - in the neighborhood of at least \$500,000 - could be critical for Mourdock to pick up national support.

Lugar has steered a rightward course in recent months, openly challenging President Obama's assertion that the Libyan military action did not amount to "hostilities." Lugar voted against the resolution, but supported his amendments and others that place restrictions on American involvement in the conflict. Lugar voted against the resolution intervening in the Libyan civil war because "the United States is still engaged in wars in Afghanistan and Iraq and our national debt exceeds \$14 trillion."

On Tuesday, Lugar slammed Obama, saying, "Even if one believes that the President somehow had the legal authority to initiate and continue U.S. military operations in Libya, it does not mean that going to war without Congress was either wise or helpful to the operation. The vast majority of members of Congress, constitutional scholars, and military authorities would endorse the view that presidents should seek congressional authorization for war when circumstances allow."

And last Saturday, Lugar characterized President Obama as "lying in the weeds" when he is needed to help bring about a budget deal before the Aug. 2 debt ceiling deadline.

"He's got to show some leadership," Lugar said at the Candy Dish in Nashville, Ind., where he made an appeal to end federal sugar subsidies when the next farm bill comes up for passage.

As for the budget and debt crises, Lugar said of Obama, "He's thinking too much about the campaign of 2012 and leaving this right now to (Senate Majority Leader) Harry Reid and the Democrats in Congress. He's delegated it to them to handle the difficult work." Asked when he believes Obama might intervene, Lugar said, "I don't know. I look forward to reading the news over the weekend."

On Monday, Obama announced he would engage in the debt talks and met with Democratic congressional leaders on Wednesday. Lugar has been criticized by Mourdock and conservative blogs for being a "RINO" and they feature photos of Lugar and Obama when they served in the Senate together.

Indiana Democratic Chairman Dan Parker noted Lugar's turn to the right and told HPI it was a dangerous course because he is now "alienating" independents and Democrats who might have been inclined to vote in the Republican primary for Lugar. Currently it looks as if U.S. Rep.



Joe Donnelly seeking the Democratic Senate nomination and John Gregg running for governor won't have serious opposition in the 2012 Democratic primary, allowing for a potential migration.

## **Lugar endorsed by mayors**

**1. Mayor Herbert Arihood, City of Rensselaer,** Jasper Co. "I have always respected Senator Lugar and the history of his progress from school board to Mayor, and he has parlayed that experience into doing honorable work in the federal government. Richard Lugar has done a lot to make Indiana look good in the eyes of the nation and the world. Senator Lugar is just as good today as when he first took office."

**2. Mayor Jim Brainard, City of Carmel,** Hamilton Co. "Senator Richard Lugar is no ordinary politician. He has consistently led because of bold ideas, extraordinary vision and political courage. Dick Lugar's leadership has brought honor, respect and recognition to Indiana."

**3. Mayor Bryan Conklin,** City of Union City, Randolph Co. "Senator Lugar has been a distinguished and honorable leader, serving with the highest degree of professional and personal integrity in representing Hoosiers and our nation. I'm proud to endorse Senator Lugar both as my friend and my Senator."

**4. Mayor Jon Costas,** City of Valparaiso, Porter Co. "Dick Lugar is a statesman not a politician. He acts for the success of the next generation, not the next election."

**5. Mayor Bradley Crain,** City of Covington, Fountain Co. "Senator Lugar has served our State well for many years, and I look forward to his continued service in the future."

**6. Mayor Phil R. Deckard,** Mayor of Martinsville, Morgan Co. "I am honored to support Senator Richard Lugar in his future political endeavors, and am proud to call him my friend. His unwavering dedication to U.S. leadership in the world and his combined experiences on foreign relations and commonsense approach to foreign relations have helped to ensure that the people he serves are being represented by a man of honor, dedication, integrity and trust."

**7. Mayor John Dennis,** City of West Lafayette, Tippecanoe Co. "Senator Lugar has been very good to West Lafayette with support for the community and Purdue University. He has proven to be not only a leader in our community, but also in our state, nation and throughout the world. I am honored to support Senator Lugar."

**8. Mayor Terry Dilk,** City of Beech Grove, Marion Co. "Senator Lugar is a model of personal integrity and commitment to service. We are blessed to have such a reasoned and thoughtful senator like Richard Lugar representing our interests in our nation's capital."

**9. Mayor John Ditslear,** City of Noblesville,

Hamilton Co. "Senator Lugar is representing Indiana very well with his seniority, and his global knowledge is unprecedented."

**10. Town Council President Scott Faultless,** Town of Fishers, Hamilton Co. "During a critical time in the history of our country and world, we need more people like Dick Lugar in Washington, D.C."

**11. Mayor Scott Furgeson,** City of Shelbyville, Shelby Co. "Senator Lugar has always been a friend to Shelbyville. He has always taken any issue, big or small, and has done all that he can to help the people of Shelbyville."

**12. Mayor William Graham,** City of Scottsburg, Scott Co. "I can't imagine Senator Lugar not representing Indiana in Washington, D.C. We need his wisdom, experience, honesty and integrity."

**13. Mayor Donnie Hastings,** City of Aurora, Dearborn Co. "In these interesting times, it is important that a strong conservative with experience make decisions on behalf of the citizens of southeast Indiana in Washington, D.C."

**14. Mayor Bruce Hosier,** City of Portland, Jay Co. "Senator Lugar has been a distinguished and honorable leader, serving with the highest degree of professional and personal integrity in representing Hoosiers and our nation. I'm proud to endorse Senator Lugar both as my friend and my Senator."

**15. Mayor Harold "Huck" Lewis,** City of Lebanon, Boone Co. "Senator Lugar has been a big help for Lebanon and Boone County. He supports local government and represents Indiana very well. He is a true statesman. We need him in Washington representing our interest."

**16. Mayor Wayne Seybold,** City of Marion, Grant Co. "I am supporting Dick Lugar for many reasons a few of those are as follows: Dick Lugar is a true Statesman at a time when they are hard to find in our Country. He has represented our State and our Country for many years with respect and dignity. As a former Mayor, Senator Lugar understands that all things from Washington and the State roll downhill to local government. Decisions made in Washington will determine how we provide services in the area of job creation, public safety, roads, housing, and quality of life. Senator Lugar has been a friend to Marion and Grant County in the quest to create an environment to attract strong jobs to the area. We look forward to working with the Senator through his next term."

**17. Mayor Robert Shepherd,** City of Attica, Fountain Co. "Senator Lugar is one of the most knowledgeable people in federal government today in foreign policy. In our global society, I feel that this is a critical issue."

**18. Mayor Mark Smiley,** City of Rochester, Fulton Co. "As Mayor of the City of Rochester, I am endorsing Senator Dick Lugar for his experience, wisdom, knowledge,



and his vision."

**19. Mayor Rob Thoman**, City of Southport, Marion Co. "For about 30 years, I have been a casual observer the activities and actions of Mayor and then Senator Lugar. These past 15 years, I've become much more aware the Senator's impact on my personal, professional and public service life. I've studied his rise from IPS school board member to the U.S. Senate. His long history of constructive influence has been - and continues to be - a positive impact for my neighborhood, my city, my state and my country - yes, even my planet. His experience and knowledge makes our Indiana Senator the "go-to" resource on matters of such diversity as national defense or energy, agriculture or nutrition. Senator Lugar remains focused on the big picture without distraction by political fads or the flash of emotions that have so clearly confused other politicians and candidates from seeing the truly important issues that face our state and our country. I can - and do - without reservation, express my sincere appreciation and deep gratitude for his distinguished leadership. He is a true statesman and a living legend that represents Hoosier Republicans, Democrats and Independents with utmost professionalism and candor."

**20. Mayor Jason Thompson**, City of Monticello, White Co. "Being a former Mayor has shaped the focus of Senator Lugar and the result is that he has done a lot of things, especially in rural counties, such as community block grants and homeland security grants for fire departments. I feel Senator Lugar truly believes that municipal government is closest to the people."

**21. Mayor Leonard Urban**, City of Connersville, Fayette Co. "I have worked with Senator Lugar for the past two years on an economic development project called Carbon Motors. It is a small company that selected Connersville as its home base to build a purpose-built police car which would become the only truly purpose-built car in the United States making it a safe haven for all law enforcement officers across the United States and the world. Senator Lugar has endorsed this economic development project personally and professionally along with his staff and met with principals of the company and myself on several occasions. He is a great statesman and has a proven record of helping Hoosiers and also has the seniority and the clout in the United States Senate to be of the utmost value to the State of Indiana."

**22. Mayor James Walker**, City of Peru, Miami Co. "I support Senator Lugar in his re-election. As a former Mayor himself, Senator Lugar understands the problems municipalities face and he has always stood up for what is right for Indiana. He is a great statesman and deserves to continue to represent Indiana."

**23. Mayor Ernest Wiggins**, City of Warsaw, Kosciusko Co. "I appreciate Senator Lugar's statesmanship

and his involvement in important current events. We need his experience and leadership."

**24. Mayor David Wood**, City of Mishawaka, St. Joseph Co. "As Mayor of the City of Mishawaka, I have admired Senator Richard Lugar's political service as both a Mayor and a Senator to Indiana's citizens. He connects with the issues Hoosiers are facing daily and draws on his experience and expertise to better our communities. Senator Richard Lugar is a well respected and highly regarded statesman, both home and abroad."

## Former Republican Mayors

1. **Robert C. Beutter**, former Mayor of Mishawaka, St. Joseph Co. "Indiana cities and citizens are fortunate to be represented in the US Senate by a statesman and scholar like Dick Lugar. He understands the important issues facing our state and nation including job creation, energy and foreign policy and is an effective leader in addressing them."

2. **Stephen Goldsmith**, former Mayor of Indianapolis, Marion Co. "I am proud to support Senator Lugar whose extraordinary leadership on behalf of fiscal restraint first as Mayor and then as Senator has not only helped improve the lives of Indiana citizens, but has set an important example during a critical time for our country. "

3. **William H. Hudnut**, former Mayor of Indianapolis, Marion Co. "Senator Lugar is a nationally respected leader whose re-election will serve Indiana and America well."

4. **John McCane**, former Mayor of Rushville, Rush Co. "Senator Lugar has my complete support. As a former Mayor, and Republican County Chairman, he has been responsive when called upon, and his lifetime conservative voting record illustrates the qualities I look for in my elected officials. I know him to be a man of genuine conviction, with a strong moral compass and deep conservative values. Senator Lugar is a great Hoosier, and a trusted leader for Indiana."

5. **Kevin Smith**, former Mayor of Anderson and current candidate for mayor.

6. **Robert Stewart**, former Mayor of Columbus

## 2011 Mayoral Candidates endorsing Lugar

1. **Blair Milo**, candidate for Mayor of LaPorte

2. **Richard Pasco**, candidate for Mayor of Greenfield

3. **Jeff Sponsel**, candidate for Mayor of Shelbyville





## The ABO Caucus

By **MARK SOUDER**

FORT WAYNE - I am a proud member of the ABO Presidential Caucus (Anybody But Obama). It is currently the largest Republican group, with only the AABO Caucus (Almost Anybody But Obama) following closely behind.

Unfortunately, like many of my fellow Republicans, this is not a new feeling. Way back in 1972 I was on the board of directors for Youth Against McGovern, which had the clever slogan "hold your nose and vote for Nixon."



It is not that I want to be just negative. I personally encouraged Mike Pence to run for President last year. Then I boosted our Governor, Mitch Daniels. Senator John Thune would be a fine candidate, as would Senator Jim DeMint (whose low-key demeanor masks steely determination). My current favorite is Congressman Paul Ryan. He is the leader in tackling budget and entitlement reform, which likely will be the definitive issue, so we might as well

have our best spokesman out there to explain why Medicare reform is essential to save it.

In 1968 I was for Ronald Reagan, as well as 1972, 1976, and 1980. It took twelve years, but he made it. I will soon be 61. If I support Ryan until he wins a dozen years from now, I'll be 73 and almost old enough to run for U.S. Senator in Indiana. (For those who don't know me, and/or lack a sense of ironic humor, let me clarify that last remark: I never will run for public office again.)

As for 2012, there are a few warning signs that the ABO campaign is not going as well as planned: 1) among the leading candidates are two from Utah and two from Minnesota, which combined have the same electoral vote as Georgia; 2) the number of non-Mormon leading contenders barely outnumber the number of Mormons; 3) the number of former pizza chain founders is greater than the total of incumbent governors and senators seeking the nomination; and 4) the candidate who has held the highest post apparently has a bigger line of credit at Tiffany's than he has for his own campaign.

**The good news is that** the Republicans have a deep farm system. Of course, as every baseball fan will tell you, this can be misleading. The San Diego Padres and Kansas City Royals have often led that category. Not everyone playing in lower levels can withstand the pressure of the big leagues.

Of the Republican candidates who have declared for President, the ABO Caucus would find the realistic choices acceptable, if not among the first choices. Former Massachusetts Governor Mitt Romney could be good if he

finally latches onto principles. The Caucus is fairly tolerant, but generally speaking would prefer not more than one flip-flop per issue.

Romney was against abortion, strongly pro-choice when running against Kennedy for senator, then against abortion again, and now won't sign the pro-life pledge. He was for a state version of Obama's health care bill, then began to retreat during the ObamaCare blowback period, and now is bragging it up again. But Romney's financial savvy, proven executive experience in the private sector and government - and just the fact that he has survived this long and still is at the front of the line - are all strong indicators of why he is favored to win at this point.

**Then there is Jon Huntsman**, the former Governor of Utah who makes the liberal Democrats hearts go pitter-patter as a potential Republican nominee. The never-ending praise from people who don't share the views of the Republicans is hardly a recommendation if you want to be the Republican nominee. He seems like a nice, bright guy but nearly every liberal writer compared Huntsman to Reagan because he announced with the Statue of Liberty in the background. First, the liberals continue to demonstrate their false belief that Reagan won because Michael Deaver arranged good photo-ops. Second, Ronald Reagan would have not accepted a post in the Carter Administration, resigning only to run for President. Give me a break.

Former Governor Tim Pawlenty has been the potential "sleeper" candidate for some time. As he finally began to pick up steam among those paying attention, he blew it in a way that may not be recoverable. He coined "ObamneyCare" on Fox News, then in the debate when given the chance to confront Romney on the issue he meekly passed, and then hit Romney again after the debate. This is every conservative's fear. A President who talks tough, collapses when the pressure is on, but then comes out in front of the microphones blowing smoke again. Not exactly Reaganesque. And he won't be stealing Michigan Governor Snyder's "One Tough Nerd" ad. Pawlenty still could win but it will take something dramatic to upset Romney.

**Of the rest, only Michelle Bachman** has a chance to emerge. Michelle says she takes the books of Austrian-American economist Ludwig von Mises to the beach, which I find plausible. I know Michelle. If she did a show on a cable channel, it would be about the evils of taxation not fishing. If she had a daughter on Dancing with the Stars, she'd be seen talking to the person next to her about the dangers of big government. She has started impressively, has strong conservative appeal, and may continue to improve on the campaign trail as she has done so far. Nevertheless, it seems that she may be better suited to lead a movement than to be Chief Executive.

Governor Chris Christie may be reconsidering his position, but honestly, for all his gruff charm, he seems



like he could be too accident-prone for a Presidential race. Governor Rick Perry of Texas, once he understands that the Civil War resolved the nullification issue, may yet become the number one threat to a Romney nomination. He should not be underestimated.

For myself and my fellow members of the ABO Caucus, we at least have some choices. It could be a lot worse; Donald Trump could have run. Then I would have joined the AABO Caucus.



## Where have you gone, Doc Bowen?

By **SHAW FRIEDMAN**

BURLINGTON, Vt. - Whatever happened to the moderate wing of Indiana Republicans? As I sit here on a balcony overlooking the Green Mountains in Vermont, I'm reading in the Burlington Free Press a wire story on the decision of a federal judge to enjoin the Indiana Legislature's



new statute defunding Parenthood. I read an accompanying story on another federal judge enjoining Indiana's extreme anti-immigration bill that even disallows use of consular certificates.

We can thank our lucky stars for an independent federal judiciary and its ability to fairly and impartially render judgments on clearly illegal statutes such as the two adopted by this Republican legislature and then signed into law by our Governor. I have to laugh at the notion that the

two Republican legislators who authored these two bills took a shot at one of the judges involved, claiming "judicial activism" when one of the judges is a Reagan-era federal judge.

Seems that ultra conservative Republican legislators scream "judicial activism" anytime a judge disagrees with them. Forget the fact that the John Roberts Supreme Court has often abandoned decades of precedent to render decisions in favor of large corporations such as the Citizens United case and yet we heard no complaints about "judicial activism" from Sen. Delph then. Forget the fact that we are now attributing all the rights of individual citizens to multinational corporations in dropping 40 years of campaign finance law in the Citizens United case.

**No, these extreme statutes** driven by Republican ideologues are struck down because they badly overreach and go beyond the extent of permitted federal law. Whatever happened to moderate Republicans who knew to put the brakes on their more ideological colleagues in the Republican party?

We now have an Indiana Republican Party that

brooks no dissent and which is openly and avowedly opposed to any kind of social safety net. Republican congressmen like Todd Rokita who talk about the need for cuts in various social programs claiming there is a need for "near term pain" in order to bring down deficits. When, Congressman Rokita, will you and your colleagues insist on wealthy Republicans bearing the same near term pain?

It's apparently alright in the current Indiana Republican Party to target Medicaid for dramatic cuts, slash unemployment benefits by 25% or even cut mental health funding or monies available for the elderly.

**But please tell me Mr. Rokita** when you or others have ever urged that tax breaks and shelters for the wealthy be closed? When have you ever urged that our most profitable corporations pay their fair share of taxes or even insisted that the \$2 trillion in cash these corporations are sitting on be used to create jobs here in Indiana?

Not only have Indiana Republicans chosen to go after poor women to deny them preventative health care (the Planned Parenthood statute) or tried to vilify immigrants (the now enjoined statute) they have chosen to demonize members of the middle class like teachers, firefighters and police.

Whatever became of the strain of moderate Indiana Republicans like Doc Bowen and Bob Orr? While very protective of business they still understood there was a role for government to help level the playing field. There was almost a sense of "noblesse oblige" that a certain strain of Republicans understood. Who would think that many Republicans would now turn against the icon of mainstream Republicanism in Indiana, Richard Lugar? The Indiana Republican Party now tilts so far to the right it bears no resemblance to the Bulen/Lugar Party of the 60s and 70s.

**It's my belief that Indiana** voters tend to be more centrist, more devoted to common sense, middle ground solutions and aren't likely to tolerate more of the extreme ideology that drove adoption of these two statutes. Thank heavens again that ideologues like Richard Mourdock, Jim Bopp and Mike Pence can't do much about the lifetime tenure of federal judges. Thank heavens our founders had the good sense to insulate the federal judiciary from the whims and wishes of narrow-minded, dogmatic thinkers like these.

Doc Bowen – where are you these days? ❖

**Shaw Friedman is a LaPorte lawyer and a regular contributor to HPI.**



## A tale of two South Bends

By **JACK COLWELL**

SOUTH BEND - Truly, this is a tale of two cities.

One is an All-America city. The best of times?

The other is a dying city. The worst of times?

The two cities so described happen to be one city, South Bend. And times are neither the best, despite South

Bend winning the prestigious All-America city award from the National Civic League, nor the worst, despite a hatchet job on the city by a former George W. Bush speechwriter in the Wall Street Journal.

Is that All-America designation a big deal?

Yes. It is coveted to boost spirits at home and image nationally, with intense competition for this oldest and most prestigious community award.

It also is misunderstood, resulting in some "are we really worthy?" comments locally.

The award doesn't go to cities found to have no crime concerns, no unemployment problems, no infrastructure woes, no unhappiness over taxes. If that were the criteria, no city would win.

The award is basically for "community grassroots problem solving."

South Bend's presentation stressed three examples: Revitalizing the Northeast neighborhood in working with the University of Notre Dame, turning a Natatorium that was a landmark of segregation into the Indiana University South Bend Civil Rights Heritage Center, and developing a peer-to-peer effort to cut the high school drop out rate.

There's no claim that these programs wiped out crime, doubled the workforce or prevented snow and cold in the winter.

**The presentation and** documentation enabled South Bend to win one of the 10 All-America awards, beating out, among other finalists, Ann Arbor, Mich.; Buffalo, N.Y.; Beloit, Wis., and other cities from California, Iowa, Massachusetts, Oregon, Texas and Utah. Philadelphia, Cincinnati and Nebraska's Dakota County dropped out as finalists.

This community recognition is hailed locally as a response to Newsweek magazine's designation of South Bend as a "dying" city.

That designation, though coming from a magazine regarded in the publishing world as itself "dying," still is a

big deal. It spreads a negative image.

Newsweek's deathly forecast was based on population decline. And South Bend, like so many other Midwest cities with historic reliance on the automotive industry and other Rust Belt manufacturing, has indeed lost population.

But demise? No. Not with Notre Dame around to join in projects that helped win the All-America award and with other efforts on innovation for jobs of the future.

Tale of two cities?

**Pittsburgh shares the** same contradiction; it was cited by Newsweek as "dying" and by Forbes as the country's "most livable city." More than Census totals count.

The hatchet job on South Bend was written by William McGurn, chief speechwriter for President George W. Bush and also a speechwriter for Rupert Murdoch. His partisan political take on South Bend's problems is that they are all the fault of Democratic mayors.

McGurn savaged the city, comparing South Bend with Detroit, which really has experienced the worst of times. He wrote that South Bend, "like at least one of its companions on the dying cities list, Detroit, hasn't had a Republican mayor for four decades."

Fair comparison?

City services function in South Bend. Not always so in Detroit. None of the South Bend mayors have been jailed or ever charged with any illegality. They have refrained from partisan rhetoric, usually winning support from Republican-tending business leaders at election time. It's not their fault that there often was a sorry Republican alternative.

Have they sometimes failed in economic development efforts? Yes. Too often.

But it is as unfair for a Republican speechwriter to say South Bend's economic problems are the fault of Democratic mayors as it would be for some Democratic mouth-piece to say the problems are all the fault of President Bush's economic policies.

**McGurn, in his political piece,** also labeled South Bend as an exception to "the economic recovery that Gov. Mitch Daniels' reforms have brought to the rest of the state."

Gee, all the rest of the state? May 2011 unemployment percentages show South Bend's metropolitan statistical area doing better than the areas of Anderson, Elkhart, Kokomo, Michigan City and Terre Haute and better than some rural counties, too.

Speechwriter McGurn's trashing of South Bend also is a big deal in this tale of two cities. It hurts the South Bend area. An unflattering portrayal again goes national. And many readers won't know it's a political tale. ❖

**Colwell has covered Indiana politics over five decades for the South Bend Tribune.**





**Doug Ross, NWI Times:** The Indiana Department of Education is working feverishly to write the rules for how parents will apply for school vouchers. When that's done, I hope it will work on providing parents some guidance on school choice. Between open enrollment in some school districts, charter schools and vouchers for nonpublic schools in a few weeks, parents could use some guidance on how to shop for a school. It's a good problem to have, one that didn't exist for many parents until relatively recently. Open enrollment came about when the state assumed the lion's share of the cost of operating schools in Indiana. With the state picking up the tab, the reasoning goes, why not allow students to attend school outside their district, as long as there is room in that district? Charter schools are a relatively new development, too. These are public schools that sign a contract, in essence, promising to deliver a quality education in exchange for more latitude in how the school operates. If the schools fail to deliver on their promise, the charter can be revoked. Non-public schools -- typically religious schools -- have been around a long time, but affordability has been a barrier for many families. The voucher system changes that. For qualifying families, the state will pay the private school as much as 90 percent of the cost of educating that child at a traditional public school in the child's home district. Parents have some difficult choices ahead.



**Rich James, Post-Tribune:** I was proud of what Lake County Democrats did during the last session of the General Assembly. And that's not something I have said very often over the years. I was especially pleased with Sen. Earline Rogers, who went out of her way to stop two ill-advised attempts to fund the maintenance of the Little Calumet River. Rogers went to bat at the urging of Hammond Mayor Thomas McDermott, who also is county Democratic chairman, and county Surveyor George Van Til. What Rogers did was clear the way for the formation of the Little Calumet River Burns Waterway conservancy district. So, when the Legislature adjourned at the end of April, Van Til and McDermott went to work to form the conservancy district. It seemed to be government at its finest. Unlike one of the unfair, misguided plans Republicans proposed in the Legislature, the conservancy district would include everyone in the river's watershed, as well as cost the people less. The conservancy district proposal puts maintenance of the river in the hands of local elected officials — taking control away from a gaggle of Republicans appointed by the governor. Things were sailing right along. The floods got blamed on Dan Gardner, the executive director of the Little Calumet Basin Development Commission for years and years. They said it was Gardner's fault because the project hadn't been completed. Don't buy it. Gardner was

simply the fall guy even though he had been going to the Legislature for more than two decades begging for state money to provide the local match for the federal money to build the levees. Some years, Gardner got everything he asked for. Some years just a bone. Things were progressing well until Lake County Republicans got involved. They didn't want to give up the power they seized when Gardner and the commissioners were ousted a couple years ago in favor of the governor's appointees. And now, Republicans have made things terribly political. They are following Van Til around like a pack of puppies, nipping at his heels, hoping someone will pay them attention.

**Ron Klain, Bloomberg:** For two years, polls have shown that the American people have two strongly held beliefs. First, they think the president should do more to create jobs. Second, they believe federal spending should be cut, and the government should shrink. To the progressive economists who form the cadre of President Barack Obama's advisers -- and indeed, to most mainstream economists -- these two views are mutually contradictory. In the classical Keynesian playbook, the way the federal government can create more jobs is by spending more: investing in public works projects, providing fiscal aid to state and local governments, sending stimulus checks to taxpayers, and even just hiring people directly. Demands that the government spur job creation while also reducing spending are, in this view, as unrealistic as the Pharaoh's punitive directive to his slaves to "make bricks without straw." How and why the public soured on Keynesian economics is a topic that we'll be debating for a generation. What is beyond debate, however, is that for the past two years (including the final year of Democratic control of the U.S. House), traditional stimulative policies to create jobs have lacked support among the public and the majority in Congress. Indeed, in Washington today, the debate isn't about how much more the government should be spending to create jobs, but rather how deeply federal spending should be cut to reduce the deficit. The president should put forward a half-dozen job-creation ideas in July, and call on Congress to come back early from its August recess to give these proposals up-or-down votes before Labor Day. Then, he could propose a half-dozen more, and demand votes on those before Congress finishes its session this year. The administration may lose some of these votes; and ideas that win approval by Congress in fall or winter of 2011 may have limited impact on the employment rolls before Election Day 2012, but the American people will be grateful for the president's determination. ❖



## Daniels lauds Major Moves

By **BRIAN A. HOWEY**

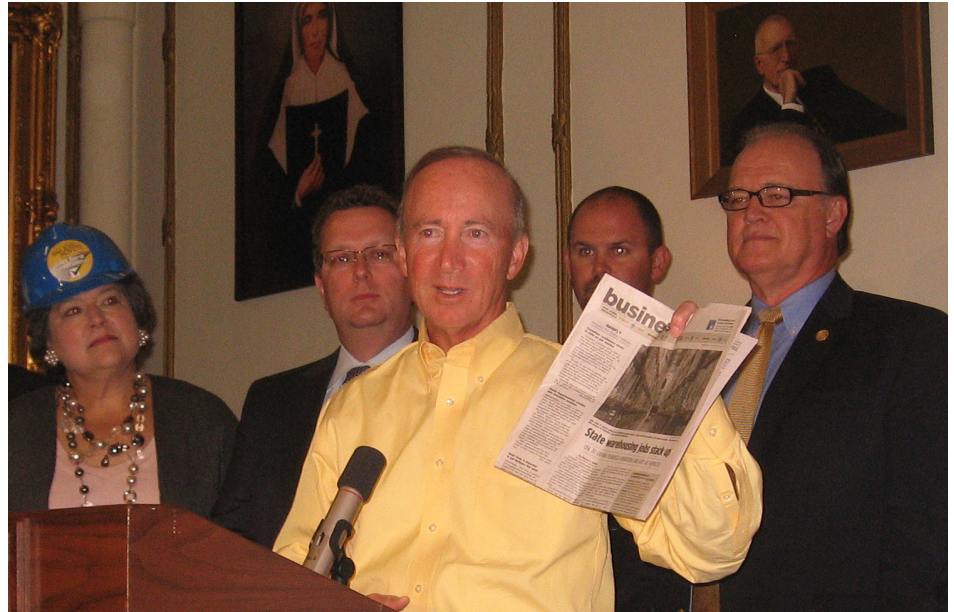
INDIANAPOLIS - Gov. Mitch Daniels observed the fifth anniversary of his Major Moves program on Wednesday, calling it "Indiana's Louisiana Purchase," saying it was not only the deal of a century but the door pretty much slammed shut right after Indiana received four wired money transfers of \$3.85 billion. It comes as Cintra-Macquarie, the Spanish-Australian consortium operating the Indiana Toll Road, struggles to stay solvent.



"Here's this morning's newspaper," Daniels said, holding headlines that said "Indiana warehousing jobs stack up." He noted that the news article and the money transfers that stood framed nearby on an easel "are not unrelated. It was the jobs vote of the generation." He called it a "record building boom in our state. The most important jobs are these that are coming to Indiana because the Crossroads of America got serious about infrastructure."

"I don't know if anyone can ever do a deal this good again," Daniels said. "You might have different investors after the original ones take their haircut, but the operators are doing a fine job and will probably continue," he said. "We are fully protected. If new investors want a new operator, we get to approve or disapprove it. The lease of the toll road was an extraordinary moment in Indiana history. When I called Major Moves the jobs vote of a generation, I meant it. Indiana is the envy of America today," said Daniels.

"What we see on this fifth anniversary is over a hundred new major roads projects, including those



that have been on the drawing board for generations, and over a hundred major road and bridge restoration and preservations projects. All this is being done with no new taxes and no borrowing. On the day we made the transaction, we knew it was a great moment for Indiana, and it looks better each passing year," Daniels added.

Among the chief accomplishments of Major Moves to date: 185 highway miles have been completed, with 413 expected by the end of 2015; 588 bridges have been rehabilitated or replaced; by the end of 2015, 1,190 bridges will have been rehabbed or replaced; As of April 2011, the state has earned over \$755 million in investment income on the lease proceeds; By the end of 2012, 65 projects will be completed or substantially under construction and 30 projects will be accelerated, compared to the original 2006 plan.

Daniels praised INDOT, saying, "Project after project is ahead of schedule; project after project is under budget."

Asked by HPI if he was concerned about the persistent 8 percent unemployment in the state, Daniels described it as a "national" dynamic, and noted that Indiana's jobless rate is

still below all of its Midwestern neighbors.

"It is hovering below every state around us," Daniels said. "It's hovering a full point below the national average. We don't like where it's hovering but let's start with the context. We were below the national average when the bubble burst and we're below it today. I think we're looking at Indiana in the national picture. Income is really up in this state. You can see it from the extraordinarily strong income tax the state is getting. You're going to see that again when the books close in a day or two. It appears that income is being earned by the same people with overtime and a lot of part-time people are being hired. As I talk to business I guess I understand, they're very nervous about the national economy and national policy. They are being very cautious about taking on fulltime employees. Within that lousy context Indiana is out-performing."

## Obama blasts GOP on tax hikes

WASHINGTON - President Obama on Wednesday used his





harsh language yet to urge congressional Republicans to agree to end tax breaks "for millionaires and billionaires" as part of a deal to reduce the annual budget deficit, saying that the lawmakers' refusal to consider any tax increases is indefensible (Washington Post). But he also predicted that Republicans would reconsider their position as the deadline nears for raising the nation's \$14.3 trillion limit on borrowing. At a press conference in the East Room of the White House, Obama said he is willing to cut spending on a range of programs by more than \$1 trillion, to trim the defense budget and to look for ways to control entitlement costs. But he said Republicans must agree to allow taxes to rise on the wealthiest Americans and to eliminate tax breaks for oil companies and corporate jet owners. "It would be hard for Republicans to stand there and say that the tax break for corporate jets is sufficiently important that we're not willing to come to the table and get a deal done," Obama said. "What we've seen in negotiations here in Washington is a lot of people say a lot of things to satisfy their base or to get on cable news." "Hopefully leaders at a certain point rise to the occasion and do the right thing for the American people," the president added. Obama also expressed impatience over the pace of talks on a spending plan, as the Treasury Department's Aug. 2 deadline looms for raising the borrowing ceiling before the United States defaults on its debt. And he rebutted Republican criticism that he has not been involved enough in negotiations, saying that he has led debate on the issue and that it's now time for Congress to make a decision. "They need to do their job," Obama said, adding that lawmakers should have to cancel their summer recess trips if they can't strike a deal. He also compared the stalling with his two daughters' efficiency, saying that if Malia and Sasha could do their homework on time, there's no reason

that Congress should be taking so long to work out a plan.

## **Legislators look into police entry**

INDIANAPOLIS - Hoosier complaints about an Indiana Supreme Court decision terminating the common law right to resist unlawful police entry into a home are likely to lead to changes in state law (NWI Times). A committee of state legislators met Wednesday to review the court's controversial *Barnes v. State* ruling and discuss actions the General Assembly could take that would have the effect of overturning the decision. "Next to daylight savings time ... I've not received more calls on anything than this," said state Sen. Brent Steele, R-Bedford. Lawmakers were puzzled at how the court could eliminate the right to resist based on public policy concerns for police officer safety because a 2006 law explicitly permits Hoosiers to stand their ground, and even use deadly force, to defend themselves against violent crime. "That is the public policy of the state of Indiana," said state Sen. Michael Young, R-Indianapolis. Young is preparing legislation to clarify individual self-defense rights that he plans to present at the August committee meeting and intends to sponsor when the General Assembly convenes in January. The Supreme Court still can revise its ruling. A petition for rehearing asking the court to reconsider its decision was submitted earlier this month.

## **Judge rules on Obamacare**

CINCINNATI - A federal appeals court in Cincinnati ruled today in favor of a key provision of Obamacare. However, the ruling has no immediate bearing on Indiana which

is part of a separate case (WIBC). At issue is the individual mandate requiring nearly all Americans to buy health insurance come 2014 or face financial penalties. The mandate is seeing heavy challenges from groups and states nationwide ... including Indiana. Wednesday's ruling in Cincinnati by a three-judge panel says the provision of the Patient Protection and Affordable Care Act is indeed a valid exercise of legislative power by Congress. However, Indiana Attorney General Spokesman Bryan Corbin says the ruling is one of at least three, two of which are still being heard by other federal appeals courts. Indiana is part of a 26-state challenge, along with Florida, Georgia and others, pending in Atlanta. Decisions in the pending cases are expected in the coming months. The issue is expected to reach the U-S Supreme Court by year's end. Challenges are also pending in lower courts.

## **Terre Haute gets ABC affiliate**

TERRE HAUTE - All ABC television programming will soon be provided by Terre Haute's own Channel 38, currently a Fox Network affiliate. For the past 16 years, ABC programming in Terre Haute has been available only on pay television, such as cable or satellite TV. Beginning Sept. 1, WFXW-TV Channel 38 will become WAWV-TV Channel 38, an ABC station. "We're really excited because this does offer additional programming options and opportunities," said Tim Sturgess, general manager of Fox 38 and WTWO-TV Channel 2. "We just think it's going to be a great thing for our viewers and a great thing for the community of Terre Haute, which hasn't had a local ABC affiliate since the mid 1990s," Sturgess said.