

Politics Indiana

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Weekly Briefing on Indiana Politics

Thursday, June 19, 2008

Thompson-Oxley seeking unity

Waterman-Jehl look for a 'miracle' while Daniels picks up key RTL nod

By BRIAN A. HOWEY

INDIANAPOLIS - For the first time in Hoosier history, when Jill Long Thompson addresses the Indiana Democratic Convention around 3:30 p.m. Saturday, she will become the first female nominee, following the footsteps of other gender pioneers like Virginia Dill McCarty, Ann DeLaney and Vi Simpson. She will greet a convention with the theme "Restoring Indiana's Promises" along with her new running mate, State Rep. Dennie Oxley.

The campaign hopes it closes a controversial and unsettled period for Indiana Democrats. The state party and much of the establishment backed Jim Schellinger's gubernatorial bid. The six weeks since her primary victory has offered an array of mixed signals. The campaign had

only two press See Page 3



Jill Long Thompson with State Rep. Dennie Oxley and his wife, Jayme, at the Statehouse on Monday. (HPI Photo by Brian A. Howey)

Daniels' Iraq calculus

By SHAW R. FRIEDMAN

LaPORTE - How could he have gotten it so wrong? How could Mitch Daniels have failed to properly advise his President and his country on the true costs of war? Yes,



volumes have been written on how nearly "All the President's Men" gave him bad advice in the lead-up to war and trimmed and tailored their views to suit the President's inclination to wage a war of choice. But how could the man with ultimate responsibility for our federal budget - Mitch Daniels - have gotten war cost estimates so wrong when he was White House budget director? Shouldn't that





"I don't think it's going to be that big a distraction. It's not new; it's old news by now."

- Glenna Jehl, on managing the Matt Kelty campaign that ended with a loss and 9 indictments



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horrendous lapse of judgment raise continuing questions about his judgment now when it comes to objectively valuing state assets or resisting impulses to further privatize state resources like the Indiana lottery?

When it came time for a hard-nosed assessment of war costs, Mitch Daniels not only missed the mark, he missed it by a mile. And our country is still paying for it. We now have the burden of an additional four years of Iraq War costs since Daniels' election in 2004 to know how tragically mistaken he was when he served in the highest levels of our federal government.

As White House Budget Director, Mitch Daniels brashly predicted that the Iraq War would not only be "an affordable endeavor," he had the audacity to tell the world the Iraqis "would not require sustained aid." Sitting in the comfort of his kitchen at his Geist Reservoir mansion, Mitch Daniels insisted by phone to a reporter for the New York Times on December 31, 2002, that the Iraq War costs "will be in the range of \$50 to \$60 billion."

What amazes many to this day is the pure hubris of a man who had never known the horrors of war, who had never served a day in uniform, not only predicting with absolute certainty the costs of this war, but participating in the public flogging of a fellow administration member, Lawrence Lindsey, whose war estimate was a lot closer to reality than his own.

Former Bush Press Secretary Scott McClellan says, in his tell-all book that the President became enraged in September 2002 when Lindsey, at that time the president's top economic adviser, was cited in the Wall Street Journal as saying the war might cost \$100 billion to \$200 billion. McClellan quotes Bush as saying, "It's unacceptable.

White House Budget Direc-

tor Mitch Daniels gets a pointer from President George W. Bush in the Oval Office as Lawrence Lindsey looks on. (White House Photo)He shouldn't be talking about that." Clearly a realistic view of war costs wasn't "part of the script" for selling the war to the American public. Yet, Mitch Daniels felt the need to ingratiate himself with the President's inner circle by publicly claiming that Lindsay's assessment was "very, very high" and that we were somehow poised for a bargain basement rout in this conflict.

Our governor seems to have been an all-too-willing participant in the selling of what Scott McClellan now admits was an "unnecessary" war. At a time when our country desperately needed candor and honesty from its public officials, Mitch Daniels aided and abetted what the president's



OMB Director Mitch Daniels, Lawrence Lindsey and President Bush in the Oval Office. (White House Photo)

spokesman now says was a "political propaganda campaign" which was "aimed at manipulating sources of public opinion."

As has been his pattern as governor, Mitch Daniels simply ignored contrary views and chose not to listen. It appears the White House budget director never even factored in the disastrous impact of the Iraq War on our economy, such as estimating the impact of war on the price of oil. It was \$25 per barrel right before the



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war, with gas at about \$1.50 per gallon. Now oil has hit \$130 per barrel and gas is over \$4 a a gallon.

The quadrupling of oil prices was predictable had Mitch Daniels only looked. A Brookings Institution study in 2001 projected a worst case scenario with oil at \$75 a barrel and gas at \$3 a gallon based on an interruption in the world's oil supply in the event of a war lasting 18 months.

Months before we invaded Iraq, Yale economics professor William Nordhaus, a former member of the President's council of economic advisers, wrote that a protracted war would result in a recession, just as we suffered a short recession following the relatively brief first Gulf War.

This war is now over five years old and will be the most expensive in history, apart from World War II, according to Joesph Stiglitz, Nobel Laureat economist. Stiglitz has predicted that our Iraq War undertaking will cost far more than \$2 trillion when taking into account lifetime healthcare and disability benefits for returning veterans and the special round-the-clock medical attention needed for many of the tens of thousands of brave American men and women returning with long-term health problems. We're spending \$275 million every day on a war that another one of Bush's yes-men, Paul Wolfowitz, told us would be fully paid for by Iraqi oil!

At a time when Mitch Daniels had an extraordinary opportunity to perhaps provide some candor and yes, unwanted news to this President, he failed as OMB director and our country has subsequently poured hundreds of billions in national treasure into the sandy pit that is Iraq as a result. Robert Hormats, vice-chairman of Goldman Sachs put it into context in March when he testified before the Joint Economic Committee of Congress. As Hormats made clear, the money spent on the war each day is enough to enroll an additional 58,000 kids in Head Start for a year, or

make a year of college affordable for 160,000 low income students through Pell grants, or pay the annual salaries of nearly 14,000 more police officers.

Mitch Daniels wasn't the only hopeless optimist around this president who insisted on absurdly low estimates of the costs of war. Five years ago, President Bush's Defense Secretary Donald Rumsfelt also mocked Lawrence Lindsey for estimating the war might cost \$200 billion. Yet wind the clock forward and we find Congress having already appropriated \$600 billion for the Iraq War, some 10 times Mitch Daniels' estimate. An entire generation of Americans will pay the price as billions more are borrowed from foreign dictators to pay for this war while countless schools, roads and bridges in this country are starved of their much needed public investments. In the meantime, we all pay dearly at the gas pump as the war continues fueling commodity speculators and uncertainty in the futures market.

There should be a reckoning for these kinds of mistakes. Many Americans have paid the ultimate sacrifice for this conflict and the horrendous costs continue to mount. Hoosiers will have an opportunity to tell Mitch Daniels in November they won't abide that kind of grossly negligent conduct and they aren't willing to trust that kind of judgment at the helm of our state government for the next four years. ❖

Friedman practices law in LaPorte, Ind., and is a regular Howey Politics Indiana column contributor.

Publisher's Note: Cam Savage of Gov. Daniels' re-election campaign made this statement: "Daniels' estimate was only for the cost of one year. He didn't try to extrapolate any future figures."

Democrats, from page 1

conferences. It took most of that time to choose Oxley, after several higher profile possibilities asked not to be considered, which temporarily created the perception that the campaign was treading water. There was no endorsement from Jim Schellinger, though the campaign says that he and Thompson are communicating. "Jill and Mr. Schellinger have spoken a number of times," said communications director Jim Schellinger. "That is coming together. We welcome his support. We expect him to be a part of that."

Thompson is expected to sound themes along the lines of "Dreaming Big Again," said Harris. The convention caps a critical week for Thompson, who a number of sources say lags in money raising in the six weeks since she defeated Schellinger. She needs to create the perception of unity and stoke the money machine. Harris would not

comment on the campaign's finances, saying the numbers would be revealed in early July. "We feel very good where we are," he said. "Fundraising is going exceptionally well. We won't compete dollar for dollar. We'll have more than enough money to compete with Gov. Daniels. We have a game plan. We were outspent in primary 3 to 1. We know how to use resources we know how to use effecitvely."

The campaign is beginning to take shape. In addition to campaign manager Travis Lowe, and Harris, the Thompson team includes Joe Retoff as finance director, Cheryl Bergman as deputy campaign manager (she worked on the campaign of Michigan Gov. Jennifer Grandholm), scheduler Chris Becker (from Winston-Terrell), deputy communications director Keith Johnson, Kate Sweeney Bell as central Indiana field director (a former aide to Gov. Evan Bayh), and a finance team that includes Shaunica Pridgen, Steve Kolbert and Lisa Flegel. The campaign is also working closely with former Democratic chairman Robin Winston



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and former Bloomington mayor John Fernandez.

Unknown money factor

The fact that the Thompson campaign had posted only one supplemental over \$10,000 - \$25,000 from the Democratic Governor Association - has raised eyebrows in political circles. That could change on June 26 when Sen. Evan Bayh, Gov. Joe Kernan and Speaker B. Patrick Bauer host a Skyline Club reception for the Thompson-Oxley ticket. The campaign is also working to muster union resources, with some of what would normally be Democratic supporters instead going to Gov. Daniels. At the Jefferson-Jackson Day Dinner on May

4, two sponsor banners on either side of the dais featuring Tom O'Donnell and Jay Potesta greeted atendees, though both have offered support to Daniels, in large part due to the Major Moves initiative that has spawned a number of labor jobs.

Harris noted that Thompson has been endorsed by the AFL-CIO and that the campaign is in talks with unions like the UAW, IBEW and the Indiana Building Trades. "It's coming together quite nicely," Harris said of the unions. "We've received a lot of help from those organizations."

The convention will be chaired by Lake County Sheriff Roy Dominguez and will feature U.S. Reps. Baron Hill, Brad Ellsworth, Joe Donnelly and Pete Visclosky. There will be a Chris Sautter video that will feature Birch and Evan Bayh, former First Lady Judy O'Bannon (who will be attending a family reunion), and Lee Hamilton. "It will be very fun, very energetic," Harris said of the convention.

And it will showcase the Thompson-Oxley ticket, which apparently came together last week and was introduced on Monday. Multiple informed and reliable Democratic sources told HPI late last week that while Oxley was the top choice, it took time to work out details including a job during the next five months. His father is expected to run in the caucus for HD73, which Oxley guaranteed would stay Democratic, like it has for most of the last 50 years. That would give Oxley the option of coming back to the House if the Thompson ticket loses to Daniels.

An energized moment

On Monday, the Thompson campaign seemed energized for the first time since the primary. "Jill is a proven leader with executive experience and I'm honored to partner with her to fight for better opportunities for all



Indiana Democratic Chairman Dan Parker hugs gubernatorial nominee Jill Long Thompson on Monday when they announced the Dennie Oxley Hoosier families," Oxley said. "Dennie Oxley is an outstanding public servant and I am proud to welcome him to the team," Thompson said. "His experience in the state legislature, in the classroom and in the business world will be put to good use as we work together to rebuild our economy and restore Indiana's promise. He is known as a tireless and dedicated legislator who can get the job done."

While the media and blogs noted that Oxley voted for the tax reforms that Thompson criticized, she spun it like this: "Just like Indiana is very diverse and we have many families from different backgrounds who think differently on issues, I think it's important to have a team that knows how to bring people together to move this state forward." It was a good spin, but ultimately it gives the Daniels campaign some cover on the tax issue. While blogs like the Daniels front Frugal Hoosiers

painted Oxley as a legislator who passed only six of 51 authored bills in 10 years, Oxley said that as majority whip, his "fingerprints" were on every major piece of legislation.

The Democrats seemed intent on going after Daniels on the economy. "As a lagging economy continues to slow, as health-care costs increase, as foreclosure rates rise, gas prices go sky-high, as high school dropout rates increase and as home sales slow, Hoosiers are facing real uncertainty," Oxley said. "And they have good reason to feel that way. From January to April of this year, Indiana lost nearly 30,000 good-paying jobs. It is time that we demand more. We need a governor that will tackle our problems head-on. Not just sell them off to the highest foreign bidder and hope things get better."

Those numbers tell only one side of the story, as the Daniels campaign will point out that the jobless rate stayed stationary at 4.7 percent as it rose in neighbhoring states and the U.S.

Potesta & O'Donnell

Cam Savage, communications director for the Daniels campaign, used the O'Donnell and Potesta endorsements as proof that the jobs profile of the administration transcends traditional politics. "Tommy has endorsed us, but the union hasn't at this point," Savage said.."Jay has endorsed us and is part of our steering committee as well. Tommy and Jay care about jobs. They care about growing. Their guys have to work. Gov. Daniels has created jobs here. There's a reason we're doing better than our surrounding states."

Awaiting the Waterman-Jehl 'miracle'

The Daniels campaign has also kept tabs on the



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antics of political puppeteer John Price and the "Taxpayer Party" ticket of State Sen. John Waterman and Glenna Jehl. The renegade trio appeared - with Waterman in cowboy boots and a clip-on tie - together at a near Northside Indianapolis home to talk about property taxes, the new party, and whether they could get the 33,000 signatures to qualify for the ballot. Waterman said it would be an "act of God" if they got on the ballot less than a week after he told the Sullivan Daily Times they would have the signatures last Thursday. Price said it would be "a miracle." Said Price, "If it happens, it would be quite a statement." And Waterman insisted he would take more votes from Thompson than Daniels.

Knox County Republican Chairman T. J. Brink told the Evansville Courier & Press that he didn't think Waterman could get the 33,000 signatures, that Daniels will carry Knox County, and that Waterman will likely face a primary

challenger if he runs for reelection in 2010."I think on June 30, it's over with," Brink said. "John will not be on the ballot. Outside of Sullivan County and the area he represents, he's a no-name. He has no state appeal whatsoever, and when he goes to talk to people in other areas, he'll have even less appeal." A similar assessment came from Vanderburgh County Democratic chairman Mark Owen. "I don't think he's

a factor," Owen said. "I think the race is really between Thompson and Daniels."

And then there was Jehl and her role as campaign manager for the Fort Wayne mayoral campaign of Matt Kelty that ended with a loss (in the first election after scores of GOP voters from Aboite Township were annexed into the city) and a nine-count campaign finance and perjury indictment of Kelty. Jehl whistled past the political graveyard, noting that, "I don't think it's going to be a big distraction. It's not new, it's old news." While much of the statewide press glanced over Jehl's Fort Wayne fiasco, the fact is that it won't be "old news" once Kelty goes on trial in October, according to WANE-TV. At that point, it is likely we'd see Jehl on the witness stand explaining her own illegal \$10,000 loan to the Kelty campaign she managed.

Sharing the news cycle

Sharing the same news cycle with Price's Taxpayer Party was the fact that Allen County homeowners will see 28 percent property tax reductions and Howard County homeowners will see a 50 percent decrease. Both counties are expecting even greater relief on 2008 bills payable in 2009.

There is also the abortion angle to the Waterman-Jehl ticket. Price has indicated that Daniels is not sufficiently pro-life, even though he agrees that Daniels has been the most pro-life governor in post-Roe vs. Wade Indiana. Not only did the Indiana Right to Life PAC endorse Daniels, it did so emphatically. "We are proud to endorse Gov. Daniels in recognition of his steadfast support for the sanctity of life," stated IRTL-PAC chairman Mike Fichter. "Mitch Daniels pledged to support pro-life legislation as a candidate in 2004 and he has been true to his word. Now it is time for pro-life Hoosiers to show their appreciation for Gov. Daniels by actively working to secure his re-election. Since abortion on demand became legal in 1973, not a single Indiana governor prior to Gov. Daniels had the courage or conviction to publicly support the sanctity of life of unborn children."

Fichter noted that Daniels signed legislation that requires abortion providers to show their patient ultra-

sounds, the state licensing of abortion clinics, and the establishment of an umbilical cord blood bank to advance "life-affirming stem cell research instead of killing human embryos."

That endorsement seemed to showcase the Daniels campaign propensity to produce same news cycle counters to what their opponents are doing. "The Right to Life endorsement does

to Life endorsement does undercut things that some people are saying," Savage said. "I wouldn't call it a deliberate strategy but we have a lot of friends. It's not the same coaliton that we've used before. We have a lot of people speaking."

There was also an endorsement of the governor from the Fraternal Order of Police, which did not endorse Daniels in 2004. The governor earned their respect and always had an open door," Savage said. FOP President Tim Downs said, "Mitch Daniels has worked hard to develop strong and effective relationships with law enforcement and he's always responded to our needs. The FOP appreciates Gov. Daniels' leadership and we enthusiastically support his re-election."

Daniels was also the recipient of extensive media coverage of the floods and tornadoes in Central and Southern Indiana. TV clips showed Daniels directing the state response, and hugging victims on the ground. That certainly wasn't a planned political calculation, though it, too, undercuts Democratic criticism that he is out of touch, doesn't listen and doesn't care about the average Hoosier. And if the response had been botched, the political ramifications could have been immense.

The Democratic ticket: Woods, Pence, Thompson and Oxley.

HPI Horse Race Status: LEANS DANIELS ❖



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Elrod, Miller boost House GOP, but some unfilled holes, too

By BRIAN A. HOWEY

INDIANAPOLIS - With a June 30 deadline for filling ballot vacancies, Indiana House Republicans are making some progress, buoyed by the re-emergence of State Rep. Jon Elrod in defending HD97 that many thought was a certain pickup for Democrats as well as former Elkhart

mayor Dave Miller's challenge to State Rep. Craig Fry in HD5. It comes at a time when there are rumblings within the House Republican caucus about several unfilled seats in districts centered in Kokomo, Madison/North Vernon and Vincennes and fears that the GOP might not control



the House, even if Gov. Mitch Daniels wins re-election.

Those seats are held by freshmen State Reps. Kreg Battles, Dave Cheatham and Ron Herrell, who lost in 2004. Going into this year, HPI and other observers expected those seats to be in play despite a problematic national

environment for Republicans that is potentially mitigated by the Daniels re-election campaign.

"No we probably won't have candidates," said HRCC Director Mike Gentry of Battles and Herrell seats. "They were not on our recruitment focus list." He said that Battles is the 62nd most Republican district in the state with Gov. Daniels polling 48.5 percent in 2004 and State Treasurer Tim Berry polling 46 percent. He said that Herrell's HD30 seat is the 69th most Republican seat. "John Smith was able to sneak up on Herrell in a strong GOP year (2004) when most of the union activists in Kokomo were in Ohio working for John Kerrey," Gentry said. He called the recent wins of Smith in HD30 and Troy Woodruff in HD64 as "lightning strikes."



State Rep. Jon Elrod's decision to seek his Indiana House seat and drop his 7th CD congressional bid gives Republicans a chance to hold on to a seat they thought they had lost. (HPI Photo by Brian A. Howey)

Several Republican members believe that Gentry and Minority Leader Brian Bosma "took their eye off the ball" in candidate recruitment while Gentry commenced a private political consulting firm that worked on the congressional campaigns of Elrod and U.S. Rep. Dan Burton, and

the attorney general campaign of Valparaiso Jon Costas, who lost a convention floor fight to Greg Zoeller by a landslide. If the GOP fails to retake the House, there is now some talk that a leadership fight could ensue prior to Organization Day after the election.

Gentry points to an American Viewpoint Poll that shows Elrod leading Democrat Mary Ann Sullivan 55-32 percent in a Democratic district that Elrod won by only a handful of votes over Democrat Ed Mahern in 2006. That poll shows Barack Obama leading John McCain 45-38 percent and Gov. Mitch Daniels leading Jill Long Thompson 49-42 percent in the district. Elrod's fav/unfavs stand at 61-16 percent while Sullivan's were 16-4 percent. The pollster notes, "They will have to spend \$ 500,000 to get her name ID to equal Elrod's."

In addititon, retired Anderson Police Chief Frank Burrows will be nominated to take on State Rep. Terri Austin. In HD68, Brookville attorney Jud McMillin will challenge State Rep. Bob Bischoff. "We waste too much time and money in Indianapolis," McMillin said. "I will be a strong leader fighting for change at the State House."

Caucuses "may be called" in HD6 (House Speaker B. Patrick Bauer), HD7 (State Rep. David Niezgodski), and HD77 (against Democrat Gail Riecken in a seat being va-

cated by the retiring State Rep. Phil Hoy). Republican Kevin Mitschelen is preparing a challenge against Bauer, sources tell HPI. Two-term Elkhart mayor Miller, who didn't seek a third term, will be nominated in a HD5 caucus before June 30, Gentry said this afternoon.

Gentry said that HRCC polling shows that Republican Randy Truitt is ahead in HD26, the seat being vacated by State Rep. Joe Micon with John Polles running for the Democrats. He said that Mark Messmer in HD63, a seat vacated by State Rep. Dave Crooks where Democrat John Burger is running; and in HD46, where former Indiana State basketball star Bob Heaton is challenging State Rep. Vern Tincher, the Republicans "are within striking distance." In HD62, where State Rep. Sandra Blanton is on the ballot for the first

time after Jerry Denbo retired, Republican Brook Tarr "is running a strong race." In HD17, "Mark MacKillop is putting pressure on (State Rep. Nancy) Dembowski," Gentry said. "Starke County was one of Obama's worst performing counties."

Gentry said "The only seat not filled on our focus



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list is HD69," which is held by Rep. Cheatham. That would mean that freshmen Rep. Battles and Rep. Herrell are possibly going to get a pass in districts many thought would be in play. Howard County Republican Chairman Craig Dunn thought he had Kokomo radio talk show host Peter Heck lined up, but Heck recently announced on his show he would not run. Dunn told HPI earlier this week he was still hopeful to have a challenger there.

Dunn raised questions about HD38 nominee Clinton County Auditor Jacque Clements, who edged out newly selected State Rep. Heath Vannatter for the nomination after he won the caucus to replace Jim Buck, who has moved to the Senate. Dunn announced Monday that he has serious doubts about the viability of the candidacy of Clements, saying "I recently was e-mailed copies of the

2005 and 2006 Indiana State
Board of Accounts audits of the
Clinton County Auditor's Office and found them extremely
troubling. These two reports
and a failed supplemental audit
seem to indicate a serious lack
of management and oversight by
Jacque Clements in the Clinton
County Auditor's Office and could
be used as political fodder by
Democratic candidate Bob Snow
in November."



Freshman Democrat Kreg Battles looks like he'll get a pass this fall.

But Gentry said that HRCC polling shows that Clem-

ents has an 18 percent lead over Snow and that Gov. Daniels is running 41 percent better that Jill Long Thompson in that district. Democrats believe the divisions between Howard and Clinton county Republicans could present a pickup opportunity.

Said Gentry, "The Dems in this state like to talk a lot of smack but they always seem to under perform their predictions. This year will be no different. We have the best team of candidates, the best campaign team, a great fundraising effort and a very strong GOV candidate. Yesterday was a big momentum switch in the race for the Indiana House" with the re-emergence of Elrod.

Indiana Congressional

3RD CD: Democrat: Michael Montagano. **Republican:** U.S. Rep, Mark Souder. **2006 Results:** Souder 95,421, Hayhurst (D) 80,357. **2008 Outlook:** The DCCC has added the Montagano campaign to its "Red to Blue" program. It is one of 14 Democrats to make that cut. Souder wants federal officials to investigate his opponent's effort to draw attention to the nation's rising gasoline prices (Fort Wayne Journal Gazette). Mike Montagano, the Democratic

candidate in Indiana's 3rd District, for a half-hour handed out allotments of \$1.13 Thursday to motorists filling up at the Shell station at 5805 Fairfield Ave. Montagano was trying to draw attention to the fact gas cost \$1.13 per gallon in 1995, when Souder, R-3rd, took office. Souder didn't see it in that light. By Thursday afternoon, his office released a statement attacking his opponent for breaking campaign finance laws. "Giving cash to influence votes is illegal, and we will ask the U.S. Attorney to investigate his conduct," the statement read. "We in Fort Wayne know that election law violations are a serious matter." Before disbursing the cash, Montagano said he had checked into its legality. "It's not political pandering," he said. "This is just a token, a gesture." He said the money came from his campaign account. Later, Montagano said in a statement, "Gas has risen 350 percent since (Souder) took office and he has done nothing to stop it: no support for alternative energy, no support for renewable fuels and nothing whatsoever to reduce America's dependency on foreign oil." Status: LEANS SOUDER.

Congressional District 7: Republican:

Open. Democrat: U.S. Rep. Andre Carson. 2008 Forecast: State Rep. Jon Elrod has exited the 7th CD race and is expected to seek nomination to HD97 which he currently represents. "I take no pleasure in walking away from a fight," Elrod said this morning. "Two elections have passed, and the voters have chosen a victor. No one stepped forward for my seat." U.S. Rep. Andre Carson reacted by saying, "Over the past few months, as we campaigned in both the special and primary elections, I enjoyed the opportunity to get to know Jon better and I respect his decision." Mary Ann Sullivan, the Democratic candidate for House District 97, said, "It's becoming increasingly unclear what office Jon Elrod wants to run for," Sullivan said. "Does he want to be in Congress? Does he want to represent House District 97? What will he run for next?" Sullivan said constituents deserve representation they can count on, not someone who looks at each campaign as a stepping stone to the next elected office. "I got into this race because I want to serve the residents of House District 97 who are looking for leadership on the issues that matter to them," Sullivan said. "If elected, I pledge to serve a full term at the Statehouse, and I hope Jon Elrod will offer his constituents the same promise now that he's returned to this campaign." Sullivan said she welcomes Elrod back to the race and hopes they can run a campaign that focuses on pressing state issues such as education, tax reform and economic development. Elrod is expected to seek the HD97 seat in a caucus among Marion County Republicans. The GOP will also nominate a candidate to face Carson sometime in the next 30 days. Sources tell HPI that former Jerusalem Post Publisher Tom Rose, who challenged Elrod in the special election caucus, will not likely run. Status: SAFE CARSON❖



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There will be blood between Obama, McCain on energy

By CAM CARTER

INDIANAPOLIS - "To drill or not to drill? That is the question."

Not quite Shakespearean in its eloquence, but certainly in its potential for tragedy if we fail to answer it



correctly. To sustain our prosperity and security, we must answer a host of questions regarding our nation's energy needs in coming years – years that just happen to coincide with either a McCain or Obama presidency.

The two major

party candidates squared off this week on energy matters and, if this is the new, post-partisan politics Obama promises, then this is not change we can believe in. The exchange between the candidates was enough to make one want

to club both in the head with a bowling pin - repeatedly. While seemingly serious, both McCain and Obama offered up proposals that address only part of our energy conundrum and nothing but scorn and derision for the other's proposals. They need to get serious, tone down the reflexive "that guy's ideas suck" mentality, and look for strategic solutions.

At the end of any analysis, we (and here, "we" can be defined as the entire industrialized world) are a petrol- and carbon-based society. Get rid of oil or coal and the energy they create and our economies stop, literally, in their tracks. Societal strife follows. Global demand for energy is growing at a rapacious rate with billions of Indians, Chinese and others in the

developing world seeking to attain a standard of living we in the West have enjoyed for a century or more. In other words, demand is going to go up indefinitely and, if supply does not follow, prices will continue to spiral. You and I will

McCain opened the debate this week in Houston of all places (Who's doing this guy's press and advance work?

wax nostalgic for \$4.20 gasoline in the years ahead.

Do they not understand the symbolism of delivering this speech at ground zero for Enron and the newest corporate greedheads/punching bags, the oil companies?). He proposed that we lift the 27 year-old moratorium on offshore drilling along our coasts.

Good idea. America has nearly 21 billion barrels of untapped oil reserves (\$2.9 trillion at today's prices), each untapped barrel enriches mostly Mideast regimes that are hostile to us or are our "friends" in name only, and 67% of Americans support the move. Only a fringe 18% opposes it (those that answer Sierra Club mailers, hang on Ed Begley's every word and spike trees for Greenpeace on odd numbered weekends). And, if there was any silver lining to Hurricane Katrina, it proved the oil industry's offshore exploration technology and procedures are safe – the Gulf of Mexico was not turned into one giant oil slick.

Bad idea, as well. When McCain ran for president in 2000, he opposed such drilling and still, inexplicably (unless he has a fondness for caribou), refuses to open up the Artic National Wildlife Refuge (ANWR) in Alaska to such explora-

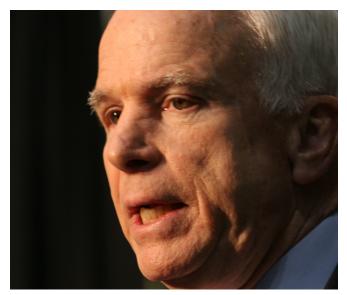
tion. His intellectual inconsistency

opens him up to criticism of a flip-flop and irresoluteness from Team Obama.

McCain also proposed federal subsidies for nuclear power, which he views as the best way to reduce U.S. carbon dioxide emissions. That is a good idea despite the stigma attached to nuclear energy. In the realm of "alternative" energy, nuclear may be the only one that can meet demand on an industrialized scale.

Worst idea: McCain's proposal to suspend the 18.4 cent per gallon federal gasoline tax for the summer driving season. Horrible, gag-inducing pandering with no economic or intellectual underpinnings whatsoever. It would provide only mild, temporary relief at the pump and have the

perverse effect of actually increasing demand at a time of short supply (see above, or talk to any high school economics teacher). Worse yet, he has to share this turd of an idea with the late, not-so-great Wicked Witch of the West Wing, Hillary Clinton. (One redeeming quality of Obama's



Sen. John McCain spent about five minutes talking about energy policy at an Indianapolis town hall meeting at Emmis last winter. He will address the National Sheriff Association in Indianapolis on July 1 in Indianapolis as well as host a fundraiser. (HPI Photo by A. Walker Shaw)



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nomination victory is that we will not have that vainglorious shrew or her husband preening around center stage of American political life anymore.)

So, McCain offers some good ideas (in a terrible setting) and a really bad idea. At least he has his eye on the ball. What was the Obama camp's reaction? To reject both the good and the bad and – surprise! – offer some soaring rhetoric.

Obama was right to pan the gasoline tax rollback, especially in light of the huge deficiencies with our transportation infrastructure that the tax is supposed to fund.

But the following does not instill much confidence in his judgment or his promise of a "new politics":

"John McCain's plan to simply drill our way out of our energy crisis is the same misguided approach backed by President Bush that has



Sen. Barack Obama at an Indianapolis Phillips66 station in April. (HPI Photo by Brian A. Howey)

failed our families for too long and only serves to benefit the big oil companies," Obama spokesman Hari Sevugan said.

Really? You see, I thought McCain was suggesting we lift a moratorium on drilling that has been in place since 1981. That would make it a new policy, not the same, and certainly not an approach "that has failed our families for too long." I won't even dignify the Obama spokesman's attempts to link McCain to the unpopular president or oil companies.

Obama himself had this to say, "Our dependence on foreign oil strains family budgets and it saps our economy. Oil money pays for the bombs going off from Baghdad to Beirut, and the bombast of dictators from Caracas to Tehran," Obama said. "Our nation will not be secure unless we take that leverage away, and our planet will not be safe unless we move decisively toward a clean energy future."

I didn't see video of these comments, but presumably Obama was crowned in a halo with his feet hovering slightly above Iowa floodwaters while imparting this wisdom to the mere mortals around him (at least on the CNN and MSNBC feeds).

So, Obama sees a strategic economic and security threat from the world's oil-rich dictators if we don't break our dependence on foreign oil, but he rejects a perfectly reasonable proposal by his opponent for more offshore exploration that has proven to be environmentally safe? Sad. Perhaps he will have a different (shall we say, more worldly?) view once he has a chance to sit down and chat personally with those dictators during his first year in office.

Obama's preferred fix, best one can tell, is to use taxes raised through an auction of greenhouse-gas emissions credits to fund new alternative energy research and development projects, while also imposing renewable energy mandates on public utilities. Now, this cap-and-trade-and-tax-and-regulate approach may have merit if you a) agree that global climate change, not U.S. energy security, is the main issue, and b) you want to pay more – a lot more – at the pump and further want to turn your home thermostat down to a Jimmy Carter-esque 67 degrees in winter (75 in summer). Otherwise, Obama's proposal seems quite Draconian and ignores market forces that likely will provide the proper incentives to the private sector to do their own R&D on alternative energy sources and more fuel-efficient vehicles.

Obama reflexively rejects McCain's policies and follows liberal doctrine to a regulation-heavy, big government solution. So much for the great orator's post-partisan promises and grasp of market economics.

Bought an SUV lately? Didn't think so. Market forces are at work and those gas-guzzlers are sitting on dealers' lots. I'm eyeballing a Honda Civic Hybrid as my next vehicle − on a short-term lease, of course, because I expect the technology to leapfrog in a few years. That, and I plan to trash the vehicle on a summer road trip to Alaska... caribou tastes good. ❖

Carter is a vice president of the Indiana Chamber of Commerce. He is a regular HPI column contributor.

Republicans to the Arctic!

By JACK COLWELL

SOUTH BEND - Two Hoosier Republican congressional candidates plan to campaign way up north in Alaska in July. It's not that they're trying to escape Indiana's sum-



mer heat. They're going just about as far north in Alaska as possible to put the heat on the incumbent Democrats they hope to defeat.

Destination: the Arctic National Wildlife Refuge.

Purpose: To make ANWR a familiar acronym in their districts and convince voters that failure to drill for oil there is a factor in high gas prices and that it's all the fault of Demo-



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crats.

Luke Puckett, Republican nominee for Congress in the 2nd District, came up with the plan. He is running against Rep. Joe Donnelly, the Granger Democrat who seeks a second term. Puckett announced that four

other GOP congressional challengers, including former Indiana Congressman Mike Sodrel, will accompany him. Sodrel is in another rematch with Rep. Baron Hill, the Democrat who reclaimed the 9th District seat in 2006.

Also scheduled to travel to ANWR, way up in the northeast corner of Alaska, are Republicans challenging Democratic incumbents in three other states: Craig Williams, in Pennsylvania's 7th District; Chris Lien, for the at-large House seat in South Dakota; and Paul Stark, in Wisconsin's 3rd District.

Puckett says the July 14-17 trip is designed "to call attention to the plentiful energy sources that exist right here at home and to call on Congress to remove prohibitions on domestic exploration." The Elkhart County Republican contends that gasoline price woes "can be solved simply by increasing supply" and that it is "the Democratic-led Congress"

that stands in the way of tapping supplies in ANWR and elsewhere.

The candidates will send back photos and statements to web sites for viewing back home. They hope for news media attention in their districts and even on the national level. But they will be just voices crying in the wilderness unless there is a major policy change in the U.S. Senate, where a large bipartisan majority has voted to oppose ANWR drilling.

Columnist George F. Will, who supports ANWR drilling, lamented in a recent column that 72 senators, 39 Democrats, including Barack Obama, and 33 Republicans, including John McCain, "have voted to keep ANWR's estimated 10.4 billion barrels of oil off the market."

That's right, McCain and Obama say "no" to ANWR drilling. So, while President Bush supports it, the next president will be on record against it. McCain, though softening past opposition to offshore drilling, has remained steadfast against tapping ANWR, saying that drilling in the pristine wilderness area would be akin to drilling in the Grand Canyon or the Everglades.

Many conservative Republicans portray ANWR as a partisan issue, blaming President Bill Clinton's 1995 veto of

legislation to permit drilling as depriving the nation of what now could be the flow of oil from just a small sliver of the refuge.

Environmentalists opposed to drilling contend, however, that fuel from ANWR would be just a drop in the

tank in terms of total U.S. usage, would only place more reliance on oil rather than alternatives, and would lead to environmental dangers from drilling and pipelines. Puckett says those contentions are from "the extreme environmental lobby."

He and the other GOP challengers hope to meet with "energy industry experts, state and local officials . . . and private landowners and native residents of the Arctic Circle." All likely will approve drilling. Hill has voted against ANWR drilling but says he has supported more realistic efforts for energy independence.

Donnelly says he would "support responsible exploration of oil reserves" in ANWR and that "now is an appropriate time to allow focused and responsible new oil and gas exploration" off the shores in the outer continental shelf. In seeking to neutralize Puckett's main campaign issue, Donnelly risks ire of environmentalists in his district.

As they call for ANWR drilling and use terms such as "extreme environmental lobby" to describe opponents, the Republican congressional candidates are in agreement with the Bush administration. They hope to appeal to those in the conservative GOP base that have been suspicious of global warming claims and to expand the appeal to voters of all types now upset over gas prices.

This is not exactly McCain's message. He wants to appeal to voters concerned about the environment, especially young voters, who regard Bush administration policies as anti-environment. McCain points to his disagreement with Bush over ANWR and notes that he long ago broke with the administration to warn of global warming.

Still, McCain's call to let the states decide on offshore drilling is right in line with views of the Republican candidates traveling to ANWR. Maybe, for a more unified party appeal, they should have gone to some off-shore oil rigs instead of way up north to Alaska. ❖

Colwell has covered Indiana politics for the South Bend Tribune for five decades. His weekly column runs Mondays at www.howeypolitics.com



2nd CD Republican nominee Luke Puckett will journey to ANWAR with former congressman Mike Sodrel in July. (HPI Photo by Brian A. Howey)



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Candidates avoid the global skills challenge

By MARK SCHOEFF JR.

WASHINGTON--During the penultimate week of the Indiana primary campaign, I was about as far removed



from the action as possible. I was visiting Bangalore, India. As I kept tabs on the combat through CNN International and BBC, it occurred to me that what I was observing in Bangalore and other parts of southern India was actually relevant to U.S. presidential election. In fact, it was conspicuous by its absence.

While Barack Obama, Hillary Rodham Clinton and presumptive Republican nominee John McCain debated the finer points of a frivolous gas-tax

holiday, I was getting a glimpse of a country whose ascendance is causing deep anxiety among American voters.

Bangalore, of course, is the information technology haven of India. IBM, Microsoft and Dell are among the leading American IT firms that have set up big operations in the country and hire tens of thousands of Indians, often for jobs that have been outsourced from the United States.

The primary reason that these companies have come to India is the country's talented and relatively inexpensive workforce. Many of the world's best scientists and engineers can be found here. And the Indian government is intent on producing more.

Over the course of my week there, I got the strong impression that India values education. Colleges dot the landscape. Billboards call out for people to enroll in courses. Each young professional I met in Bangalore had some kind of IT job. But I also observed that most families in the city--and in rural areas--are battling grinding poverty. Their children may not finish school, let alone work for IBM one day.

The government believes that education is the key to growth and is trying to get more people from poor communities involved in the IT revolution. One party that was running in the Karnataka state elections pledged to establish cyber cafes in every village. Bangalore is located in Karnataka.

The ruling party has implemented the National Skills Development Mission, which is designed to help teach students job skills they'll need beyond what they learn in classroom instruction. In addition, the government is opening more spaces in schools for poor students.

Apply simple math to these moves and you see the talent potential in India. There is no one-child policy here, as there is in China. Kids are ubiquitous. The Indian popu-

lation is estimated to hit 1.2 billion by 2011.

When low-income Indians are given a better chance to join the middle- and upper-classes in taking advantage of IT and other opportunities, the country will become an even more fertile ground for U.S. investment. That's good for America because our companies can innovate and generate profits from their Indian operations.

But that also increases pressure on U.S. workers to develop the skills that will keep them in demand in the global economy. They have to increase their aptitude for problem-solving, collaboration and teamwork. They have to strengthen their interdisciplinary and entrepreneurial abilities.

Those conclusions are contained in a report by the Council on Competitiveness, a group of leaders from industry, academia and organized labor. It was rolled out in late April at a Capitol Hill event sponsored by Sen. Max Baucus, chairman of the Senate Finance Committee, and Sen. Richard Lugar.

"Skills are our most sustainable competitive advantage," Baucus said. "They can be our anchor in the turbulent world economy we have."

But many U.S. workers are worried that they lack the skills required to remain employed or find a new job. Reps. Rahm Emanuel, D-Illinois, and Jim Ramstad, R-Minnesota, have introduced a bill that would establish personal accounts to finance lifelong education and training that are partially funded by employers. Companies are also emphasizing the need to bolster federal programs for worker education and training. Alarmed by the increasingly negative attitude toward trade liberalization on Capitol Hill and the campaign trail, a group of 26 businesses and trade associations is lobbying to help for victims of globalization.

The Trade and American Competitiveness Coalition, launched on June 11, is pushing to reform and reauthorize Trade Adjustment Assistance, a program that provides retraining, wage and health benefits for workers who have lost their jobs due to imports or to their company moving operations to a foreign country. Negotiations between Congress and the Bush administration over TAA could determine the fate of the Colombia Free Trade Agreement.

It's not enough, however, that senators, House members and the corporate community are addressing these issues. So should the presidential candidates. Obama vows to rewrite trade agreements and keep jobs in the United States. McCain is a strong proponent of trade liberalization. But neither spends much time addressing how to prepare workers for new jobs created by globalization.

It would be refreshing to hear the presidential candidates engage in an intelligent debate about improving the U.S. education and workforce development systems to help all Americans participate--and prosper--in the global economy. •



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is, until last week when he was convicted in federal court on 11 counts of fraud -- involving

some of the money he received for getting an

addiction service locked into government offices.

Rich James, Post-Tribune: Politics is where Bobby Cantrell found his niche. He was very, very good at being very, very bad. If you were running for office, you didn't necessarily need him supporting you. But you sure as heck didn't want him working against you. Former East Chicago Mayor Bob Pastrick and former Sheriff Bob Stiglich were the two best politicians I've ever seen in Lake County. And while they were in power, you knew Cantrell was somewhere in the background doing what he could to help or hurt. It wasn't that Cantrell had so much power as it was that he was bright, very bright. Cantrell had a way of convincing a politician that he needed him to get ahead or put out a fire. He bobbed and weaved and danced and usually came out on top. That

Much of the money Cantrell made -- let's just say that he received -- came from Nancy Fromm's Addiction and Family Care business. Just like Cantrell, Fromm and her business were pretty much shams, selling services that government offices neither needed nor could afford. While there's nothing wrong with receiving a finder's fee to secure a government contract for a business, you do have a problem when you fail to report the money -- one of the things Cantrell was convicted of doing. When you have shameless people like Fromm and disgraced former Schererville Town Court Judge Deborah Riga testifying against you, there is almost a guilt by association. Defense attorney Kevin Milner made that point when he asked the jury during closing arguments, "Wouldn't you like to hear from someone who isn't facing time in prison?" Yeah, but as a former federal prosecutor once said, "You don't swim with swans in the sewer." While Cantrell is another feather in the federal cap, you just know prosecutors are looking for more. If Cantrell had been convicted on a count or two and been given a year or two in prison, chances are he would have quietly done his time. That's pretty much how it always has worked in East Chicago. But he was convicted on all 11 counts and now faces the very real possibility of dying a lonely man in prison. Hammond Mayor Tom McDermott Jr. said he doubts Cantrell will talk, even if he has the goods on someone. "He's old school," McDermott said. Yeah, but he's got kids and grandkids. That's plenty of reason to sing, even if it isn't "Hail Noble Washington." .

Leslie Stedman Weidenbener,

Louisville Courier-Journal: State Rep. Dennie Oxley may be of more help than your average running mate. First, he probably won't be afraid to attack Daniels, and he'll likely do it well. Second, he'll be a relentless campaigner. With his large district, Oxley is used to doing a lot of driving on the

Jefferson-Jackson Day dinner circuit, to sporting events in the area, and to political events across his district. Third, his more conservative positions will be a counterweight to what is likely to be a GOP charge that Thompson is liberal. He'll probably make Southern Indiana's conservatives feel more comfortable with Thompson. But this will be a real test for Oxley as well. As the House majority whip, Oxley has been in a leadership position that is essentially all politics all the time. His role is not to formulate policy, so details about policy have not been his strongest suit. To help Thompson succeed, that will likely have to change. He's going to be

questioned by voters and the media repeatedly as he travels, and he'll need some good answers.

Stephanie Salter, Terre Haute Tri-

bune-Star: Sometimes I have this fantasy when I hear yet another smug know-it-all talk about the "irrelevance" of the mainstream news media.

I think, OK. How about we just fold up shop right now? Everybody who has trained for years to gather, verify and disseminate news — especially all of us soon-to-be extinct print dinosaurs — we'll just go home. Tomorrow, there will be no more daily paper on anybody's doorstep. And someone else can pull things together to put on a Web site for people to read for free. ❖

Sylvia Smith, Fort Wayne Journal

Gazette: It has been amply established – even by political compatriots of President Bush - that the preparation for the Iraq invasion was appallingly inadequate. We are living through (and many are dying through) the effects of the White House's naïve assumptions that the war would be brief, the cost would be borne by Irag's oil production and the new government would come together seamlessly. History will judge Bush harshly because of those misjudgments. But is metaphorically waltzing into war a cause for impeachment? Absolutely not. Rep. Dennis Kucinich thinks otherwise, and he forced the House to vote last week. His contention is that Bush committed high crimes and misdemeanors when he snookered America into invading Iraq. His 35 articles of impeachment ranged from "creating a secret propaganda campaign to manufacture a false case for war against Iraq" to "endangering the health of 9/11 first responders." The Democratic leadership, which controls the action on the floor, does not support Kucinich's move but could not completely block it because the rules of the House allow any of its members to bring a privileged resolution to the floor and insist on a vote within two days. The House leadership funneled Kucinich's resolution to the Judiciary Committee, which won't hold hearings or take any action. So the matter is buried. The House clearly has no appetite for impeaching Bush. The country certainly doesn't. .



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Wood kicks off superintendent race

INDIANAPOLIS - Democrat Richard Wood launched his candidacy for state superintendent of public

instruction
Wednesday
by touting
education as a
vital investment tool
(Times of



(Times of Northwest Indiana).

"I believe that it is morally responsible and it's economically sensible for us to build good children, rather than to repair adults," he said. And Wood, who is retiring this after 19 years as superintendent of the Tippecanoe County School Corp., isn't happy about a new state law telling local school districts how much property tax revenue they can invest in education. "We have elected school boards throughout most of the state," he said. "Those people are elected officials. They should be responsible for taxation and decisions that are reflective of their community." Wood, 55, didn't go as far as to say he would lobby against writing the state's new property tax caps into the Indiana Constitution, a multistep process legislators are expected to resume next year. The caps, which eventually will limit homeowner bills to 1 percent of assessed value, are expected to sap \$8 million from state schools next year and \$89 million in 2010. Wood also spoke of improving Indiana's 76.5 percent high school graduation rate, but when asked, he did not offer a specific target for improvement. The current rate has been roundly criticized by fellow Democrat Jill Long Thompson, who is running against Republican Gov. Mitch Daniels. Wood, who holds doctorate degrees in education and law, will face Republican Tony Bennett, the Greater Clark County Schools superintendent, this fall in the first open race for state schools chief in more

than a decade. "He is a great educator with a great background," said state Rep. Sheila Klinker, D-Lafayette, "We are delighted to have Dr. Richard Wood running for state superintendent of public instruction."

Supt. Reed to join brokerage firm

INDIANAPOLIS - State schools superintendent Suellen Reed plans to join a securities brokerage firm when she leaves office in January (**Indianapolis Star**). Reed said Thursday she would become vice president of business development for Cincinnati-based Ross, Sinclaire & Associates. The company has offices in several states and has a background in helping school districts and other local government units develop financing plans for capital projects.

Bush wants to life drilling ban

WASHINGTON - With gasoline topping \$4 a gallon, President Bush urged Congress on Wednesday to lift its long-standing ban on offshore oil and gas drilling, saying the United States needs to increase its energy production. Democrats quickly rejected the idea (Associated Press). "There is no excuse for delay," the president said in a statement in the Rose Garden. With the presidential election just months away, Bush made a pointed attack on Democrats, accusing them of obstructing his energy proposals and blaming them for high gasoline costs. His proposal echoed a call by Republican presidential candidate John McCain to open the Continental Shelf for exploration. "Families across the country are looking to Washington for a response," Bush said. Congressional Democrats were quick to reject the push for lifting the drilling moratorium, saying oil companies already have 68 million acres offshore waters under lease that are not being developed.

House Speaker Nancy Pelosi called Bush's proposals "another page from (an) ... energy policy that was literally written by the oil industry -- (to) give away more public resources." Sen. Barack Obama, the Democrats' presumptive presidential nominee, rejected lifting the drilling moratorium that has been supported by a succession of presidents for nearly two decades.

9% of Indiana corn, soy crops flooded

WEST LAFAYETTE - A crop report issued this week by the U.S. Department of Agriculture shows the recent heavy rains in Indiana have flooded 9 percent of the state's corn acreage, 9 percent of the soybean acreage and 5 percent of the winter wheat crop (**Lafayette Journal & Courier**). The southwest district of the state, which includes Evansville and Vincennes, received the most crop damage with 16 percent of both the corn and soybean acreage flooded, along with 6 percent of the wheat acreage.

Rep. Pelath to head immigration panel

ĬŇDIANAPOĹĪS - State Rep. Scott Pelath, D-Michigan City, will co-chair a legislative panel charged with studying the politically charged issue of illegal immigration (Times of Northwest Indiana). "On no other issue are the gaps between political rhetoric, strong emotions and reliable information more apparent," Pelath said Thursday in a statement. "What is obvious, however, is that we are a nation of immigrants, and most Americans sense our national immigration system isn't serving anyone very well." Pelath leads the House Rules Committee, which has been responsible for burying Republican-led efforts to write a ban on same-sex marriage into the Indiana Constitution.