



Hoosier town halls take civil turn

Donnelly, Hill find crowds willing to listen about reforms

By **BRIAN A. HOWEY** and **MARK SCHOEFF JR.**

KOKOMO - A year after Indiana became a historical battleground on Barack Obama's march to the American presidency, the state has found itself in one of the most intense civic debates in a generation: health care reform.

And while cable news networks like MSNBC are characterizing the congressional town halls taking place across the nation as "brawls" and today's Indianapolis Star features page 1 coverage of "raucous protests" in Pennsylvania, these media outlets missed the two Central Indiana town halls. On a warm Wednesday evening here in the embattled City of Firsts, several hundred people crowded a south side Kokomo street for what would



U.S. Rep. Joe Donnelly listens to a citizen on a south side Kokomo street Wednesday night in a town hall moved outside because so many people showed up. (HPI Photo by Brian A. Howe)

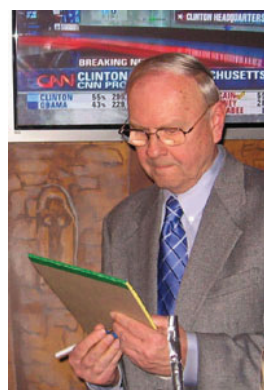
be a civil discourse with undecided U.S. Rep. Joe Donnelly.

Continued on Page 3

Doc's health reforms

By **JACK COLWELL**

SOUTH BEND - Ronald Reagan pushed a health care reform bill to passage, providing Medicare protection from runaway hospital and prescription-drug costs in catastrophic illness, overcoming opposition from powerful health insurance interests.



President Reagan? Yes, Reagan.

He was successful because it was just laughable to portray him and Indiana's Otis R. "Doc" Bowen, then secretary of Health and Human Services, as scheming to bring on some terrible socialized medi-



"Well, that's a good question. My contribution is upcoming."

- **U.S. SEN. EVAN BAYH**, when asked about his stance on health care reform by the *Evansville Courier & Press*



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cine.

But never underestimate the well-funded insurance lobby. Soon after Reagan left the White House and Bowen was back in Indiana, the legislation was repealed by Congress. Why? Opponents, using distorted cost statistics, staged demonstrations and news media manipulation, had even convinced many of those who would have benefited the most that it was a bad deal.

"We were years ahead of our time," says Bowen. "If it hadn't been repealed, it would have taken care of a lot of problems we are facing now."

On July 1, 1988, Reagan signed the legislation into law.

The plan was devised by Bowen, who was well aware of catastrophic illness tragedies as a family physician in Bremen, where he still resides, as a family medicine administrator at Indiana

University Medical School and through a Health and Human Services study.

In announcing support, Reagan asked Congress "to help give Americans that last full measure of security, to provide a health insurance plan that fights the fear of catastrophic illness."

"For too long," Reagan said, "many of our senior citizens have been faced with making an intolerable choice, a choice between bankruptcy and death."

Bowen notes that the plan was to pay for itself, adding nothing to the national debt.

That's what Reagan wanted, Bowen says, "and I did, too."

The additional benefits were to be paid for by the Medicare eli-

gible, with an increase of \$4 a month in 1989, climbing to \$10.20 in 1993, in premiums deducted from Social Security checks. The 40 percent of the Medicare eligible subject to federal income tax would pay additional sliding-scale premiums based on wealth.

Medicare recipients were to have full hospital coverage, with no limit on days covered, and protection against skyrocketing doctor bills and drug costs during a lengthy illness.

It passed with large bipartisan

majorities after Bowen fought off efforts by some liberal Democrats to add all kinds of expensive bells and whistles and efforts by some conservative Republicans to kill any Medicare expansion.

After passage, special interests, left and right, sought to scuttle the plan. The insurance lobby cited the highest likely premium for the wealthy to stir up opposition. Scare tactics made it sound as though every senior citizen would pay that much.

It wasn't just the insurance lobby.

"James Roosevelt got the senior citizens all riled up," Bowen recalls. The son of Franklin D. Roosevelt headed the National Committee to Preserve Social Security and Medicare. He was contesting with other organizations for influence with senior citizens and claimed that the plan didn't do enough and shouldn't cost recipients so much.

Roosevelt warned that "less than one in five seniors will be helped in any given year." Well, if it had helped 20 percent of seniors every year, from then until now, think of the millions upon millions who would have been helped economically and emotionally at times of major hospital,



Former Gov. and HHS Secretary Otis R. "Doc" Bowen, seen here at the Statehouse after Gov. Frank O'Bannon's September 2003 funeral. (HPI Photo by Brian A. Howey)



doctor and drug expenses.

A fatal blow came when special interests rounded up some senior citizens, give them signs and encouraged them to ambush Dan Rostenkowski, House Ways and Means Committee chairman, after a meeting in his Chicago district. They prevented his departure, with one elderly woman spread-eagled on the hood of his car. The news media had been alerted, and Rostenkowski was seen in film and photos fleeing angry constituents. News media accounts portrayed vast senior citizen outrage at Congress for passing the plan.

"One of the things that irked me," says Bowen, "was the new president came in and did nothing to save

the bill."

President George H.W. Bush pushed no adjustments, letting scared members of Congress repeal the plan in the fall of 1989.

"If it had not been repealed," Bowen says, "progress could have been very fruitful." Instead, insurance profits remained very fruitful and problems Ronald Reagan sought to remedy then are still faced by Congress and the nation today. ❖

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

Town halls, from page 1

Another 250 people crowded into the New Castle-Henry County Library auditorium to listen to U.S. Rep. Mike Pence.

These events came a day after U.S. Rep. Baron Hill experienced a similar reception at the downtown Indianapolis Rotary Club. No doubt, there were pointed questions. There were declarations, some shouting, eye rolling and hooting. But at both the Hill and Donnelly events HPI witnessed, the decorum was not breached. The spirit of debate persisted. The palpable fear by some Hoosier Members of Congress of the people they are supposed to represent is unwarranted.

"This is our chance to hear what others have to say," Donnelly told the crowd in Kokomo which appeared to be an even mix of Obama supporters and skeptics whose concerns ranged from budget deficits to "death panels" and abortion, and even constitutional concerns. Nearly half the license plants in the nearby parking lot were from outside Howard County.

Many times, Donnelly simply responded by saying he would ponder concerns and take them back to Washington. Asked if he had read the bill, Donnelly said that he has reviewed "chunks" but expects to have digested most of the legislation by Labor Day. He repeatedly vowed to vote for legislation that would be revenue neutral and address people with pre-existing condition dilemmas. He told the crowd that there were actually five different bills and all of them had a long way to go before President Obama could sign one into law. He expressed skepticism that it would even happen in 2009.

And there was an intense debate over the projected federal deficit numbers in HB 3200, the bill that has gained the most momentum in the House. Donnelly said the Congressional Budget Office estimate stood at a still unacceptable \$239 billion.

Pence, appearing briefly on a confrontational MS-

NBC interview Wednesday afternoon, put the number much higher: "I said I oppose a government takeover of health care paid for \$800 billion in new taxes."

He said at town halls in the 6th CD, many people have told him: "The president is demanding we run a government run option. When the government starts running an insurance program, hundreds of employers will shut their programs."

Appearing on Fox News on Aug. 6, Pence talked about the "tradition of free speech" at town halls and added, "I am telling you, at these record crowds, people are



U.S. Rep. Baron Hill (left) took a number of questions Tuesday at the Indianapolis Rotary Club. Hill described himself as "fully committed to health care reform." (HPI Photo by Brian A. Howey)



not uninformed, they are informed. They understand that this administration is running record deficits and is about to launch a \$1.6 trillion government takeover of health care paid for by \$800 billion in higher taxes and a whole lot of Hoosiers I'm talking to back home aren't having any of it." He added that the issue drew 100 people in Greensburg and 250 in Muncie last week.

Prior to his Kokomo town hall meeting, Donnelly saw the impact of the issue in terms of the sheer number of constituents showing up for what is normally a low-key event. He hosted a "Congress on the Corner" meeting at Martin's Super Market in Mishawaka last week.

These type of sessions normally draw five to 10 constituents who talk to Donnelly about problems they're experiencing with Medicare or Social Security. But more than 200 people attended the Mishawaka event and they all had health care on their minds.

Like the town hall in Kokomo, the meeting was calm, according to Donnelly. He stood in the deli section of the store as citizens listened from the aisles. "The tone actually was very respectful," Donnelly said. "Everybody was engaged."

As for the cascading images of angry Americans screaming at lawmakers across the nation, White House Press Secretary Robert Gibbs said at Wednesday's briefing, "I doubt we're seeing the real situation, despite the food fight we're seeing on cable every day."

The atmosphere that Donnelly experienced in Kokomo and Mishawaka is one he will demand at other events during the August recess, with the next scheduled for Delphi. "What I won't have is people screaming and shouting at each other," he said. "At that point, we have a safety risk."

Getting it right

Back at Kokomo, a city with one of the highest unemployment rates in the state, at one point a man complained about the pace of the debate on Capitol Hill. "Slow

it down," he told Donnelly. "We did," Donnelly said of the 51 other Blue Dog Democrats who prevented a vote before the August recess. "That's why we're here." Later, he would tell reporters that "My focus is to get it right."

Afterwards, a sweating Donnelly who talked for nearly 90 minutes in bright sunlight, beamed at how the event that was originally supposed to take place in a 100-person auditorium ultimately turned out. "What you saw here was a real Hoosier crowd," Donnelly said. "They



A sweating U.S. Rep. Joe Donnelly found an intense but civil health care reform debate on a Kokomo street Wednesday evening. (HPI Photo by Brian A. Howey)

wanted to hear what I had to say and I wanted to hear what they had to say. I'm glad it went that way. I expected it to go that way."

His 2nd Congressional District has become the front lines of the crisis that began unfolding in 2008 and ultimately propelled Obama and his dramatic change agenda to the White House. The skyrocketing gasoline prices in the late spring of 2008 sent the Elkhart County-based recreational vehicle industry into a profound tailspin. Then came the Wall Street

meltdown that dramatically crimped credit, setting off waves of job losses across Northern Indiana. Those in turn mauled the already crippled American auto industry. "The backwash came to our state," Donnelly explained. "That crowd has been through a lot ... together. It's who we are."

Other members duck town halls

Donnelly forged ahead with town halls despite Blue Dog colleagues who seemed to balk at what have sometimes been profanity-laden, crude and even violent town halls across the nation, with extensive coverage on cable news. At some events, placards compared Obama with Adolph Hitler as people expressed fears of a "socialist" takeover. U.S. Rep. Baron Hill compared those disrupting events as "political terrorists" and U.S. Rep. Brad Ellsworth announced he would not participate in traditional town hall formats. A man in the crowd at Kokomo wondered why U.S. Sens. Dick Lugar and Evan Bayh weren't hosting town halls, given that the Senate will play a crucial role this fall.



His remark was met by some shouts and wide applause.

Hill defended his use of the term "political terrorist" in a Washington Post article on Monday as he spoke to the Indianapolis Rotary Club at the Scottish Rite Cathedral on Tuesday. "That's a strong word to use, but if you're there to blow up a meeting, that's terrorism," Hill told HPI prior to his speech. During his speech, Hill acknowledged he used "pretty strong language" but described people disrupting town hall meetings around the U.S. as those "who have no intention in engaging in debate." On Monday, Indiana Republican Chairman J. Murray Clark called for an apology. "This is the worst sort of slap in the face an elected official can give to his constituents," Clark said. "He definitely owes an apology to the people of the 9th congressional district."

Hill wants system reform

But for nearly 45 minutes on Tuesday - as President Obama conducted a town hall meeting in New Hampshire - Hill told a respectful Rotary audience that he would not support a health reform bill that "doesn't reform the system."

"The inflationary rise and costs are not sustainable," Hill explained. "We have to get a hold of the problem. What I don't want to do as a member of Congress is perhaps raise revenues and perhaps throw it at a system that's broken, because that only exacerbates the problem. We have to reform the system."

He said that he wanted a "pay as you go" approach. He also defended Blue Dog Democrats who blocked a vote in late July before the August recess, saying he wanted to make sure there was not a "rush to judgment to pass a bill." He also said that a "team approach" as practiced at the Mayo Clinic (where doctors communicate in teams and are paid salaries and not "fee to services") as the way to keep costs from escalating.

Both Donnelly and Hill

tried to add context to those fearful of change. At one point, Donnelly was pressed on whether "illegal aliens" would be covered. He silenced the crowd when he asked what a hospital should do if a critically ill illegal immigrant turned up in an emergency room.

"Any time you have to deal with change comes discomfort, and there are a lot of people who are nervous and anxious," Hill told the Rotary. "But once we see the benefits of the changes the president is trying to make, those fears will subside. I have watched with great interest those who have tried to destroy what Congress is trying to do with health care. I have observed with great interest the ability of people to say things that are not true. They have

no intention of engaging in a meaningful debate. They have only one purpose in mind, and that's to blow up the meetings that are being held."

After Hill spoke and answered about ten questions, Rotary President Julian Peoples praised Rotarians for the respectful discourse. "This is the way things are supposed to work," Peoples said, adding that those who shout at public officials is "not the kind of democracy I want for my kids."



U.S. Rep. Mike Pence talked to an estimated 250 people at a town hall in New Castle on Wednesday night. He drew a similar crowd in Muncie last week and 100 at Greensburg. (New Castle Courier & Times Photo)

Young questions lack of town halls

While Donnelly is venturing into large constituent meetings, Hill is limiting his outreach to more controlled settings. That tack is drawing criticism from his Republican opponent, Todd Young.

Young, a Paoli lawyer, accused Hill of avoiding legitimate criticism of the so-called public option government-run insurance plan that is part of each of the three bills working their way through the House.

Hill backed a modified version of the public option in the measure approved before recess by the House Energy and Commerce Committee.

Hill is a member of the panel. Young agrees with



critics who say the public option is the first step toward a single-payer health care system.

"We've been told (by Hill) that that's not going to happen," Young said in an HPI interview. "But we're not given an opportunity to ask follow-up questions."

Hill would have to field those queries in a public event. "I have a tough time understanding why debate and inquiry is not even being accepted," Young said. "People are prepared to show up at these forums and act as responsible citizens."

Young is hosting a town hall meeting in Jasper today. "I am effectively serving the role as a United States congressman," he said.

"It is unfortunate that our congressman is not offering a similar forum."



U.S. Rep. Joe Donnelly talks to the press after Wednesday's town hall meeting in Kokomo. (HPI Photo by Brian A. Howey)

Bayh contribution 'upcoming'

As for U.S. Sen. Evan Bayh, the Evansville Courier & Press reported that he laid out "broad goals for health care reform but was light on specifics" Monday when he spoke with Evansville media during a one-day visit that included stops at a job fair he hosted and a high-dollar fundraiser.

Asked what his contribution has been to the debate, Bayh answered, "Well, that's a good question. My contribution is upcoming."

Potential Republican challenger Dan Domezich recalled U.S. Sen. Birch Bayh "drifting away from Hooiser values" prior to his 1980 upset by Dan Quayle. "I think similar circumstances exist today," Domezich said. "For example, health care is a critical topic. Why hasn't Evan had any town hall meetings? Why will he not give the public his core position?"

U.S. Sen. Dick Lugar hasn't scheduled any town halls on the matter, either, and protesters gathered outside an Evansville appearance he made earlier this week.

In one parallel dynamic, the precursor to the elder Bayh's defeat was an unrelenting series of TV attack ads by a conservative political action committee that the senator did not adequately respond to. The current Sen. Bayh is talking similar hits from the left by groups like Moveon.org and the Economic Freedom Alliance on issues ranging from health care to cap-and-trade, and union card check.

Blue Dog political danger?

Even if he takes heat on health care now, it's not clear that it will ultimately put Hill in any political danger.

He won his 2008 race with 58 percent of the vote, a landslide in a district decided by razor-thin margins in previous races.

Hill has a huge financial advantage over Young, with \$401,501 on hand as of June 30 compared to Young's \$88,992. But if health care remains controversial, it could give Young some traction.

"I have noticed an uptick in fundraising as a result of the health care (debate)," said Young, a former Marine who earned an MBA from the University of Chicago. "We'll keep plugging away."

If Young wins the GOP nomination, the National Republican Congressional Committee has vowed to help him. Washington Republicans believe their candidates will benefit from protests at health care town hall meetings.

"This is democracy at its purest form," said Joe Scarrino, an NRCC spokesman. "People are upset and speaking out."

Politically, Donnelly is in even better shape than Hill. He won in 2008 with 67 percent of the vote, has \$533,927 cash on hand and lacks a noticeable opponent.

But Donnelly said that he is not relaxing, even though there is no Republican challenger making noise. "That has not figured into the calculations at all," Donnelly said. "We're working non-stop."

When someone at Kokomo asked Donnelly if his ultimate vote would include a political calculation, Donnelly answered, "I had a job before this job. The way I vote won't be based on politics."

And there was a brief moment of candor: "I'd rather be home watching 'Bonanza' right now." ❖



Once competitive, Indiana Senate races have been blowouts

By **BRIAN A. HOWEY**

INDIANAPOLIS - In one of the opening scenes in the movie "13 Days," actor Kevin Costner played Kenny O'Donnell, chief of staff to President John F. Kennedy.

"Morning, Kenny. You see this goddamn Capehart stuff?" the unshaven JFK asks in the White House family quarters, rattling a newspaper report about Indiana Sen. Homer Capehart, who was trying to ward off a 1962 challenge from Indiana House Speaker Birch Bayh.

O'Donnell collapses in a chair opposite the President, sprawls comfortably and responds, "Bayh's going to lose, but it's good groundwork for us in '64."

The O'Donnell character was wrong.

Several weeks later, after the U.S. had survived a nuclear staredown with the Soviet Union in what we all know as the Cuban Missile Crisis, Bayh would upset Sen. Capehart 50.3 to 49.7 percent.

It kicked off an era in Indiana politics when U.S. Senate races were mostly close and never boring. Bayh would win an intense re-election race in the sensational war- and race-torn year of 1968 over Bill Ruckleshaus, 51.7 to 48.2 percent. Two years later, U.S. Sen. Vance Hartke would survive a challenge from U.S. Rep. Richard Roudebush 50.1 to 49.9 percent, winning by less than 1 vote per precinct.

And in the following decade, both Bayh and Hartke would lose their seats, with Birch Bayh warding off an intense challenge from Indianapolis Mayor Dick Lugar in the Watergate year 1974. Two years later, Lugar defeated Hartke by 18 percent and U.S. Rep. Dan Quayle sidelined Birch Bayh in the 1980 Reagan revolution 53-46 percent.

It was a vastly different environment than what we've witnessed over the last 15 years. Senate races in Indiana aren't close anymore, save the vic-

tory appointed Sen. Dan Coats won over State Rep. Baron Hill in 1990 by a 53-46 percent margin. By 1992, Coats was able to secure a 57-40 percent win over Secretary of State Joe Hogsett for the full term. But the Senate landslides really kicked in when Quayle annihilated Jill Long 61-38 percent in 1986 in a victory that positioned him for his ascension to the vice presidency. Two years later, Lugar whip-sawed Democrat Jack Wickes 67-32 percent. By 1998, when former Gov. Evan Bayh reclaimed his father's Senate seat, he did so with a 64-35 percent win over Fort Wayne Mayor Paul Helmke. The three races since then have all been blowouts.

We've watched parties put up sacrificial lambs like David Johnson and Marvin Scott as top-tier Democrats and Republicans have ducked races for the world's most privileged club.

It culminated in 2006 when Indiana Democrats didn't even challenge Lugar - an almost unprecedented situation north of the Mason-Dixon line when a major party took a pass on a Senate race. Lugar would roll up a record 87 percent against an unknown and unqualified Libertarian.

This is the kind of unsettling data that former state representative Dan Dumezich must be looking at as he weighs a decision on whether to challenge Sen. Evan Bayh in 2010. State Sen. Marlin Stutzman and Don Bates Jr. of Winchester have already entered the race.

Recent history shows that Lugar and Bayh have been overwhelmingly dominant when it comes to Senate races. Of the last 18 Senate showdowns,

Modern Indiana U.S. Senate races

1958

Vance Hartke	56.5
Harold Handley	42.4

1962

Birch Bayh	50.3
Homer Capehart (i)	49.7

1964

Vance Hartke	54.7
Russel Bontrager	45.3

1968

Birch Bayh	51.7
Bill Ruckleshaus	48.2

1970

Vance Hartke	50.1
Richard Roudebush	49.9

1974

Birch Bayh	50.7
Dick Lugar	46.4

1976

Dick Lugar	58.8
Vance Hartke (i)	40.5

1980

Dan Quayle	53.8
Birch Bayh (i)	46.2

1982

Dick Lugar	53.8
Floyd Fithian	45.6



Sen. Birch Bayh (second from left) with the Kennedys and J. Edgar Hoover.



U.S. Sen. Homer Capehart



13 have featured a Lugar or a Bayh. Their records are 11-2. Since 1958, only three incumbents - Capehart in 1962, Hartke to Lugar in 1976 and Birch Bayh in 1980 - have lost.

Then again, 2010 could be an election cycle that reflects the environment of the last two close races waged by a Lugar and Bayh. Quayle was able to upset Sen. Birch Bayh during the "malaise" years of President Jimmy Carter. The elder Bayh's defeat wasn't sure until the final weekend when the undecideds flocked to Ronald Reagan, leaving a string of defeated Democratic Senate titans (i.e. Bayh, Frank Church, George McGovern, Gaylord Nelson, Herman Talmadge, Mike Gravel, Warren Magnuson) with a combined 25 terms among them.

In 1982, as the recession descended into the depths that wouldn't be reached until 1983, Lugar was able to fend off U.S. Rep. Floyd Fithian (who lost his House seat due to redistricting) by a mere 53.8 to 45.6 percent.

The interesting historical footnotes in the 1980 and 1982 races are that two future Indiana governors - Evan Bayh and Mitch Daniels - served as campaign managers for Birch Bayh and Dick Lugar.

Sen. Evan Bayh's forces have tried to continue brand dominance. Several reliable sources tell Howey Politics that Bayh allies tried to impress on the GOP establishment that Lugar was given a pass in 2006 and that Bayh deserves one in 2010.

Evan Bayh faces a dynamic similar to Lugar's first re-elect. The economy could still be in the doldrums and it will come as President Barack Obama faces his first congressional mid-term. Given Obama's exhaustive agenda and the policy vs. politics dilemmas Bayh faces over votes on health reform, cap and trade, and labor choice, anything is possible.

On health care, Bayh has been circumspect. Asked by the Evansville Courier & Press's Eric Bradner what his contributions to the debate have been, Bayh answered, "Well,

that's a good question. My contribution is upcoming." When the health reforms come to the Senate floor, Bayh's bloc of 14 moderate Democratic senators could control the fate of the reforms.

Meanwhile, some 116 billboards paid for by the pro-labor Economic Freedom Alliance urging Bayh to vote for labor choice have sprung up across the state. So Bayh is taking arrows from across the spectrum and his silence is becoming deafening. During his gubernatorial and Senate careers, he's dominated Democratic voters and done well with independents and Republicans. Some of those groups will be alienated by the decisions he makes this fall.

Domezich told HPI that the recent string of Senate blowouts will not be the catalytic factor in whether he decides to run. "It is not daunting to me," he said Wednesday as he headed to a luncheon featuring U.S. Rep. Mike Pence. "In fact, it makes the potential race much more interesting. The past underscores the fact that when the public is unhappy, everyone is vulnerable. Ask Tom Daschel and, probably, Harry Reid."

Domezich explained, "Many people involved in Indiana politics remember the circumstances around 'upsets' like Quayle's (Birch's drifting away from Hoosier values). I think similar circumstances exist today. For example, health care is a critical topic. Why hasn't Evan had any town hall meetings? Why will he not give the public his core position? On the jobs front, why are people asking Evan not to kill their Jobs?"

The Schererville Republican added that "people understand that he is playing the inside Washington game rather than representing Hoosiers. He still thinks he can be the President. It is his number one priority. He is not thinking about us or representing our best interests."

Whether Bayh's trapeze through the political and policy minefields of 2009 creates a competitive political environment in 2010 is a compelling dynamic to watch unfold over the next year. ❖



This ad has been running on The Drudge Report this week.

1986
Dan Quayle 61.1
Jill Long 38.9

1988
Dick Lugar 67.7
Jack Wickes 32.3

1990
Dan Coats 53.7
Baron Hill 46.3

1992
Dan Coats 57.3
Joe Hogsett 40.7
Steve Dillon 1.6

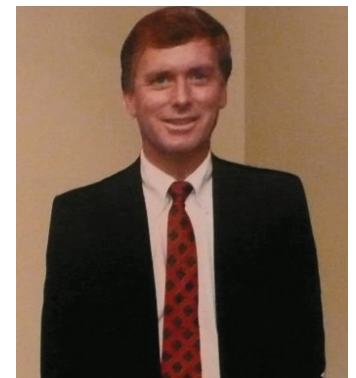
1994
Dick Lugar 67.4
Jim Jontz 30.5

1998
Evan Bayh 63.7
Paul Helmke 34.8
Sink-Burris 1.5

2000
Dick Lugar 66.5
David Johnson 31.9
Paul Hager 1.6

2004
Evan Bayh 62.0
Marvin Scott 37.0
Barger 1.0

2006
Dick Lugar 87.4
Osborn 12.6



Sen. Dan Quayle



Obama's poll slippage is to be expected

By **BRIAN A. HOWEY**

FREMONT, Ind. - As Barack Obama prepared to assume the presidency at the first of this year, I made this prediction: his approval rating would be somewhere in the 40th percentile by November.

The reason was the array and magnitude of the problems he faced: two foreign wars, the potential collapse of the American auto industry, the Wall Street meltdown, a severe recession and massive job loss, and his vow to take head-on health care, energy and immigration reforms.

If he followed the vision he articulated during the 2008 campaign, it would be impossible not to gore special interest oxen, touch third rails, become an apostate to sacred cows, unnerve shallow supporters (like many Hoosier Democrats who were late to join his bandwagon) and stasists who feast off the status quo. And there are the fear-mongers - remnants of the bewildered Republican Party - who have opposed everything Obama has done and have ratcheted up the attacks.

This week, the Rasmussen Reports daily Presidential Tracking Poll for Tuesday shows that 30 percent of the nation's voters strongly approve of the way Obama is performing his role as President. Thirty-seven percent strongly disapprove, giving Obama a Presidential Approval Index rating of -7. Forty-five percent give the President good or excellent marks for leadership.

New Rasmussen Reports polling shows public support for the health care reform plan proposed by President Obama and congressional Democrats had fallen to a new low. Data released Monday showed that 51 percent fear the federal government more than private insurance companies. Thirty-two percent favor a single-payer health care system for the U.S. while 57 percent are opposed.

Overall, 49 percent of voters say they at least somewhat approve of the President's performance. Fifty percent disapprove.

And the polling decline was not limited to Rasmussen. The Real Clear Politics poll composite had Obama's approval rating at 53.5 to 41 percent on Tuesday. But the approve/disapprove numbers were all over the charts. Gallup (Aug. 7-9) had it at 55-38 percent; CNN/Opinion Research (July 31-Aug. 3) put the numbers at 56-40 percent and Quinnipiac (July 27-Aug. 3) had it at 50/42 percent.

These numbers had fallen from June 29-July 1 when Gallup had Obama at 61-30 percent or April 22-24 when it was 66/27 percent. On Feb. 18-19, just days after the stimulus package passed Congress, CNN/Opinion Research had the numbers at 67/29 percent.

Or as President Obama put in at Portsmouth on Tuesday when talking about health reforms, "But here's one thing I've got to say: I never said this was going to be easy. I never said change would be easy. If it were easy, it would have already been done. Change is hard. And it doesn't start in Washington. It begins in places like Portsmouth."

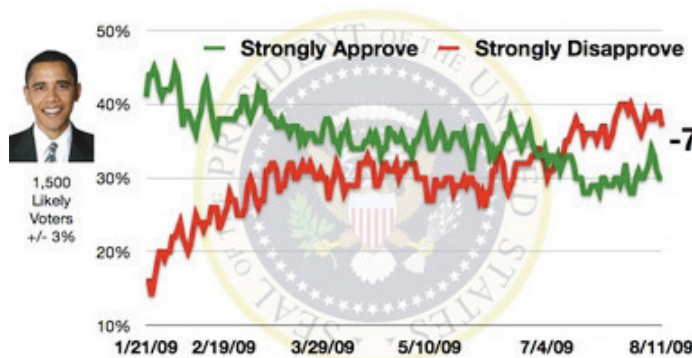
Obama continued, "Because the way politics works sometimes is that people who want to keep things the way they are will try to scare the heck out of folks and they'll create boogymen out there that just aren't real. So this is an important and complicated issue that deserves serious debate.

And we have months to go before we're done, and years after that to phase in all these reforms and get them right. And I know this: Despite all the hand-wringing pundits and the best efforts of those who are profiting from the status quo, we are closer to achieving health insurance reform than we have ever been. Let's face it, now is the hard part because the history is clear: every time we come close to passing health insurance reform, the special interests fight back with everything they've got. They use their influence. They use their political allies to scare and mislead the American people. They start running ads. This is what they always do.

"We can't let them do it again. Not this time. Not now."

To put this in perspective, a Sept. 20, 2007, Research 2000 poll showed Gov. Mitch Daniels' re-elect at a paltry 39 percent, with 37 percent saying they would replace him and 21 percent said they would be willing to back another candidate. In the head-to-head, Daniels led Democrat Jill Long Thompson 46-38 percent.

Presidential Approval Index



1,500 Likely Voters +/- 3%

www.RasmussenReports.com



President Obama speaking at Navistar in Wakarusa last week. (MSNBC Photo)

In a December 2007 Bellwether Research Poll, Daniels' approval/disapproval stood at 51/41 percent.

Daniels ended up defeating Thompson 58-40 percent in November 2008.

A better comparison would be President Reagan, who dipped to a 35 percent Gallup Poll approval rating on Jan. 8, 1983, only to see it rebound to 61 percent on Oct. 27, 1984, a little over a week before his landslide re-election.

The Obama strategy appears to be this: do the heavy lifting in the first months of his term. The approval numbers will fall, almost certainly to uncomfortable levels. The pundits will proclaim the president a dead man walking. And then, as Gov. Daniels and President Reagan did, the notion that good public policy is the best politics kicks in, given that his vast array of reforms and controversial decisions bring results.

Republicans will be quick to counter that while Major Moves, Daylight Saving Time, telecom reform and Hoosier Healthwise programs began paying both policy and political dividends just as the re-elect was stoking up, Obama faces a more arduous course.

The economy is still in bad shape (though it was in a similar anemic state for President Reagan as late as 1983). We all know how that turned out: a 49-state landslide for the Gipper.

Cap and trade energy reforms and the health care reforms have proven to be incredibly controversial and no one knows how such policy changes will impact politically by the time Obama is stoking up his re-elect effort in 2011.

As for Republican glee over Obama's declining numbers, or Democratic hand-wringing, the essence of today's polls is that this was something to be expected. ❖

Mutz endorses Murphy in 5th CD

By **BRIAN A. HOWEY**

INDIANAPOLIS - Former Lt. Gov. John Mutz endorsed State Rep. Mike Murphy in his challenge to U.S. Rep. Dan Burton.

"I have known Mike Murphy for 22 years and during that time I have observed someone willing to go the distance for any cause or constituent he gets behind. Not only have I been impressed with his work ethic and energy over the years, Mike's record of accomplishment is unmatched in this race," Mutz said. "The future of our



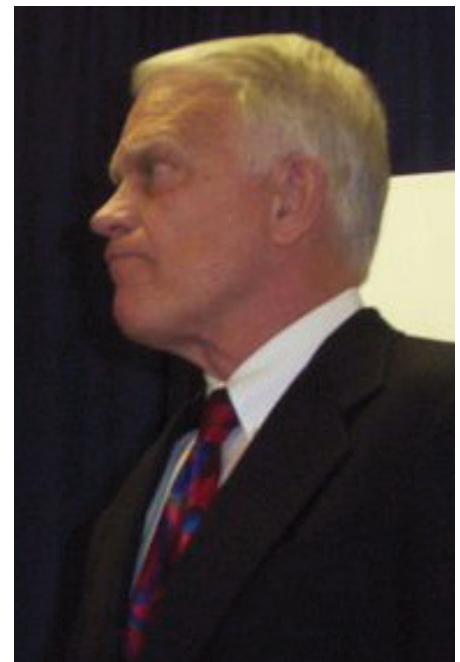
party demands we return to the common sense principles of de-regulation and fiscal discipline in government. State Representative Mike Murphy not only champions these ideas, he has spent 15 years working for Hoosiers to put them into action. I have full

confidence he will continue to leverage his experience and leadership when in Washington in order to help create jobs and investment in the state of Indiana."

"Mike demonstrated early on how to promote Indiana's own energy resources to help create jobs and investment in the state. He's the only one in the race who can make such a claim.

One example of his leadership on this issue was when Mike and I collaborated to help create the Center for Coal Technology Research at Purdue University," said Mutz, former president of PSI Energy, Indiana's largest electric utility.

"I plan to do everything I can to help Mike get elected and get his message out to Hoosiers all across the district," Mutz said.



Burton, meanwhile, has

Former Lt. Gov. John Mutz



scheduled an Aug. 25 health care reform town hall with U.S. Rep. Steve Buyer. "Dan is busy peppering the district with health care meetings and events, some public, some private," said Burton press aide John Donnelly. "We're also looking into venues for other town hall formats ... something that will foster a productive conversation, although I think Rep. Burton's votes and issue positions will insulate him from most of the shouting you've seen on TV. He voted against TARP, the GM/Chrysler bailout, the stimulus, cap/trade, and he's ardently opposed to the House Democrats' health care plan. Not much to protest there."

Donnelly added, "Dan does support reform, just not the Democrats' version. HR 3400 is a great bill created by the Republican Study Committee, and that's what we're rallying behind." He provided a three page summary of the bill, noting, "I included this just so you know what we stand for, not just what we're opposed to. The future of any health care bill will be determined only by whether or not Democrats can agree with each other. If the Blue Dogs get on board, then it is game-over."

SD17: Banks to run

Whitley County Republican Chairman Jim Banks formally announced his candidacy for Indiana State Senate District 17 in a seat that will be vacated due to the retirement of State Sen. Gary Dillon. Banks, 30, is the first to file to succeed retiring Indiana State Senator Gary "Doc"



JIM BANKS

Dillon. A county councilman elected at-large in Whitley County, Banks also serves as 3rd CD Republican vice-chairman.

"I am excited about this opportunity to take my public service to the Legislature where I can advance many fiscal and social conservative issues that matter to our district," said Banks. "I am proud of my fiscal

conservative record on the Whitley County Council and look forward to taking the same fresh and aggressive conservative values to the Statehouse."

Banks is the director of business development at The Hagerman Group, a 101-year-old general contractor and construction management company headquartered in Fort Wayne. Before that, he worked in the public policy department at Focus on the Family in Colorado Springs, where he helped advance pro-family values across the nation.

Fort Wayne Observed, a blog run by Fort Wayne Councilman Mitch Harper, reported that State Reps. Bill Ruppel and Mike Leonard are also weighing runs for the Senate. FWO reported that if Leonard were to run, Banks would likely opt to run for that vacated House seat. ❖

The Washington Post

SATURDAY, DECEMBER 29, 2007

"The Best Indiana Political Reporter: *Howey Political Report* editor Brian Howey."

HOWEY
Politics Indiana



Changing roles causing conflicts

By **MORTON J. MARCUS**

INDIANAPOLIS - "Don't write that," a voice said from somewhere in my study. "Don't write what?" I asked looking about.

"Don't write that the relationship between the public and private sectors changes over time," said the voice from under the rocking chair.

"But it is true," I said.

"Once the U.S. Postal Service carried almost all messages, love notes, birthday greetings as well as bills. Today, the Internet increasingly does that work as does United Parcel, FedEx and other private carriers. That doesn't mean the Postal Service should be abandoned, but



Morton Marcus
Column

it does mean we have to reexamine what it does, how it does it, and how we pay for it."

"Exactly," the voice declared from behind the recliner. "It's just like we are reexamining the relationships between the public and private sectors in both health care and education."

"Many of the issues are the same," I agreed. "They apply as well to financial markets, the arts, and 'public' radio and TV."

"Don't write it," the voice repeated, this time from under a table.

"Why not?" I asked.

"Because," said the voice now under my desk, "folks on the left and the right have made up their minds and a reasonable discussion of any sensitive issue will alienate some people."

"First," I laughed, "the numbers of people on the left and the right really are very small. Second, both the left and the right are paranoid about government and distrustful of people in general. Third, the majority of folks have not thought seriously about anything since the Cubs last won the World Series. Fourth, only those with a predisposition to alienation read my column."

"Don't be flippant," the voice warned.

"The current discussions of all these topics include the same questions," I said. "Which aspects of our lives can we trust to the private sector without government regulation? Who should pay for services that we believe should be available to all but which are expensive to provide universally (such as rural electricity or major medical services)? How do we manage and finance services that

we believe strongly should be used by everyone (such as education and vaccinations)?

"Are we content to provide veterans with high-quality health care at low prices while denying their brothers and sisters the same? Is it right that a person disqualified from military service because of a birth defect should be denied access to excellent VA hospitals when s/he wanted to serve the nation?"

"If we are going to argue that health care should be provided through the private sector, it still could be financed by the public sector. That's what people who push for public financing of private education seek. They want to pick the schools their children attend using vouchers from the public treasury. Which is just what Medicare does: finances private sector consumer choices."

"Don't, don't," the voice implored. "You are introducing raw, naked reality where so many crave fantasy. We have many examples of mixing the public and private sectors successfully, but that's not what people want to believe. The left and the right want to hear how government is always bad, always inadequate, always inefficient or corrupt, always..."

"Hold it," I interrupted. "Most people accept things as they are. It's the idea of change that they resist. Suggest that government take a larger role in financing health care and you loosen the nuts from the trees. Suggest that government take a smaller role in education or postal services and the tears will flow from those who anticipate abandonment."

"We don't trust the private sector any more than we trust government. We distrust anyone or any institution with power. Big business and big government are both presumed to be bad for the welfare of the ordinary citizen. We like small, powerless businesses and governments."

"We don't care how inefficient they are. We don't care how unjust they are. If they are small, they're OK because whatever they do individually has little bearing on most of us. We believe that there is always some place we can go to escape them, some competitor who will be different. It is that unfounded faith in the existence in diversity of providers that makes us feel safe."

"I'm leaving," the voice said from the doorway. "Now you're talking about diversity and that's dangerous."



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



Doug Ross, Times of Northwest Indiana: It's a no-brainer that unemployed people are more likely to need health care coverage than people who are employed. That's the way the American system works. Some employers began offering health care benefits to employees years ago, and the insurance industry evolved around that business model. It's part of the cost of doing business for those companies. Some Americans get their health care coverage from the government through a series of programs that cover veterans, active troops, the elderly, disabled, the poor, children and expectant mothers. Everyone else either gets private insurance, which can be far more costly than group insurance, or risks bankruptcy if socked by bills associated with a major illness. These are the people who are more likely to put off preventive measures and early diagnoses and instead treat the emergency room as a family doctor. They get their care at the most costly venue and from providers trained in a different specialty than family practitioners. The unemployed who either lost their health care benefits along with the jobs or never had it in the first place are at risk of not getting the medical care they need. They simply can't afford it. And with the unemployment rate so high -- with more than one in 10 Hoosiers in the labor pool out of work -- it's a big problem. On the other hand, creating a new entitlement program could drive up corporate taxes and other costs as well as individual income taxes, which could then create more pressure to cut labor costs. It's a difficult decision that must not be rushed. Normally, I'm unhappy when lawmakers fail to meet a deadline. But the deadline for Congress to pass this reform before its August recess just wasn't realistic. The United States needs health care reform, but take the time to do it right. Make certain the model that emerges is right not just for now but also for the future. This is a major change that must not be hastily cobbled together. I guess that puts me somewhere between the militant Republicans and Libertarians who don't want government in the health care business and Democrats and other progressives who want the government to make sure all Americans are quickly given health care coverage. Let's work on health care reform, but let's keep an eye on that unemployment rate, too. ❖

Gary Gerard, Warsaw Times-Union: here's my idea for health care reform. Let's make health insurance more like car insurance. When you need a tuneup or a battery or even a transmission or an air conditioner compressor, you don't call your auto insurance company. You shop around for an auto mechanic and you get it fixed. Maybe you have to put it on your credit card, but you pay for it. Let's do health care like that. Everybody gets a \$5,000 deductible major medical insurance plan to take care of

the serious, expensive stuff. Then, everybody working gets a health savings account. The money comes out of your paycheck pre-tax. Here's where the government could help. They could add an incentive for HSA accounts, say matching at 20 percent. So, for every 10 dollars you withhold, you save \$3 bucks in taxable income and get an extra \$2 dumped into your HSA. So withholding \$2,000 per year would amount to \$2,400 in your HSA. Throughout the year, you pay for your doctor visits and prescriptions out of the HSA. If you spend all of your HSA and need more, hey, put it on your credit card. But once you hit \$5,000, insurance takes over. If you don't spend it all, you can buy Christmas presents with it or roll it over into the next year, depending on how healthy you are. Look what happens here. First of all, you are now a consumer of health care. You will shop around. If your doctor charges \$75 for an office visit and the doctor down the street charges \$50, change. If prescriptions are cheaper here than there, you'll go here. And if that knee isn't really hurting all that bad, you might forgo the x-ray. And if you don't have a fever with that scratchy throat, you might just let it run its course instead of rushing off to get a prescription. And since you're now paying for your own health care, you might be inclined try a little more preventive maintenance. Maybe eat a little better, lose a little weight, stop smoking or cut back on the booze. All of these things would work to lower costs of health care. Simple rules of supply and demand start to apply. ❖



Dale Moss, Louisville Courier-Journal: Larry Wilder sat near the coffee shop window, alongside a busy Jeffersonville sidewalk. He wore a seersucker suit, shot the breeze like he owns the place. You figured he'd be lying low? Figure again. No matter that the already high-profile lawyer ended up one June night passed out drunk in a neighbor's garbage can — with photos of the spectacle soon surfacing across the world, thanks to the Internet. He laughs: "I heard I was the third (most popular) hit on YouTube in Sweden." Wilder, 48 and divorced, worries about the impact on his three children, high school and college-age, and wonders how the episode will play in his obituary — what its ultimate price might be. But he does not wonder if he can live down the embarrassment, get past the snickers. If anyone can be ready for a personal gaffe this publicly gigantic, Wilder apparently is. "I've always been self-deprecating," he said. "It's not something I've had to learn." People who keep their wits also tend to keep out of the trash, of course. Wilder says he is not really that wild a guy. "It's way off the charts for what's normal for me," he said. Yet, he accepts responsibility, acknowledging that he chose to join acquaintances for dinner and drinks in Louisville. "The facts are what they are," Wilder said. "I ended up where I ended up." ❖



Pro health reform ad campaign begins

WASHINGTON - A new coalition on Thursday is launching \$12 million in television ads to support President Barack Obama's health-reform plan, in the opening wave of a planned tens of millions of dollars this fall (Politico).



The new group, funded largely by the pharmaceutical industry, is called Americans for Stable Quality Care. It includes some odd bedfellows: the American Medical Association, FamiliesUSA, the Federation of American Hospitals, PhRMA and SEIU, the service employees' union. The ads start airing at about 11 a.m. ET Thursday. The group is likely to be the biggest spender in support of health reform. The campaign will serve as a counterweight to the critics at town meetings, which are getting saturation news coverage while Congress is out of town. In a reversal from former President Bill Clinton's 1993-94 health-care debacle, the group's campaign is likely to mean that White House supporters keep the upper hand on the airwaves.

Daniels announces

BMV license changes

INDIANAPOLIS - Gov. Mitch Daniels on Wednesday rolled back a key portion of an initiative to tighten the process of obtaining Indiana driver's licenses and ID cards (Fort Wayne Journal Gazette). Last month, the Bureau of Motor Vehicles announced that beginning in January, all Hoosiers who renew, amend or apply for a driver's license or identification card would receive a card that complies with new federal identification rules. But to get that card, they would have to provide a number of documents

establishing their identity and lawful status, Social Security number and residency. Daniels said Wednesday that after some internal discussion and customer feedback, the state will allow those renewing driver's licenses or IDs to obtain a non-compliant card without providing the additional documentation. A non-compliant card will contain a statement that it is not for federal identification, but it will allow Hoosiers to drive legally and to vote.

IBM officials hear from lawmakers

INDIANAPOLIS - Southwestern Indiana lawmakers, hospitals and social services agencies ramped up the pressure on the companies hired to modernize Indiana's welfare agency during a closed-door meeting earlier this week (Bradner, Evansville Courier & Press). Family and Social Services Administration Secretary Anne Murphy brought officials from IBM Corp. and Affiliated Computer Services Inc., the companies working on a 10-year contract that now tops \$1.3 billion, to Tuesday's meeting so they could hear from those who are affected by the problems plaguing the new system. "We wanted them to see the importance of turning this ship around, face to face," said FSSA spokesman Marcus Barlow. "We wanted them to talk to the people who are dealing with these issues every day." After the meeting, state lawmakers said they sent the message they want more go-to specialists and fewer hands touching problematic or confusing cases. "They need to reintroduce that human element, try to take what is working in counties that haven't been modernized and blend that into counties that have," said Rep. Suzanne Crouch, R-Evansville.

Anti reform group protests Bayh, Lugar

LAFAYETTE - About 10 mem-

bers from the Lafayette-based Citizens in Action group traveled to Indianapolis Wednesday to take part in a protest against health care reform legislation moving through Congress (Lafayette Journal & Courier). Standing outside the offices of Indiana's U.S. senators, they waved their signs saying "honk for less government spending" and "the government is coming, the government is coming." The Lafayette group, which earlier organized "tea parties" to protest government spending, stood alongside other protesters from across Central Indiana, for a total of about 75 protesters. Donn Brown, director of operations for the group, said the protest was organized because Sens. Richard Lugar, a Republican, and Evan Bayh, a Democrat, will not hold community forums to discuss the legislation. "We don't feel like they are working hard enough against this health care bill," Brown said.

Carbon Motors seeks \$310M loan from feds

CONNERSVILLE - The company that is planning to build a police-car manufacturing plant in Connersville is applying for a \$310 million loan (Indianapolis Star). Carbon Motors filed the application, filed with U.S. Department of Energy, so it can produce the high-tech Carbon E7 police cruisers inside a mothballed facility in struggling Fayette County, where unemployment levels have been hovering above 16 percent. Thousands of Connersville residents gathered for the announcement in the former Visteon plant July 29 to cheer on plans that would bring 1,300 jobs to town. Carbon Motors needs the money to revamp the 1.8 million square-foot-facility. Their application was expected.

Obama challenges Hill in hoops

COLUMBUS - U.S. Rep. Baron Hill, D-Ind., made a name for himself



in high school as a standout guard for Seymour's basketball team (Columbus Republic). Now President Barack Obama wants to see the Indiana Basketball Hall of Fame member in action. Obama invited Hill to play in a pickup game sometime after members of Congress return from their August break. "The president called me the other day (at my house), and I talked to him ... and he invited me to play basketball with him," Hill said in Columbus recently, adding that his heart beat hard for three minutes. "I want to prove to him that short people can play basketball, too."

Bush stopped taking Cheney's advice

WASHINGTON - Former Vice President Dick Cheney believes his old boss, President George W. Bush, gradually turned away from his advice during their second term in the White House, showing a surprising independence as he started taking more flexible positions on a range of issues, The Washington Post reported Wednesday. Cheney, often described as the most influential vice president in U.S. history, has been discussing his years in office in informal talks with authors, diplomats, policy experts and past colleagues, the Post said, as he works on a memoir due out in 2011 from Simon & Schuster's Threshold Editions. Robert Barnett, who negotiated Cheney's book contract, passed word to potential publishers that the memoir would be packed with news, said the article published on the Post Web site, and Cheney himself has said, without explanation, that "the statute of limitations has expired" on many of his secrets. The book will cover Cheney's long career from chief of staff under President Gerald Ford to vice president under Bush. "When the president made decisions that I didn't agree with, I still supported him and didn't go out and undercut him," Cheney said, according to Stephen

Hayes, his authorized biographer. "Now we're talking about after we've left office. I have strong feelings about what happened. ... And I don't have any reason not to forthrightly express those views."

Gingrich, Goldsmith position for 2012

WASHINGTON - Former House Speaker Newt Gingrich who is openly considering a run for president in 2012, will participate in a "four-part course on the principles necessary to fundamentally change how to think about and implement government policies and budgets," today at the American Enterprise Institute (Cillizza, Washington Post). Gingrich, who will be joined today by former Indianapolis Mayor Stephen Goldsmith, is positioning himself as the ideas guy/policy wonk of the 2012 Republican field.

Bayh says HUD will use Gary as template

GARY - Sen. Evan Bayh says the U.S. Department of Housing and Urban Development has established a "Gary Project" that will try to turn the gritty lakefront city into a national model for urban revitalization. Bayh told The Times of Merrillville that he was notified Wednesday by HUD Deputy Secretary Ron Sims that the agency plans to assemble a team of national experts by mid-September that will look at Gary's urban decay and bringing economic development to the city. He said HUD officials would like to make the project a national example. They feel if they can get Gary on the right track, they can apply they lessons they learn elsewhere.

Pro health reform ad campaign begins

WASHINGTON - Indiana Sen. Evan Bayh and four other Democratic senators have asked the Pentagon's inspector general to review the Army's

response to the potential exposure of Indiana National Guardsmen to a deadly chemical in Iraq (Gannett News Service). The senators said they believe the conduct of the Army and military contractor KBR may have caused hundreds of U.S. troops to be exposed to dangerous levels of cancer-causing sodium dichromate.

CIB still faces huge challenges

INDIANAPOLIS - After a series of painful budget cuts, months of political wrangling by state lawmakers and a precariously close vote by the City-County Council, now comes the hard part for the Capital Improvement Board (Indianapolis Star). The fact is, the CIB, which oversees the city's stadiums and the Indiana Convention Center, still faces enormous challenges. Among the most difficult will be hammering out a new financial agreement with the Indiana Pacers, who, after years of losses, say they can no longer bear the entire \$15 million cost of operating Conseco Fieldhouse. But that's not all. The CIB also is facing mounting pressure from the Indianapolis Convention & Visitors Association for funding to promote the expanded convention center.

Gary monitor to cost \$320k

GARY - The city is negotiating a contract with a Philadelphia firm offering to serve as the new fiscal monitor Gary is required to hire by a state tax appeals board (Post-Tribune). Public Financial Management Inc. was one of seven companies to bid for the job in July. It said a 90-day review of the status of Gary's finances could cost \$320,000. ❖