



Reforms flicker in Daniels twilight

Right to Work will likely suck oxygen away from local government reforms

By **BRIAN A. HOWEY**

NASHVILLE, Ind. - Why do we need 92 counties?

It was a rhetorical question I had posed to White House Budget Director Mitch Daniels during a 2002 phone conversation. "That's a good question," Daniels said. "Why do we need 92 counties?"



He hadn't publicly decided to come back to Indiana to run for governor, but clearly he had that scenario in his mind.

With that conversation, hopes were raised that a modern Indiana chief executive might follow in the footsteps of Gov. Thomas R. Marshall and Gov. Paul McNutt in reforming Indiana's 19th Century era government. Gov. Bob Orr (who late in life repeatedly encouraged me to pursue the reform issues) and



Gov. Joe Kernan made glancing attempts or participated in studies on the subject. But it was Gov. Daniels who early in his first term offered the most intriguing advancements when he appointed Kernan and Chief Justice Randall T. Shepard (pictured above) to pursue modernization. What became known as the Kernan-Shepard Commission came up with 27 recommendations. A handful of them (no more than two 911 call centers per county, eliminating all but 12

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Newt? If Cain is disabled?

By **MARK SOUDER**

FORT WAYNE - As the Republican presidential candidates engage in a highly public game of whack-a-mole, Mitt Romney is has been the leader or near the top of a garden variety of opponents. Twice as many Republicans believe that he will win as favor him to win. I would be among those Republicans.



Romney's problems, in descending order, are: 1) his Massachusetts health care plan is similar enough to President Obama's that it undermines the No. 1 Republican issue; 2) his flip-flop-flip positions don't instill confidence in the



"Passing a Right to Work law is the single most important action our lawmakers can take to put more Hoosiers back to work."

- Indiana Chamber President Kevin Brinegar



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conservative base of the party; 3) if you heard someone say the "charismatic Mitt Romney" you would assume they got him confused with someone else; and 4) he's a Mormon. The last is not a big factor, but if the election is close, it could be a small factor that tips a race. But it also helps in Nevada and Arizona, both of which are potentially important in a close Electoral College contest.

Republican whack-a-mole, increasingly occurring at a faster and faster pace that would panic even the best carnival player, is rooted in the negative. The sophisticated veneer put upon a smear is that the "candidate will now undergo more scrutiny." It is true that when a candidate rises from 3% to the lead, there might be more attention paid to their position on, say, Pakistan or 9-9-9. But seriously, does anyone think that Herman Cain suddenly cratered in some polls because his foreign policy was to militarily confront people whose names he would get from his staff?

People with clear worldviews care about the specifics of tax and foreign policy and swing voters are trying to see who slept with or harassed whom, how many times a candidate married, what their religion might be, race, gender, or one's credit limit at Tiffany's.

Both so-called independents and those with consistent worldviews are likely to care about flip-flops, especially flip-flop-flippers of which Romney and Gingrich would be among the more skilled practitioners. Both groups probably would prefer not to have a president such as Gingrich, who says that Barney Frank should go to jail for being too close to Freddie Mac lobbyists, and then admits to taking \$1.6 million for having represented Freddie Mac. Or have doubts if the same candidate who was attacking Freddie Mac for increasing housing subsidies had given them history lessons and training lobbyists on how to sell more houses. It is a new category of flip-

flop-flipping on two issues simultaneously, sort of a double back flip that only someone of Newt Gingrich's skill could attempt.

Details of the 9-9-9 plan, as opposed to "liking the simplicity of the concept," is something core voters who don't just move with the momentum care about. Those who have an ideological viewpoint tend to prefer a candidate who is articulate and seldom turn to opponents to ask for the name of the agency that the person had been campaigning to abolish (had Ron Paul said "Defense" would Perry have said "Defense"?)

Ultimately, conservative Republicans most want someone who can defeat President Obama. It is unclear how Mitt Romney would do better than John McCain. One of the best arguments is that people no longer are deceived that Obama is a moderate (if many really were, it was no fault of the conservative media). The economy isn't exactly helping the President, he has been a little militaristic for a peace candidate, and Washington isn't held in the highest esteem lately. Romney "looks" presidential, whatever that means. He believes in American exceptionalism and talks a pretty good conservative line. He is articulate and doesn't make lots of mistakes. But is that enough?

Most of us love the idea of a Herman Cain, but it would be incredibly risky. Newt Gingrich is absolutely enthralling as he explains civilization to us. His attention to details of ideas, and the number, perhaps even exceeds our governor. Almost no matter what one said, Mitch would point to something in his Roadmap for Indiana. ("Yes, I discussed the need for our popcorn industry to develop a movie theater butter with no calories in my Roadmap. Did you look under Van Buren?")

But there also are differences. I mean besides that Mitch Daniels has actually implemented his ideas. One is the scope. Newt wants to alter how



the world thinks about new ideas, the environment, and outer space. Mitch wanted to make sure that we no longer had to take sleeping bags to renew our driver's licenses. (Though, perhaps Mitch's goal to change secondary education in Indiana will be as difficult as altering world civilization.) There is another difference. Mitch is disciplined. No one ever uses that word for Newt.

I remember when Newt told our Class of 1994 at our 10-year reunion that to succeed we needed to concentrate on just three issues, and drive those issues. Then Andrea Seastrand of California asked about the Spacecoast Project for central California, and how important it was. He said, absolutely critical. Terrific idea. We need to do it now. And off he went into 100 new ideas. Anyone who came

between Mitch and the implementation of a key idea felt the definition of intensity and focus. I simply do not believe that Newt has discovered the self-discipline he needs to win. Nor do I think he has the charm to win over independents who would be drowning in negatives.

Perhaps Santorum could still emerge, but barring that, it does not appear that any one candidate is capable of stopping Romney. Unless he pulls a boner like claiming he was "brainwashed" on health care, I have seen little to convince me that there will be anyone with a catcher's Mitt.



Souder is a former Indiana Republican congressman.

Twilight, from page 1

of the 1,008 township assessors) have passed into law and in the case of assessors, were approved overwhelmingly by voters.

Some of the recommendations, such as eliminating an elected county sheriff in favor of an appointed police chief, would never receive the popular support of the people and, subsequently, legislators. Nor would condensing the number of counties, which was not recommended.

When the topic came up before an Indiana Chamber of Commerce legislative preview session on Nov. 21, both Republican and Democratic legislative leaders indicated the most likely reforms to come up this session appear to be bills on anti-nepotism and conflict of interest (cops and firefighters serving on councils that set their own salaries). But a number of other issues have fallen by the wayside. They include establishing a single county executive to replace the three county commissioners; the transfer of county auditor, treasurer, recorder, assessor, surveyor and coroner to a county executive; the creation of a countywide body to oversee public safety; the establishment of countywide libraries; and eliminating townships.

In my review of township government, the impediment to total elimination there is that many stakeholders

have little faith that the inefficiently structured counties can effectively handle township duties.

Without a governor – in this case one of the most politically popular ones in modern times – actively using his bully pulpit to create an environment for the reforms, they have little chance of passage.

What happened earlier on Nov. 21 was of concern for those of us who had hoped a Daniels governorship would modernize Indiana government. House Speaker Brian Bosma and Senate President Pro Tempore David Long announced that Right to Work legislation will be the "No. 1 priority" in the 2012 session, Daniels' last as governor. And with that pronouncement – still without the official imprimatur of the governor, though he is sympathetic, telling the Indianapolis Star he will "chime in" on Dec. 16 – all of the oxygen on just about every other issue is, essentially, being sucked out of the room.

Daniels said of Long and Bosma, "Their agenda is all of our agenda. I'll just say that in this national economy we need absolutely every edge we can get to bring middle-class jobs here that are in just short supply all over the country. I'll also observe that there's a lot of competition now, particularly in our region. We cannot rest on the oars. We have to continue to look for things that might make us more attractive."

Normally "No. 1 priorities" have centered on issues such as property tax or education reforms or specific issues such as full-day kindergarten or the Major Moves highway program. While each of those topics proved to be controversial, and the debates over the years have been intense, there was a legitimate chance of bipartisan support.

Right to Work will be one of the most divisive, polarizing issues ever to come up before the General Assembly. You know the story from the 2011 session. House



Gov. Daniels signs the property tax reforms into law with Senate President David Long (right) and then-Speaker B. Patrick Bauer. (HPI Photo by Brian A. Howey)



Democrats walked out for five weeks over Right to Work, endangering the entire session that ultimately approved historic education reforms as well as abortion restrictions. I ardently columnized against the tactic, believing that if you're elected to do a job, you show up for work.

In the wake of the Bosma-Long press conference, House Minority Leader B. Patrick Bauer vowed, "We may be in the minority, but we have a duty to protect ourselves against the tyranny of the majority." Senate Minority Leader Vi Simpson reacted by saying, "You have to wonder about what that means for the future of this legislative session. This issue is divisive. We should be talking together."

Republicans passed legislation earlier this year to fine members who don't show up. The 2012 short session officially began with Organization Day on Nov. 22, with the House adjourned until 1:30 p.m. Jan. 4, according to Tory Flynn, communications director for the House Republicans.

We know there are House Democrats who are concerned about the fines. Even then, there are ways to gum up the session. Fines can be assessed after a legislator misses three consecutive days without excuse. One scenario calls for a "rolling walkout" where enough Democrats stay away to deny a quorum, turning the session into deliberating at the speed of sorghum on a frigid day, until the session reaches its March 14 deadline. By that time, many legislators will want to go home to campaign for the May primary. Many won't know until late February whether they will have a primary opponent. Flynn told HPI, "There is nothing that prohibits a 'rolling walkout.' However, the House retains its rights under the rules to assess fines outside of the new statutory provision. The Speaker has a track record of using these rules."

Long and Bosma make the case that with the Indiana jobless rate at 9 percent (Bauer insists if you count those who have stopped looking it's actually at 16.7 percent) and with more than a quarter million Hoosiers out of work (Long put the number at 266,000), Right to Work is a jobs bill and the jobs issue is by far the top one (see HRCC polling, page 5). They insist that a third to a half of all companies looking to move to the state cross Indiana off the list as one of 28 states without Right to Work laws. But cutting wasteful government spending ranks second, and that is a central thrust of Kernan-Shepard.

I spent much of this day researching the issue and you can make the case either way with a plethora of statistics that can be shaped to form your own advocacy. Earlier this week, Forbes Magazine dropped Indiana's business ranking to 34th, and it cited Right to Work as one of the reasons. But when I look at only 11% of the Indiana workforce unionized, we're talking about a sliver of the state that's about the size of the gay population.

This begs the question as to which would have a greater impact: local governments set up in a more efficient, uniform 21st Century mode that would also improve the business climate and impact just about every Hoosier, or changing labor laws that will affect less than 10% of the population?

Unionized industries tend to be heavy manufacturing, the building trades (exempted in the coming legislation), teachers and mining. The high tech, green tech, electric car, life science jobs that Indiana is targeting are not unionized industries.

The indispensable man at this point is the lame duck governor whose approve/disapprove rating stands at 62/30 (see graphs, next page). Top aides and allies insist that Daniels will not abide by any fowl rendering. He has hinted at pushing further education reforms during his last session. He has talked about one more stab at local government reforms.

I'm here to remind him that for the past decade, he has not only been an advocate of bringing Indiana government out of the 19th Century, he has done more to push it with the establishment of the Kernan-Shepard Commission, and he has articulated the logic for these changes in several State of the State addresses. He moved the portrait of Gov. Marshall over the conference table in his Statehouse office, something I took as a subtle reminder that perhaps a century after Marshall tried to move Indiana government into the 20th Century, Daniels might do it in the 21st.

Some would argue that it's not necessarily an either/or scenario between Right to Work (where Long and Bosma believe they have the votes, unless House Democrats destroy the session), and local government reform, which the Republican-controlled legislature couldn't move last year and the four sessions under Democratic control prior saw the majority sabotaging legislation at the committee level. Some believe that no one can move the Kernan-Shepard reforms.

In 2005, Gov. Daniels took an extraordinarily tough issue - selling a food and beverage tax increase in the



Gov. Daniels stumped for the Colts stadium in Indianapolis before taxpayers in Shelbyville in 2005. He succeeded in selling a food & beverage tax in seven out of eight counties. (HPI Photo by Brian A. Howey)



suburban counties to build the Colts and NFL stadium in downtown Indianapolis - and pulled it off.

The government reform support and opposition cuts across party lines. The battle lines tend to be rural vs. urban. And when the Democrats controlled the House, they often used amateurish tactics to defeat most of the reforms before they could be fully debated.

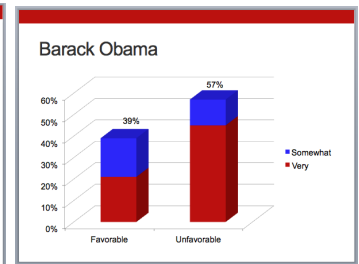
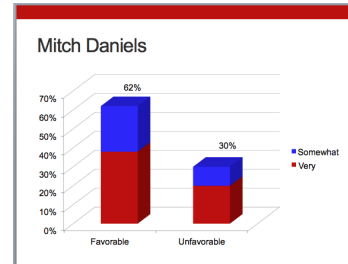
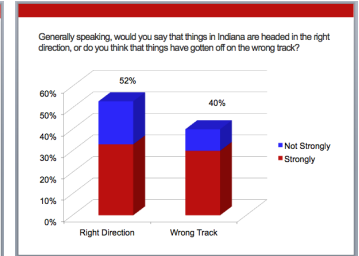
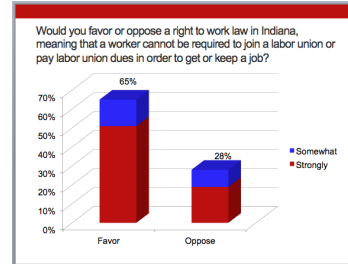
Gov. Daniels was able to forge the property tax caps that are now crimping local governments and school districts. His hope was that the caps would prompt a wave of consolidations. And there have been some successes in places like Zionsville, a town that merged with two adjoining townships. Indianapolis Fire Department has merged with a handful of townships. Howard County is preparing to consolidate its 11 townships to five (one for each school corporation, which prompts the question, why are there five school corporations, superintendents, and transportation directors in geographically small Howard County?) Brownsburg is pondering consolidation with townships. Evansville and Vanderburgh County are ponderously preparing a merger referendum with passage very much in doubt. North Posey and New Harmony Schools are discussing a merger.

But what we're seeing in the wake of the tax caps is turf and fiefdom defense. We are witnessing dozens of library branches closing as opposed to a countywide system. Franklin Township Schools have cut bus service. Brown County has been embroiled in a fire district dispute that will soon be heard by the Indiana Supreme Court. Greenwood's attempt at consolidating with White River Township helped end the career of Mayor Charlie Henderson.

The scattered consolidation discussions hardly represent a groundswell of cap-induced reforms. The governor likes to talk about reforms emanating from the ground up. That doesn't appear to be happening. There are more misguided fiefdom battles than true reform at the grass-roots. The referendum process has cut about 50/50 when it comes to communities willing to invest in themselves and schools, and those who would rather pay less taxes and endure a widening gulf between "have" and "have not" municipalities. While business groups like the Chamber seek to champion Right to Work as a needed jobs producing inducement, the caps and an already significant shift from property to income tax based revenue enhancements are the hallmark of the Daniels era.

The wiser investment in the governor's political capital and his bully pulpit in his last legislative session would be to bring the thrust of local government reform to fruition. History will likely view Right to Work as a blip. If government reform doesn't happen in 2012, we may be destined to be a state competing in an emerging global economy wearing 19th Century pantaloons, perhaps well into the 22nd Century. ❖

Internal HRCC polling, 800 sample, Nov. 14-16



Which of the following do you believe should be the number ONE priority of the Legislature this year?

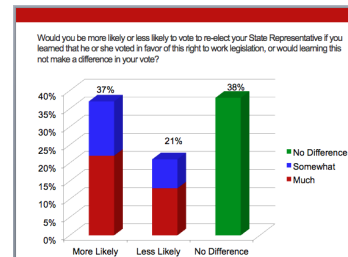
- Creating jobs and keeping the economy strong – 41%
 - This number was 25% in June 2010, 32% in Feb 2011, 31% March 2011
- Reducing wasteful government spending – 13%
- Improving the quality of education – 8%
- Increasing education funding – 6%
- Controlling illegal immigration – 5%
- Reforming health care – 5%
- Protecting traditional family values – 4%
- Holding the line on taxes – 2%
- Energy and fuel costs – 2%
- Local government reform – 2%
- Improving Indiana's roads and highways – 2%
- Providing property tax relief – 1%
- Fighting crime and drugs – 1%

Who is Solidly for Right-to-Work

- FTW Media Market: 65-26
- Marion Co.: 71-21
- Donut Cos.: 72-22
- Eville Mkt: 65-30
- SW IN: 69-26
- Age 18-27 "Millennials": 73-22
- 28-40 "Gen-Xers": 73-20
- 41-53 "Jones Generation": 71-24
- Women 18-52: 74-21
- US Wrong Track: 69-24
- GOP Generic Ballot: 82-14
- GOP Rep. Approve: 60-16
- Job Creation #1: 67-26
- College Grads: 66-24
- Small Business Owners: 73-24
- Small Business Employee: 71-21
- Rural Voters: 67-26
- Obama UnFav: 76-19
- Daniels Very Fav: 82-14
- Bauer Very UnFav: 83-13
- Pro-Life: 72-22
- NRA: 71-23
- Voted McCain: 78-17
- GOP Self-ID: 86-15
- Young IND: 71-27
- Somewhat Cons.: 78-19
- Very Conservative: 78-15
- Have Children in HH: 75-20
- Non-Union: 69-24
- Tea Party: 84-13
- High Church Attendance: 66-26
- Religious Rights: 79-19
- Catholics: 66-27
- Employed Females: 71-24

Who is Surprisingly for Right-to-Work

- Chicago Media Market: 57-37
- Right Direction Country: 50-45
- Wrong Track Indiana: 53-39
- GOP Rep. Disapprove: 50-42
- DEM Rep. Approve: 48-46
- Obama Very Fav: 50-44
- Pro-Choice: 57-36
- Pro Gun Control: 58-35
- Voted Obama: 51-42
- DEM Self-ID: 47-45
- DEM Women: 52-39
- Young DEMs: 72-21
- Union Yes: 48-46
- Work in Public School: 63-31
- Income < \$40K: 60-31



Who is Against Right-to-Work

- DEM Generic Ballot: 41-50
- More likely to vote for DEM if they walk out again: 33-59
- DEM Men: 39-53
- DEM 63+: 36-52



Brian's song

By **SHAW R. FRIEDMAN**

LaPORTE - What's that old saying that "you're entitled to your own opinions – but you're not entitled to your own facts." Republican House Speaker Brian Bosma's stubborn insistence on carrying water for the National Right-to-Work Committee and their big money donors is puzzling to longtime observers of the Speaker.

One would expect this kind of nonsense out of the discredited former head of the IEDC, Mitch Roob. Roob's claim to fame is having ushered in the disastrous FSSA privatization debacle and with it a legacy of lawsuits and recriminations a mile long. Though Roob was always an ideological flame-thrower, his testimony in July claiming Right-to-Work would aid the state's economic development efforts was properly met with skepticism from lawmakers who understand that companies make siting decisions on far different issues than Right-to-work. (Note that Roob's successor at IEDC Dan Hasler has wisely stayed away from this issue which has now become the third rail of Indiana politics.) With Roob's IEDC under fire for vastly overstating job commitments (made public as a result of investigative reporting from WTHR-TV), his claims about companies supposedly bypassing the state because of labor union participation ring pretty hollow.

That's why it's hard to fathom that a Speaker viewed as the ultimate pragmatist like Brian Bosma would not only take up the cudgel on Right-to-Work, but declare it the number one issue of this session. Again, Mr. Speaker, where are the facts? The average annual earnings of workers in states with right-to-work laws is \$1,500.00 less than what workers make on average in other states, according to associate professor Gordon Lafer of the University of Oregon - Labor, Education and Research Center. As wages go down, so does consumer spending.

C'mon, Mr. Speaker, why should we further depress consumer spending in the middle of a deep recession? Did you read the front page story New York Times on Wednesday? Because of a weak economy, the proportion of fourth graders in Indiana eligible for free or reduced school lunch prices has jumped 10% in Indiana since 2007. There's no better metric of a state's economic well-being than the number of families forced to have their kids go on the federally subsidized school lunch program.

How 'bout it Mr. Speaker? Why do you think that depressing wage rates through Right-to-Work will aid average Hoosier families? Check with the experts rather than the predictably biased Indiana Chamber of Commerce

whose sole interest is depressing wage rates and increasing corporate profits. Why not talk to experts like Tim Bartik, of the Upjohn Institute For Employment Research? He encourages states that want to increase job creation to look to tools like targeted tax incentives, early childhood education and worker training as ways to raise wages and increase jobs?

What's hard to fathom is Bosma's almost religious faith that tax cuts and wage cuts will induce new jobs to come to Indiana. That kind of discredited trickle-down economics hasn't led to job growth. Just the opposite. In fact, the Times of Northwest Indiana's Dan Carden wrote a piece this past Friday highly critical of Speaker Bosma's selective use of job data when the Speaker recently proclaimed "Indiana the envy of the Midwest in our job creation efforts." Wrote Carden, "In his zeal to sell Hoosiers on a right-to-work bill, Rep. Bosma appears to be playing fast and loose with the facts about job creation in Indiana." Turns out data released this past week by the U.S. Labor Department shows Indiana lost 12,000 jobs in October, 2011 while the only state in the nation doing worse was Georgia, a Right-to-Work State.

Mr. Speaker – I rise on a point of order. Get your facts right. Site locators for companies will tell you a very different story if you're willing to listen. Joseph Vranich, whose Irvine, California-based company, The Business Relocation Coach has counted Sears among his clients says that most critical to site location decisions is a state "building a relationship with decision-makers inside a company, making them feel welcome and convincing them and their employees that they will be moving to a better quality of life."

It's time to start listening to experts like Purdue University Calumet professor Dr. Amlan Mitra who has studied this issue extensively and is convinced that "state and local investment in public services stimulates economic growth and creates jobs."

New companies want good schools, well trained workers, decent roads and bridges to carry goods to market, reasonable utility rates and a quality of life for their employees. Stop trying to peddle Right-to-Work as the answer. That dog just won't hunt, Mr. Bosma. ❖

Shaw R. Friedman is a LaPorte attorney and a regular contributor to Howey Politics Indiana



GOP presidential hopes turning into a Newt?

By **BRIAN A. HOWEY**

INDIANAPOLIS - She turned me into a Newt!

That's a slightly altered Monty Python Flying Circus quote, but it might as well be the state of American Republicans as they grapple with who will come forth to challenge the low-flying President Obama.

As the Herman Cain campaign – some believe it's actually been Joaquin Phoenix-style performance art in disguise – continues to implode, it appears that former House Speaker Newt Gingrich is poised to not only become the new anti-Romney candidate (and that's a dangerous place to be), but he could be riding a new polling surge in Iowa and South Carolina. Mitt Romney still leads in New Hampshire with a Real Clear Politics

composite average of 16.6% margin, but the Union-Leader endorsement of Gingrich has yet to register in the polls.

At this writing, and after a new "bimbo" eruption from an Atlanta woman named Ginger White who claims to have had a 13-year affair with Cain, it isn't clear if the pizza man will still be on the campaign trail. His campaign said on Tuesday that Cain is "re-assessing" his candidacy. His smokin' campaign manager insisted he would stay in the race; one that had none of the traditional infrastructure in key early primary states. But Cain said in New Hampshire Wednesday that he has yet to sit down with his wife Gloria to "walk through this" since the allegations from a woman claiming a 13-year affair surfaced. "I will do that when I get back home on Friday," Cain said.

Cain had been leading in polls earlier this fall, but support in places like Iowa appears to be faltering. And that could be Romney's nightmare if Gingrich can coalesce the Tea Party wing and build momentum. GOP pollster Ed Goetas, in a battleground poll three weeks ago, asked Cain supporters for their second choice: 7 percent said Romney, 7% said Gingrich, 5% said Paul and 3% went for Texas

Gov. Rick Perry (Washington Post). Had Gov. Daniels or Rep. Pence had entered, either one of them could be leading or the anti-Romney at this point.

The riveting question for Hoosier Republicans, many of whom have not taken sides in the race, is whether the new party primary rules and a roiled field will extend the primary season to the May 8 Indiana primary, giving the Grand Old Party a bookend to the historic 2008 Hillary Clinton/Obama showdown.

After the most riveting Indiana presidential primary in 40 years, few expect a repeat of the Obama-Clinton nomination battle in 2012. But unless Romney can wrap up the GOP nomination early, Hoosier voters may see their May 2012 primary become just as meaningful.

Appearing on NBC's Meet the Press earlier this month, former Republican National Committee Chairman Ed Gillespie said: "This process is different for Republicans this time. We're going to have proportion delegate allocation throughout a lot of our process, which we haven't had. There's not going to be much incentive to Michele Bachmann or Rick Santorum or Rick Perry or Ron Paul to drop because they'll likely be accruing delegates along the way."

The Indiana Republican Party observed that RNC rules call for subsequent primary and caucus states after the first wave of states to divide their delegates among the candidates instead of adopting the winner-take-all format that Republicans historically have favored. As a result, it is mathematically impossible for any candidate to accumulate the requisite 1,142 delegates for nomination before March

24, even if that candidate won every vote in every contest from Iowa on. Unless one candidate emerges to score an early knockout, the earliest practical date anyone can reach the magic number is well into April and possibly later.

Some important numbers for consideration: 1,142 delegates needed for nomination, 2,282 total delegates available (reduced due to some states going earlier than rules allow).

Key dates and numbers: March 24: 1,158 delegates, enough to win the nomination, will have been cast by the time Louisiana votes on that date. However, as already noted above, it is mathematically impossible for a candidate to amass the 1,142 needed by then.

April 15: By this date 1,332 delegates will have





been allocated, or just 58% of the total.

May 8: By the time Indiana's chance arrives, 1,587 delegates would be out, or 70% of the total.

June 26: The final of the 2,282 total delegates will be awarded. Currently former House Speaker Newt Gingrich leads the Real Clear Politics polling composite 23.8% to 21.3% for Romney, with Herman Cain third at 15.5%, and Texas Gov. Rick Perry and U.S. Rep. Ron Paul at 8%. Gingrich received the endorsement of the New Hampshire Union Leader last weekend.

"We are in critical need of the innovative, forward-looking strategy and positive leadership that Gingrich has shown he is capable of providing," The Union Leader said in its front-page editorial, which was as much a promotion of Gingrich as an overt rebuke of Romney.

As Cain fades and conservatives continue to question Romney's core beliefs, the party's turn to Gingrich is fascinating. He may be the GOP's best ideas man. But his personal record is filled with potholes and pitfalls. He's on his third marriage – divorcing his first wife while she was in cancer treatment – and had an affair with his current wife during the impeachment of President Clinton.

Iowa Christians are wary. The Des Moines Register reported that a significant bloc of Iowa evangelical Christians oppose abortion under any circumstances – and even more lambaste federal funding in any instance. "Newt is famous for being all over the board," said Cary Gordon, a minister at Sioux City's Cornerstone Church. "He is admira-

ble in many ways, but I won't back him. I don't trust him."

Curt Smith of the Indiana Family Institute observed, "Newt is brilliant, but he is a tough candidate for evangelicals to get behind. He's probably the most pragmatic of the candidates, but they look for principled leaders. Newt's world view is what works as opposed to what's right and they aren't always the same."

Smith served as U.S. Rep. John Hostettler's chief of staff when the congressman voted "present" in the 1997 vote for Speaker. "John was very troubled by his ethical issues," Smith said.

As to where Hoosier evangelicals will end up in the presidential race, Smith said, "There really isn't someone in the race" for them to support. "They'll get behind the eventual Republican nominee. I think you can stick a fork in Cain. It's been a very odd race. It's moving fast. I'm amazed how fast the information gets absorbed."

In 2008, Barack and Michelle Obama, along with Hillary, Bill and Chelsea Clinton made about 150 appearances in Indiana, with Clinton winning the primary by less than 1% of the vote. Obama would go on to take Indiana's 11 Electoral College votes that November. Romney, Cain, Perry and Jon Huntsman have appeared before Indiana Republicans this year at the invitation of Chairman Eric Holcomb.

Smith said he believes the presidential race will probably be resolved on Jan. 31 with the Florida primary, with Romney "slogging through."

Howard County Republican Chairman Craig Dunn

2012 State Presidential Polls

	Date	Gingrich	Romney	Paul	Cain	Perry	Santorum	Bachmann	Huntsman	Spread
Iowa										
RCP Average	11/10 - 11/28	24	15.8	15.8	13	7.8	6.3	3.8	1.7	Gingrich +8.2
Insider Advan.	11/28 - 11/28	28	12	10	13	10	7	3	--	Gingrich +15
Rasmussen	11/15 - 11/15	32	19	13	10	6	6	5	2	Gingrich +13
Polling Co.	11/11 - 11/13	19	14	20	10	10	5	4	2	Cain +1
Bloomberg	11/10 - 11/12	17	18	20	19	5	7	3	1	Cain +1
New Hampshire										
RCP Average	11/15 - 11/28	19.6	36.2	13.4	7	2.8	1.6	2.2	8.8	Romney +16.6
Rasmussen	11/28 - 11/28	24	34	14	5	2	1	2	11	Romney +10
Polling Co.	11/18 - 11/21	18	35	11	8	4	2	4	8	Romney +17
Suffolk/7News	11/16 - 11/20	14	41	14	8	2	3	1	9	Romney +27
WMUR/UNH	11/15 - 11/20	15	41	12	4	4	1	2	8	Romney +27
South Carolina										
RCP Average	10/27 - 11/28	26.3	17.7	5.3	16.7	6.3	1.3	3.7	2	Gingrich +8.6
Insider Advan.	11/28 - 11/28	38	15	7	13	4	2	5	--	Gingrich +23
Polling Co.	11/18 - 11/21	31	16	5	17	6	1	5	3	Gingrich +14
Clemson	10/27 - 11/7	10	22	4	20	9	1	3	1	Romney +2



said he believes there's a good chance the GOP won't have a nominee by the May 8 primary. "We will be running our Lincoln/Reagan Day late in April just to take advantage of a possible appearance by a presidential contender," Dunn said.

All this comes as President Obama is mired in a polling slump.

Gallup reported that President Obama's job approval rating averaged 43% last week, identical to his rating each week since late October. While more Americans continue to disapprove than approve of the President's job performance, his recent stretch at 43% approval is a slight improvement over the 40% to 42% readings seen more commonly in the weeks prior.

Longer term, Obama's weekly average approval rating remains depressed relative to the 45% to 50% readings seen for much of the first half of 2011. His rating had dropped to 43% in April before rebounding in early May to 51% on the news that American forces had killed Osama bin Laden. His weekly approval rating remained high throughout May, but then gradually decreased in June and July before first reaching his term low of 40% in August.

Charlie Cook, writing for the National Journal, noted that Friday will be an important benchmark date in the 2012 election. "At 8:30 a.m., the Bureau of Labor Statistics will release the November unemployment figures," Cook explained. "Like many other economic statistics and poll numbers, their impact on 2012 may now seem theoretical or hypothetical. But with the general election less than 12 months away, they are becoming more and more relevant."

Economists, he said, are expecting a 9% jobless rate, higher than the 8.8% rate in March. Cook continued, "It's highly unlikely, indeed unrealistic, for Democrats to expect a replay of the 1981-84 Reagan economy, where unemployment peaked at 10.8% in November 1982. That coincided with an ugly midterm election. The jobless rate dropped to 8.5% by November 1983. It was on its way down to 7.4% in October 1984, the month before Reagan's reelection. It reached 7.2% in November."

As for the Gallup numbers, Cook explained, "In terms of presidential job approval, Obama's Gallup weekly approval ratings have ranged between 40 and 45% since his 46% during the week of July 4-10. The last time his weekly Gallup approval measured 48% or more was May 30-June 5, when he reached 50%. That 48 to 50% could potentially be an important tipping point. Going into Election Day, Presidents George H.W. Bush and Jimmy Carter had Gallup approvals of 34% and 37%, respectively. Those above that range were Presidents Clinton (54%), Rea-

gan (58%), Nixon (59%), and Eisenhower (68%). Most interestingly, the only other post-World War II elected incumbent seeking reelection, George W. Bush, had a final preelection Gallup approval of 48%. He won narrowly, besting Sen. John Kerry, D-Mass., 51 to 48% in an election best remembered for exit polls on Election Day showing Kerry ahead.

Governor: Wallace preparing ads, issues

Republican gubernatorial hopeful Jim Wallace is preparing to roll out his three-pronged "Ground Up" legislative proposals.

The Fishers Republican is pushing his "Project 500" proposal that would take \$500 million of the state surplus and invest in local infrastructure with the goal of creating jobs, ranging from a sewage lift station in Greensburg that could make way for more Honda jobs there, the grade separations on railroad tracks that divide Vincennes, or a street extension in Portland.



Wallace wants to expand the Economic Development for a Greater Economy (EDGE) tax credit from \$10 million to \$100 million. Wallace said that most of the Indiana Economic Development Corporation tax credits are going to companies with out-of-state headquarters. He advocates using it for more small and mid-sized compa-

nies to bring in mid-level job creation.

And Wallace is offering similar tax credits for university research with his Public Research Investment and Management (PRIME). "Indiana is a capital desert," Wallace told HPI on Wednesday. "If you put money into research at a public university, you'll get a tax credit. That will make a lot of difference for our universities." He maintains that too much emphasis has gone to "entry level jobs" instead of higher paying research careers.

He says the "under employment ratios are swelling" into the 25-30% range. He wants to "laterally" move IEDC job creation beyond manufacturing and agriculture and "vertically" move to create higher paying jobs.

"Mike Pence is running on Mitch 2.0 when it comes to jobs," Wallace said of the presumed GOP frontrunner.

Wallace acknowledged the perception that Pence is a heavy favorite, but says that will soon change. He plans a "targeted and rolling" statewide ad campaign beginning



in January. He says his internal American Viewpoint Polling shows six of the nine Congressional districts in a dead heat, Wallace leading in one, Pence in another, and one without enough data. Wallace has budgeted "between \$1 million and \$2 million" between now and the May 8 primary, though he has access to \$10 million. He said he was advised that it would take \$330,000 to buy 1,000 gross rating points, but believes he can do it for \$60,000 with targeted buys.

Wallace said the recent WISH/Franklin College Poll showed Pence's positives at 40% and negatives at 31% in Indianapolis. He said that internal polling shows that Tea Party voters and conservatives are upset with Pence over his debt ceiling "flip flop" vote, his support of "red card" immigration legislation, and independents and moderates are upset about Pence's moves to defund Planned Parenthood.

"It's hurting him," Wallace said of Pence's August vote for the debt ceiling. "Mike Pence went from shutting it down to going on the House floor saying this is a great start. Now he says we can't afford sequestration due to national defense. Hell, Mike, didn't you read the bill?"

The other obvious strategy, with Congressional approval in the single digits in some recent polls, is to define Pence as a "congressman."

As for the potential for the GOP presidential nomination fight to come to Indiana, Wallace believes that will be a boon for his campaign. "If it isn't done by then, a lot of moderates, independents and Democrats will be picking up a Republican ballot."

As for the coming Right to Work battle, Wallace believes that singling it out as the No. 1 priority will be "challenging and polarizing."

"I support Right to Work," he said. "But the bill in its current form is nothing more than agreeing with Taft-Hartley. Why stick a knife in their eye over Taft-Hartley?"

The Pence campaign declined to comment on Wallace's comments, internal polling or fundraising.

Pence was asked about Right to Work in Goshen last week. The congressman said he was grateful to see Indiana lawmakers appear to be making "job creation" a top priority, saying he believed "economic prosperity and economic freedom are closely linked. And that economic freedom begins in the workplace."

In the July campaign finance reports, Pence reported raising \$1.6 million. Since then, he has banked at least an additional \$400,000 in large donations (Fort Wayne Journal Gazette). Gregg didn't file a July report because he wasn't yet an official candidate. Since then, he has reported almost \$100,000 in large contributions. Wallace reported almost \$1 million raised in July, though the majority of that was a loan from himself. Rupert has not yet reported any fundraising information. "I don't have Washington, D.C., connections so I'm sure we're going to be outraised," Gregg

said. "But we're campaigning the old-fashioned way. We will have enough money to define ourselves." Ironically, former President Bill Clinton headlined a small fundraiser for Gregg last week. "This is going to be a high-dollar race," said University of Evansville Prof. Bob Dion. "I think they could exceed 2004." He noted that Gregg might have an advantage over the 2008 Democrat on the ticket – Jill Long Thompson – because a cascade of Democratic dollars likely won't be leaving the state this year for President Obama.

Since June 30 - when the last complete campaign finance reports were filed - Pence has pulled in more than \$567,000. Of that money, more than \$257,000 came from 15 people or political action committees based out of state. That counts only checks of at least \$10,000, the benchmark at which a candidate must disclose a donation before the annual reports are due in mid-January. At the end of June, Pence had more than \$1.45 million in his coffers. Of the 1,762 individual donations Pence reported then, 520 came from out-of-state residents, companies or PACs and accounted for more than \$184,000. In all, Pence has raised more than \$441,000 from out-of-state supporters.

U.S. Senate: Awaiting Bob Thomas

Carmel auto dealer Bob Thomas was huddling with campaign consultants this week and has not announced whether he will enter the Republican U.S. Senate race. He was unable to talk to as many potential supporters as he had hoped over the Thanksgiving holiday.

Indiana Treasurer Richard Mourdock is skeptical that Thomas will run, telling the Fort Wayne Journal Gazette, "I haven't seen anyone – anyone, anyone – as I have traveled the state of Indiana, going out getting signatures" for the Senate race, Mourdock said. "I have never heard Bob Thomas' name mentioned outside the 3rd congressional district because of when he ran against (Mark) Souder. I just don't see any evidence that he's out there."

Memo to Mourdock: Dan Coats hired people to collect the 4,500 signatures he needed in 2010 in less than two weeks.

"I have no doubt that Senator Lugar would love to have a third candidate or a fourth candidate or a fifth candidate" to draw potential votes away from Mourdock, said the second-term treasurer from Evansville. David Willkie, political director for the Lugar campaign, said in an email: "Bob Thomas does not change Senator Lugar's message. Hoosiers have responded to Senator Lugar's message of job creation and his proposals to cut federal spending by supporting the Lugar Campaign in record numbers through financial contributions and volunteer hours."

Former congressman and HPI columnist Mark Souder, who faced Thomas in the 2010 GOP primary, observed on his Facebook page: "I am hardly a neutral source on this, and I didn't like the stuff he did, but he ran



a pretty effective campaign given that he had zero local support. He is an incredibly bright man and has conservative business instincts." Souder summed up Thomas as "not an ideal candidate, but he would be a tough competitor." Souder said Thomas originally wanted to seek Sen. Dan Coats' seat in 2010, but he "waited too long and didn't get the needed signatures. He was told that he could probably buy the seat up in [Fort Wayne] for \$500,000," Souder continued. "It was amazing to me that people didn't catch on to the 'Bob Thomas for Indiana' slogan with the drawing of the state."



5th CD: McIntosh sees 'failure' on debt

Indiana 5th district Republican candidate for U.S. Congress David McIntosh has been working with conservatives in Indiana and across the nation to pressure the "super committee" in Washington, DC, to resist tax increases as part of the committee's final proposal. "The 'super committee' has been a failure of leadership in Washington right from the beginning," McIntosh said. "The U.S. Constitution created the only super committee we need: the U.S. Congress, which has all the authority necessary to address the nation's out-of-control deficit spending. It's clear that the committee was doomed to fail from the moment Democrats insisted on massive tax increases as part of the deal."

6th CD: Messer gets Shelby endorsements

Republican former State Representative Luke Messer announced on Tuesday the names of several Shelby County leaders who endorse his candidacy for Indiana's 6th Congressional District Republican Primary. "The strong support for Luke Messer in Shelby County is a direct result of the way Luke has served our community," said Shelby County Republican Chairman J.R. Showers. "As a former state representative and a leader, Luke has been a strong advocate for our community. Luke Messer is exactly the type of leader we need to send to Congress," Showers continued. "I'm truly honored to have the support of so many Shelbyville and Shelby County leaders who continue to make a real difference for our community," Messer said. Shelby County leaders who endorse Messer include: Showers, State Rep. Sean Eberhart, Shelbyville Mayor Scott Ferguson, Prosecutor Kent Apsley, Commissioner Tony Newton, Commissioner Kevin Nigh, County Councilman Scott Asher, County Councilman Bob Carmony, County Councilman and former County Sheriff Tom Debaun, County Councilman Leigh Lankabel, Shelby County Councilwoman Linda Sanders, County Councilman Terry Smith, County Councilman Tony Titus, City Councilman Brian Asher, City

Councilman Elect Jason Brown, City Councilman Elect David Carmony, City Councilman and former Republican County Chair Dick Fero, City Councilman Elect Ron Hamilton, City Councilman Robert Nolley, City Councilwoman Kim Owens, City Councilman David Phares, City Councilman Jeff Sponsel, Superintendent of Shelbyville Central Schools David Adams, former State Sen. Bob Jackman, former Shelbyville Mayor Betsy Stephen, former Shelby County Councilman Brent Fuchs, Republican County Chair Jack Banker, former Republican County Chair Roger Laird, and former Republican County Chair Lee McNeely.

A former staffer for Rep. Mike Pence, R-6th, hopes to replace him (Francisco, Fort Wayne Journal Gazette). Gospel music promoter Andrew Phipps of Muncie announced Monday he will seek the 2012 Republican nomination for the congressional seat Pence is leaving to run for governor next year. Phipps was community relations director for Pence in 2001, Pence's first year in the House. At least five other Republicans have announced their candidacies for the 6th District seat. In a news release, Phipps called Congress "a pitiful mess" because of special-interest money and incumbents who "turn down term limits; feather their nests; homestead close to the Potomac and then accept the status quo, unwilling to do what ought to be done." He said Christian values can become the "underpinning" for better public policy.

Richmond financial advisor Don Bates commented on insider trading in Congress, a story featured on CBS 60 Minutes. "Like many of my fellow Hoosiers, I was stunned to learn this week that our Congressmen and Senators in Washington can legally trade stocks based on inside information," Bates said. "As a Financial Advisor with over 16 years experience, I have been in numerous compliance meetings where the subject of insider trading was discussed at great length. I have watched people from my industry lose their licenses and often go to jail for conducting themselves in this manner. And yet to discover, along with you, that Washington exempts themselves from such rules and regulations and once again acts as if they are exempt from the rule of law is beyond the pale. This startling revelation reminds us of how out of touch Washington really is; not just with Main Street but also with the Golden Rule."

7th CD: Minear to run

J.D. Minear thinks he will have better luck where other Republicans have failed. He's planning to take on incumbent Congressman Andre Carson in next year's 2012 elections. Minear is a mortgage broker and is affiliated with the Tea Party movement. He tells IndyPolitics.Org that the new 7th is much more competitive since includes all of Perry, Franklin and Decatur Townships and less of Washington, Lawrence and Pike. He also says he would return the country to "constitutional" government.



8th CD: Ads target Bucshon

National Democrats made clear that they view freshman Republican U.S. Rep. Larry Bucshon's vote for a plan that would overhaul Medicare as his biggest liability with a new radio advertisement. "Congressman Larry Bucshon is protecting tax breaks for billionaires instead of Medicare for seniors and jobs for us all. Tell him to fight for Indiana," the ad airing in the 8th District says. It's a reference to Bucshon's support for the budget plan by U.S. Rep. Paul Ryan, R-Wisc. All of Indiana's Republican lawmakers have supported that plan.

8TH CD Republican candidate Kristi Risk made comments last week about the overall economic situation. With the Greek debt crisis, the recent benchmark passed with our debt to GDP ratio, the most recent announcement of a looming credit downgrade in our own country, the 350 point drop in the Dow Jones in the last 2 days, and the Obama Administration announcing they expect 9% unemployment through the end of 2012, citizens are expressing renewed concern about the economy. Risk stated, "We must rapidly change course in Washington, D.C. to avoid the fate of a sovereign debt crisis similar to those of Greece, Italy, Portugal, France, and other nations." This week, The New York Times reported that a confidence vote passed the Greek Parliament, yet rescue financing "appeared tenuous." With the debt of Greece funded by foreign sources, this only worsens their situation. Here at home, the United States passed the 100% debt to GDP ratio for the first time in history and the credit rating downgrade just over 3 months ago served as another historical first. With approximately 27% of the debt in the United States financed of foreign origin, the situation here is rapidly worsening as well. "We cannot accept the continued spending at these record levels as each day we grow closer to insolvency." Risk continued, "The truth of it is, we simply cannot 'afford' the votes of Larry Bucshon any longer," Risk stated.

Indiana House

HD15: Dobis, Slager to run

Republican Schererville Council President Hal Slager announced he will run in HD15 earlier this week. Democrat State Rep. Chet Dobis announced he is moving into this open seat to avoid a primary against State Rep. Vernon Smith in HD14.

HD24: Braun meeting mayors

Zionsville businessman Steve Braun has been busy raising money and meeting with people like Westfield Mayor Andy Cook and Carmel Mayor Jim Brainard, according to Brose McVey, who is helping his campaign. The Harvard graduate is unopposed thus far for this open seat.

HD47: Commissioner Price to run

Republican Johnson County Commissioner John Price has declared for this open seat.

HD60: Foley won't run against Welch

State Rep. Ralph Foley of Martinsville is not running for re-election. Foley was drawn into a battle with Bloomington Democrat Peggy Welch when Republicans drew new districts earlier this year. Foley chairs the House Judiciary Committee and said Tuesday he expects to work on criminal sentencing and local government reform in his final session. He has served in the House for 20 years. Foley's decision now gives Democrats a slight edge in at least one of the four districts where they were drawn into battles with incumbent Republican lawmakers. Morgan County Clerk Peggy Mayfield is expected to run, and an IT executive Daniel Elliott is also signalling his intention to run.

HD55: Greensburg mayor endorses White

Greensburg Mayor Gary Herbert has endorsed Republican Bob White in HD55. He will also serve as the Treasurer for the campaign. Mayor Herbert stated, "Bob's experience and credentials in economic and community development are what is needed in the new Indiana House District #55. White will move to enact policies that develop, maintain and expand local businesses throughout the district. He has already contributed to the growth of the counties in this new district including Decatur County when he served as the USDA Indiana State Director of Rural Development as an appointee of President George W. Bush. I know that the good citizens in all of the communities of HD #55 will benefit with Bob as our Indiana State Representative. Both of us agree that teamwork makes for positive progress". His website is: www.citizensforbobwhite.com

McGAULEY SUPPORTS SINGLE COUNTY EXECUTIVE:

Allen County Recorder John McGauley is not wasting any time in getting his campaign for commissioner underway (Fort Wayne Journal Gazette). McGauley on Monday unveiled his campaign's website: johnmccauley.com. He supports eliminating "the dysfunctional three-member Board of Commissioners arrangement" and creating a single executive for the county. He also supports prohibiting county employees from serving on the county council. He is challenge Commissioner Nelson Peters. ❖



Perry and Mourdock: dumb and dumber

By JACK COLWELL

SOUTH BEND - Dumb as Gov. Rick Perry looked while melting down in frustrating failure to recall the third department he wants abolished, there was something even dumber he did in that debate.

Before his inability to come up with the Energy Department - one of the three departments his handlers told him to cite - Perry said he wanted to eliminate the Departments of Commerce and Education.



That's dumb. Really dumb. Worse than a memory lapse.

Throwing out whole departments, with the essential as well as the questionable, is irresponsible. And it doesn't solve the long-term deficit problem.

Destroy the Commerce Department? And with it, the promotion of business, big and small, the promotion of exports and the enforcement of trade agreements and restrictions on illegal product dumping? And getting rid of a U.S. Patent Office that protects our technological innovation in world competition?

Destroy the Education Department so that we surrender national concern for falling behind much of the world in education? Replace Race to the Top with Retreat to the Bottom? Let China overtake us? And 40 or 50 other nations as well?

Destroy the Energy Department, the department Perry was trying to remember as the third target of his flailing hatchet? And with it, the nuclear weapons production, testing and security it provides? Or would that just be shifted to Defense, thus not saving anything?

Destroying these departments, though their elimination would initially cut the deficit, would not solve the long-term deficit problem. Indeed, throwing out the economic development, education and energy programs - the future - along with some bureaucratic waste that no doubt could be found, would add to long-term woes.

Well, Gov. Perry isn't the swiftest tumbleweed blowin' across the Texas plains.

Now to what's blowin' around Indiana.

Perry has a partner in intellect in Richard Mourdock, the Indiana state treasurer who seeks to defeat Sen. Richard G. Lugar in the 2012 Republican primary.

Mourdock would go Perry one better. Actually, one dumber.

Mourdock would abolish not only the Departments

of Commerce, Education and Energy but also the Department of Housing and Urban Development. HUD could be an inviting target, unless your city counts on a community development block grant for economic development and jobs.

Again, taking a hatchet to whole departments rather than a scalpel to cut away the unneeded and save the valuable. Again, failing to look at the big picture, while trying to get primary election voters to cheer for a flailing hatchet.

Easy to get the logs burning in a heated primary. But it's nice to have a functioning chimney.

Mourdock, a politician accustomed to negative campaigning, perhaps thought that Lugar, who traditionally has disdained negative campaigning, would just take hits without hitting back.

As Perry said so eloquently: "Oops."

The Lugar campaign has been responding to Mourdock attacks and immediately labeled the state treasurer's plan for dealing with the deficit as involving "clueless cuts" and showing "his lack of serious understanding of how to improve the economy and create jobs."

"His plan is not serious," said Lugar.

The senator was particularly critical of the elimination of the Departments of Commerce, with its economic development role, and Energy, with its nuclear weapons role.

Lugar also cited his own backing of Republican efforts in Congress to cut more than would come from Mourdock's destruction of departments and said those efforts would spur economic development, not cripple it.

Lugar referred to his support of the House-passed budget crafted by Rep. Paul Ryan, the cut, cap and balance plan and comprehensive tax reform.

Perry's gaffes in debate have been attributed in part to lack of preparation, not entirely to being a few cards short of a Texas hold 'em deck.

Perhaps lack of preparation played a part in the announced deficit-reduction plan of Perry's Indiana partner in intellect.

The Lugar campaign's response noted that Mourdock said he spent "many hours" devising his plan. Then the zinger:

"Perhaps he should spend a couple months learning how government works before blindly throwing out ideas that jeopardize the economic prospects and safety of Hoosiers just to score political points."

Well, at least Mourdock remembered his points. Forgetting them would be dumb. Presenting them was dumber. ❖

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



A gateway to Indiana local government

By **LARRY DeBOER**

WEST LAFAYETTE - Just in time for Christmas, or the holiday of your choice, Indiana's Department of Local Government Finance has released its new Gateway data site. It contains a virtual ton of budget and tax information about counties, cities, towns and other local governments. You can see it at www.gateway.ifionline.org.

A new toy! Let's try it out.

I clicked on "browse unit reports" to start and found a list of data. I thought "compare units' total spending/revenue" sounded interesting. Another menu selection on unit type was required, so I chose to compare "counties." Up popped the data. The table shows 2010 Census population, total budgeted spending, spending per capita (person), expected revenues and revenues per person for the 92 counties for 2012.



I clicked the arrows at the top of the spending per capita column, and the data sorted highest to lowest. Now I see which county governments spend more and less per person. This amount ranges from more than \$1,500 per person

to less than \$300. People who want to criticize or praise their county governments for spending too much or too little might want to stop right here.

But let's not stop. You might think that the big urban counties would have the highest county government spending per person, but the four highest are Switzerland, Newton, Pulaski and Benton counties. All have populations less than 15,000 people. The big counties are in the lower half of the list. This might be an indication of economies of scale. Research does show that bigger units can provide some services at a lower cost per person than smaller units. Counties have to provide some basic services, even when their populations are very small. That can make for higher costs per person.

But wait. It may be that the cities and towns in the bigger counties provide services that substitute for county spending. Maybe when the population in a city increases, city police spending also increases; therefore, county sheriff's spending doesn't have to increase.

So I went back to "compare units," and clicked on "cities and towns." I tried to sort by clicking the arrow at the top of the spending per person column, but unfortunately it didn't work. There are some towns missing data,

which creates division by zero, so the sort doesn't work. That's something to fix.

Fortunately there's a terrific work-around. I think all data websites should have a way to get the numbers from the Internet into your spreadsheet so you can really use them. Gateway does this wonderfully. There's an export button at the top of the table that lets you download the data into your spreadsheet. So I did.

I used my spreadsheet to sort by spending per person. Now we see the bigger units near the top of the list. There are 525 cities and towns with complete data. The top 100 average nearly 13,000 in population and \$1,340 in spending per person. The bottom 100 average less than 1,000 people and \$220 spending per person. There still might be economies of scale, but other factors are more important.

The highest spending municipality isn't a big one, however. It's Shipshewana, in LaGrange County, at about \$4,800 per person. That's spending of \$3.2 million with a population of 658. Why would such a small a town spend so much?

People who live in Shipshewana know a lot more about their town, but what we know in the rest of the state is flea market! And I might add, since I did a talk there in August, also a collection of beautiful Hudson automobiles at Hostetler's Auto Museum.

As a result Shipshewana gets a lot of visitors, so its town government must serve more than its 658 residents. If you could measure those added people, Shipshewana's per person spending wouldn't look quite so high. Here's more evidence: also near the top of the per-person spending list are Nashville (fall foliage) and Monticello (lakes).

Gateway doesn't have everything. Only data for 2012 budgeted expenses is available. The school corporations aren't included. It only has assessed values for property taxes by tax district, not governmental unit. I understand there's more to come, but there's already more government data here than has ever been available this easily. So, Department of Local Government Finance: Please sirs, can we have some more? ❖

DeBoer is a professor of agriculture economics at Purdue University



Labor laws again a hot topic in Indiana

By **MORTON J. MARCUS**

INDIANAPOLIS - Billy Bygone is an ardent follower of political news on Fox and MSNBC. Like a fanatic football fan, he spends hours anticipating and analyzing who's ahead in the preliminaries to the primaries. He has latest line on who comes out ahead in a hypothetical meeting of the Ganders and the Drakes. He has the inside dope on whether the Nerds will side with the Automatons or throw their support to the Handcrafters.

Thus it is no surprise when I meet Billy in a neighborhood tavern he is deeply depressed. "What gives?" I say cheerfully.

"The Indiana legislature again," he moans. "They don't have the courage to do the right thing."

"What would be 'the right thing?'" I ask.

"You know," Billy sighs, "they are going to take up the right-to-work thing."

"Yes," I say.

"That's all well and good," he pronounces, "but they're not going far enough. It's time to have a showdown with the unions and their left-wing sympathizers. We should take on more of the restrictive labor legislation that keeps folks from having jobs."

"Left-wing," I say in amazement. "I didn't think there was a left-wing in the United States and certainly not in Indiana. Unions aren't left-wing today. They are part of the establishment. Their interests and the interests of big business coincide more often than not."

"Nonetheless," Billy says, "Right-to-Work is a matter of freedom for the worker to choose, to have self-determination. Take the minimum wage. It too keeps good people from having jobs. For example, the minimum hourly cash wage in Indiana for restaurant workers who depend on tips is \$2.13. Some baffled-brained liberals want to raise that to \$5 per hour.

"Can you imagine what a more-than-doubling of the minimum wage would do to workers in restaurants, to the owners and customers of those restaurants? It would cut employment like a butcher's cleaver. Owners would be pushed to the wall, and many would close. That reduces choice for consumers and means lower quality service at

the remaining establishments."

"Get real," I reply. "What's the difference between \$5 and \$2.13 per hour? It's all of \$2.87. Now spread that over, say, 10 diners per hour and you are down to fewer than 30 cents added to each customer's bill. How much is 30 cents today when it costs a dollar or more to get a cup of coffee?"

"Then there's the Davis-Bacon Act," Billy ignores my argument. "It's an outrage from 1931 when Herbert Hoover was president. It requires workers on federally subsidized construction projects be paid the 'prevailing wage' of the area in which the project is located. It turns out the 'prevailing wage' is a union wage.

"This just raises the costs of infrastructure projects to all of us as taxpayers. Davis-Bacon reduces the demand for labor and encourages the use of machinery to do a job a person could do. It's a law that discriminates against people."

"Discriminates?" I reply, but Billy interrupts.

"Another smart thing the Indiana General Assembly could take up would be child labor laws. We've made working safer, less demanding, more productive," Billy says. "Why can't kids, nimble by nature, do the construction work that takes its toll on older workers? If parents permit"

Now it's my turn to interrupt. "Parents? Are you daft? Many parents would joyfully let their 14-year-olds become roofers, if it meant more money for meth."

"More money for meat on the table and medicine in the cabinet," Billy says.

"Most of what you want to change," I say, "is established by federal legislation adapted to state-level conditions."

"And what's wrong with nullification, turning our backs to the federal law, as they did in Arizona and Alabama on immigration?" Billy asks.

"Seems to me," I say, "we had a Civil War over that."



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





Eric Bradner, Evansville Courier & Press: Last week, Indiana's Republican U.S. Senate primary turned mean-spirited in a hurry. Here's a quick sampling of the kind of back-and-forth that took place between the incumbent, Sen. Richard Lugar, and the challenger, state Treasurer Richard Mourdock. "Murdock's clear lack of competence is very scary," Lugar's campaign said in a press release. "What do career Washington insiders do when their power is threatened? They lie," Mourdock's campaign blasted back. It started when Mourdock, the former Vanderburgh County commissioner, released a plan that he said would slash \$7.6 trillion in federal spending over 10 years. To do so, he said, he wants to drive spending on defense, Medicare, Medicaid and Social Security down to 2010 levels, and dramatically slow the growth of spending in those areas. He also wants to completely eliminate four federal agencies: the departments of Energy, Education, Commerce and Housing and Urban Development. When one candidate calls for changes that large, it's safe to assume he'll be blasted by his opponent for its implications. It's also fair to guess that his response will accuse the opponent of fear-mongering instead of addressing the issues. That's exactly what happened. Right now, Mourdock wants to make this race about which candidate is conservative and which one is not. Because of his enormous fundraising gap, he needs the support of national tea party groups. He needs to become the beneficiary of a campaign cycle where he looks like the right's best chance of knocking out an incumbent senator in a Republican primary. That's why his plan focused on not just slowing government spending, but doing away with layers of the federal government entirely. Lugar, meanwhile, hopes to make the campaign about which candidate is reasonable and which one is not. Thus, his response to Mourdock's fiscal plan focused on exactly what would happen if the Department of Energy, which spends \$15 billion annually – the majority of its budget – on running and security the nation's nuclear weapons facilities, were eliminated. Mourdock did say that he wanted to shift those duties to the Department of Defense. But he also said he wanted to lower defense spending to 2010 levels. That's a \$49 billion cut, Lugar's campaign said. So what gives? Where do the spending reductions come? "That is a \$64 billion cut-in-defense question Treasurer Mourdock doesn't want to answer," Lugar's campaign said. ❖

Mark Kiesling, NWI Times: That pesky Right-to-Work bill just won't seem to go away. I'm not sure I know why, but I have a hunch. My guess is that it is political, a chance for new Republican majorities in both chambers of the Indiana General Assembly to exercise their rights to bare their arms and flex their muscles. Right-to-work legis-

lation, just to clarify, says that even when an employee enters a closed union shop he or she would not have to join the union but would be entitled to any benefits the unions won. Obviously this begs the question of why anyone in a right-to-work state, which are mostly in the South, would join a union. You can get a book at the library for free, but don't try that at Barnes & Noble unless you are looking for a free trip in a squad car.

There is no doubt that unions have abused their power during the past century. They traded on their legacy of getting vacations for workers, 40-hour work weeks and the abolition of child labor to become the mirror image of the capitalist fat cats they professed to despise. But they lost a lot of their credibility by doing so. Union bosses became no more representatives of the working man or woman than the robber barons. Yet there is something in the right-to-work movement that rings hollow. Not atypically, the Republicans are coming down on the side of business and the Democrats on the side of labor. No shock there, we all understand. Yet if this is just a power move by the new GOP majority, I think they've picked the wrong cause for which to go to the mat. Why? Simply this. Indiana has been run for the past seven years by a Republican governor, Mitch Daniels. He has successfully brought new and

high-paying businesses into Indiana during those years. So the argument being put forth that right-to-work makes Indiana more attractive to business is almost a repudiation of Daniels' successes. Were he running again, which by law he cannot under term limits, I don't think he'd appreciate this at all. ❖

Maureen Dowd, New York Times: In many ways, Newt is the perfect man. He knows how to buy good jewelry. He puts his wife ahead of his campaign. He's so in touch with his feelings that he would rather close the entire federal government than keep his emotions bottled up. He's confident enough to include a steamy sex scene in a novel. He understands that Paul Revere was warning about the British. What does it say about the cuckoo G.O.P. primary that Gingrich is the hot new thing? Still, his moment is now. And therein lies the rub. As one commentator astutely noted, Gingrich is a historian and a futurist who can't seem to handle the present. He has more exploding cigars in his pocket than the president with whom he had the volatile bromance: Bill Clinton. But next to Romney, Gingrich seems authentic. Next to Herman Cain, Gingrich seems faithful. Next to Jon Huntsman, Gingrich seems conservative. Next to Michele Bachmann and Rick Perry, Gingrich actually does look like an intellectual. Unlike the governor of Texas, he surely knows the voting age. To paraphrase Raymond Chandler, if brains were elastic, Perry wouldn't have enough to make suspenders for a parakeet. ❖





Daniels elected to RGA policy chair

ORLANDO - The Republican Governors Association announced its leadership for the 2011-2012 election cycle. Virginia Governor Bob McDonnell was elected to continue serving as Chairman and New Jersey Governor Chris Christie will remain Vice Chairman. "Thanks to the support of all 29 Republican governors, the RGA laid a strong foundation to expand our majority in 2012," said RGA Chairman

Bob McDonnell. "In 2011, the RGA won historic victories in Louisiana and Mississippi, and we are raising record sums. Next year, Democrats must defend 8 of 11 states scheduled to hold governors' races, and the RGA is in position to make a major impact in battleground states as well as in states that will be holding both a governor's and U.S. Senate race." Other members of the RGA Executive Committee include: Louisiana Governor Bobby Jindal, New Mexico Governor Susana Martinez, Pennsylvania Governor Tom Corbett, South Carolina Governor Nikki Haley and Wisconsin Governor Scott Walker. In addition to naming members to the executive committee, the governors tapped Indiana Governor Mitch Daniels as Policy Chairman to lead the Republican Governors Public Policy Committee. "After increasing the number of Republicans from 22 to 29 over the previous election cycle, Governor Barbour and RGA leadership set out to reflect this surge at the state level with a more prominent voice on national issues, and we look forward to extending the effectiveness with which they have done so," Daniels said. The RGPPC will also embark on a program of innovation matchmaking to enable GOP-led states to improve



governmental service by learning from each other. "A more effective governor is a more electable governor," Daniels said.

No ballot petition probe report yet

SOUTH BEND - An investigation into forged signatures found on petitions from the 2008 Indiana presidential primary is still ongoing, the St. Joseph County prosecutor's office reported this week. The Tribune and Howey Politics Indiana revealed in October that hundreds of St. Joseph County residents' signatures had been faked on pages submitted as part of petitions to place Democrats Hillary Clinton and Barack Obama on the primary ballot. County Prosecutor Michael Dvorak initiated the investigation Oct. 5 after The Tribune showed him copies of pages from the Clinton petition. The prosecutor's spokeswoman, Lora Bentley, said Tuesday that the Indiana State Police is conducting the investigation. She said police investigators have been in contact with the prosecutor's office, but the agency has not yet reported any findings.

Bosma ads seek to sell Right to Work

INDIANAPOLIS - The campaign to make Indiana a right-to-work state soon may be coming to a television screen near you (Carden, NWI Times). House Speaker Brian Bosma, R-Indianapolis, stars in a 30-second cable television commercial that began airing in Indianapolis and Fort Wayne this week urging Hoosiers to embrace the "freedom" and "economic opportunity" he says a right-to-work law would provide. "We think it's important for people to know that the issue is out there and to get the discussion going," Bosma said. Bosma is using cam-

paign funds to pay for the ad, which he said will roll out to other Indiana cities over time. He would not reveal how much the ad cost to produce or air other than saying it's a "limited media buy." Bosma said companies considering relocation often won't look at Indiana because it's not one of the 22 right-to-work states. Passing a right-to-work law will lead to new jobs, he said. "There's just little doubt that this is the most critical thing that we can do," Bosma said. But Nancy Guyott, president of the Indiana AFL-CIO, said Bosma's need to use an election-style campaign ad to sell right-to-work shows Bosma knows Hoosiers don't want it. "It's almost like he's trying to create an illusion that there's support for this," Guyott said.

Long sees smoking ban passage likely

INDIANAPOLIS - A statewide smoking ban could become law this session if advocates accept a few exceptions, Senate President Pro Tem David Long said (Kelly, Fort Wayne Journal Gazette). "The idea that somehow you can get 95 percent of what you're seeking and it's still not enough doesn't work real well down here in a world where you have to sometimes compromise," Long, R-Fort Wayne, said at a recent legislative preview luncheon. "You have to be realistic about what's attainable and recognize that 95 percent of the loaf is a pretty darn big win." A statewide ban has passed the Indiana House in various forms numerous times but has consistently died in the Senate. Last year, the version of the bill would have prohibited smoking in most public places, including offices, hotels, businesses, restaurants, bowling alleys and more. And it would have allowed local ordinances to be more restrictive than state law. Several exemptions were added to the bill, including the state's 13 casinos,



two horse tracks and all bars and taverns serving only those 21 and older. Provisions were also made for private clubs and nursing homes. In a Senate committee meeting, members defeated the bill partly because the American Cancer Society lobbied against the exemptions.

IU warns Occupy about disruptions

BLOOMINGTON - Indiana University is warning that it won't tolerate protests that disrupt classes or campus events. The warning follows a protest by members the Occupy Bloomington and Occupy IU groups against a recruitment event by JPMorgan Chase Bank at IU's business school. Police arrested five protesters who sat blocking the doorway into the bank's event.

Drug tests for welfare bill coming

INDIANAPOLIS - Two Indiana Republicans want welfare recipients to pass drug tests before they can receive benefits (Associated Press). Sen. Jean Leising, R-Oldenburg, and Rep. Heath VanNatter, R-Kokomo, said they have asked statehouse staff to draft bills that they plan to submit when lawmakers return for their 2012 session on Jan. 4. "I can tell you there are an awful lot of people out there that want this thing done," Leising said Wednesday. Other states including Missouri and Florida have pushed for the testing, but measures have run up against Fourth Amendment protections against unreasonable search and seizure. At least one federal judge has placed a testing law on hold. In Indiana, Leising wrote a bill earlier this year cutting off job-training programs for anyone testing positive for drugs. Indiana was the first state in

the nation to mandate those seeking job help to be tested. "I think people are just fed up with the government not spending their tax money wisely," VanNatter said. "If (welfare recipients) have money to spend on drugs maybe they shouldn't be on welfare."

Lloyd seeks job with Winnecke

EVANSVILLE - Former Mayor Russ Lloyd Jr., is under consideration to be Evansville city government's chief financial officer under incoming Mayor Lloyd Winnecke (Evansville Courier & Press). Republicans Winnecke and Lloyd each acknowledged Wednesday the former mayor's application for the job of city controller. "He's under consideration, along with others," said Winnecke, who pointed out that Lloyd is a certified public accountant. "He's a numbers kind of guy." Lloyd, 55, had previously acknowledged only that he had submitted an employment application to the incoming administration. Apprised of Winnecke's remarks, he acknowledged his interest in the controller job.

Indy eyes 2016 national convention

INDIANAPOLIS - After the Super Bowl comes to Indianapolis, the city could be in line to host the equivalent of a political Super Bowl. Efforts are being made to make Indianapolis a possible presidential candidate nominating convention, but you might be surprised at who doesn't think it's a good idea. Disappointment was evident when Indianapolis lost out in its effort to host the Republican National Convention in 2000. "We have the rooms now. Anything that would have held us back, we've addressed that," said Eric Holcomb, Republican Party state chairman. "We have the ability to

get this done and I think we should try it," said Dan Parker, Democratic Party state chairman. Indianapolis' push for a political convention is already underway. The Democratic National Committee has already been here to visit. They came during the Indianapolis 500. Surprisingly, one man who was instrumental behind the scenes back in 2000 is not so sure. Gov. Mitch Daniels helped crunch the numbers. "No place can put together a better convention than Indianapolis. You'll see that this weekend with the Big Ten football game and again at the Super Bowl. However, a presidential nominating convention can be financially troubling for the host town. The one look I had at it a few years ago convinced me you want to be very very careful. You could wind up losing a lot of money. Probably more than all the attention is worth," said Daniels. Indianapolis Mayor Greg Ballard agrees. "The cities have to raise a lot of money to do that kind of thing. Some is raised nationally but some locally too. We raised a lot of money locally for the Super Bowl so I think it might be problematic in the near term," said Ballard. Democrats, however, have been encouraged to enter the fray after the Super Bowl. "I think that is the next step for this city to undertake and be the spotlight for the world. 2016 would be a great year for a Democratic Convention to come to Indianapolis. It's our state's 200th birthday. If we can host a Super Bowl then we can host a national convention," said Parker.

Star employees protest job cuts

INDIANAPOLIS - For the first time in the history of the Indianapolis Star, employees took action to protest the newspaper's cutbacks (WTHR-TV). Dozens walked with signs outside the Star building at noon. The employees say the newspaper has cut its news and building staff by 44 percent.