

Politics Indiana

Thursday, July 26, 2012

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Weekly Briefing on Indiana Politics

Pence's 'good cop/bad cop' dynamic

While candidate keeps a sunny message, it will be others who go negative

By BRIAN A. HOWEY

INDIANAPOLIS - It had been nine years since Mike Pence had run and brawled for a Congressional seat, twice unsuccessfully challenging U.S. Rep. Phil Sharp.

His friend, U.S. Rep. David McIntosh, was planning to run for governor. What became the 6th CD would be open. At his gubernatorial campaign kickoff in Columbus in June 2011, Pence recalled a vacation horseback ride in

Colorado in 1999 when he pondered a return to Congressional politics with his wife, Karen. The couple spotted two red-tailed hawks drafting in the winds above the mountains. He would run once more, they decided, but "no flap-



Indiana Republican Chairman Eric Holcomb and gubernatorial nominee Mike Pence (inset) in his latest TV ad are playing the "good cop/bad cop" game. (HPI Photo)

ping." They would "soar."

What has become clear in his gubernatorial race against Democrat John Gregg is that Pence is going to keep

Continued on page 5

This is all about Bauer

By RUSS STILWELL

BOONVILLE, Ind. - Nearly every political observer has reported that House Democrat Leader Pat Bauer, one of the most colorful legislators of all time, is in a brawl to



retain his caucus leadership post. As a longtime Democrat legislator (1996-2010), I know all of the caucus members fairly well, including Bauer. I understand where everyone is coming from.

The upheaval in the caucus is not something new. The only thing new is the breadth and depth of the lack of confidence in their leader. Make





"This is now three months to go before an election. We need to be united and fight together and not fight each other."

> - House Minority Leader B. Patrick Bauer, who faces another caucus challenge today in Lafayette



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Brian A. Howey, Publisher
Mark Schoeff Jr., Washington
Jack E. Howey, editor
Beverly K. Phillips, associate
editor

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Contact HPI

Howey Politics Indiana 6255 Evanston Ave. Indianapolis, IN 46220 www.howeypolitics.com

bhowey 20 amail som

bhowey2@gmail.com

★ Howey's Cabin: 812.988.6520

Howey's cell: 317.506.0883Washington: 703.248.0909

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no mistake about it. This is a serious threat to Pat Bauer. The future direction of the House caucus hangs in the balance.

As with many things concerning the Indiana General Assembly and the House Democrats in particular, this is all about Pat Bauer. When one looks at Bauer, you have to look at the

whole package, the good, the bad and the ugly. If House Democrat members want change they better bring their A-game.

The pugnacious leader from
South Bend has never backed away from a political street brawl and will use every trick in the book to win. If you're looking to have an ultimate political showdown with Pat Bauer, you better bring your lunch, because it will

be an all-day wrestle in the mud. And if you call a caucus, you had better make sure that all members are present and your votes counted, and then counted again.

When I was first elected to the General Assembly I found that caucus members had a myriad of opinions on the fiery Ways and Means chairman. Some marveled at how he mastered the mystery of putting together a budget that most caucus members praised, while getting the Republican Senate leadership to agree to his package. Others talked behind his back that he did not include anyone else in the caucus when making deals or putting budgets together.

This continued through that unexpected evening session in 2002 when Speaker John Gregg announced from the podium that he was not running for reelection and was retiring from legislative service. That's when the Bauer faction and the Bauer

adversaries began to align the battle lines. Many of the legislators in these factions exist today, albeit they may have changed sides.

Pat Bauer began his quest for the leadership of the Democrat caucus only moments after the Gregg announcement. One veteran lawmaker jokingly commented, when watching



Then Majority Leader Stilwell conducts a presser from Speaker Bauer's office as Rep. Bob Kuzman looks on. (HPI Photo by Brian A. Howey)

Bauer engage in a conversation with a member at his desk near the back of the house floor, "What's he doing back here? He's never been to this part of the chamber. Heck, that's the first time he's talked to that member in years. He must be running for Speaker already."

That's the same Pat Bauer that many of the caucus members loved to hate, but it's also the Pat Bauer that most folks don't see. He works harder, raises more money, puts in more hours, campaigns relentlessly (maybe a little recklessly at times) and does it nonstop to remain the leader of the House Democrats. But too often the good has to compete with the bad. He trusts very few people, makes decisions singlehandedly, runs the caucus his way and does not allow much of the talent within the caucus to participate.

Since the first leadership race in 2002 there have been members



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

who wanted to take Pat out. There were members who just did not like him. There were members who thought they could do a better and smarter job. There were members who envisioned themselves just being the leader, with no thought of the work ethic and political back-scratching needed to get the job done. But in the end, there were no "wannabe" leaders who put in the hours for fundraising and campaigning to achieve their goal.

But Pat Bauer did.

And then there were members who genuinely thought Pat Bauer was just not the type of leader the

caucus needed. They resented that he did not have frequent caucuses; they resented his style or lack of style of leadership; they resented not knowing what was happening or what was coming down on the floor; and they resented that Pat Bauer was the decision maker for virtually every detail in a micromanaging bully-pulpit style in both caucus elections and house policy. I know, because as the Majority Leader I had caucus member after caucus member come to me to "complain or explain" what Pat

Minority Leader B. Patrick Bauer talks with Rep. Jerry Torr on the House floor. (HPI Photo by Brian A. Howey)

Bauer was doing and why he was doing it.

During my tenure as the Majority Leader and floor leader from 2002-2010, I had a good relationship with the Speaker. But it was a continual challenge to keep him focused, on track and include our talented caucus in decision making and power sharing.

That challenge often went unfulfilled.

Make no mistake about it. Pat Bauer is a talented and loyal partisan who will never back down from a good political fight. And he will pick one just as quickly. He has a cadre of loyal members who will always follow their leader. But he also has a declining base of support from the very caucus he created.

That's where the problems occur. All members have the right to have their voices heard, their issues addressed and their complaints aired. It is an insider club where only the members' voices and votes count. And if you are on the downward slide of enough votes, things are going to happen. You are going to lose or you must change. That's the dilemma for Pat Bauer. If he does not change he most likely will not have the votes within his caucus and his leadership will pass to a new generation.

Change is difficult for anyone, let alone a person who has ruled with impunity for so long. As stated by Lesley Weidenbener of the Courier-Journal in a recent article, "House Minority Leader Pat Bauer is not facing the wrath of voters after 42 years as a representative in South Bend. He's facing an upheaval in his caucus, one that threatens to evict him from the leadership post he's held for a decade."

Leader Bauer's autocratic control over the years has exasperated so many of his caucus members that his support has most likely dwindled to the lowest level during his leadership tenure.

I was talking with one member who had the political knowhow and common sense that many in the caucus don't have. This legislator is not out to get Pat. This legisla-

tor wants Pat to change and work with the rest of the caucus in a team-oriented approach in both elections and policy. They want him to utilize the talent in the caucus. And they want him to share information.

But they aren't holding their breath.

They know that Pat Bauer will not change and the only way to achieve change is to change the leadership. They are saddened that Pat Bauer might go out this way, given the talent and positive

leadership that he has provided in nearly a half century of service to his state, his party, his caucus and his members.

Time is running out.

The Republicans have 60 members and gerrymandered maps. Most political observers conclude that if the caucus returns 40 members it would be a banner year. Any more than that would be exceptional.

A candidate in a key house race said, "I hope that they get their act together. I'm out here every day in 100-plus-degree temperature busting my tail going door to door. I will need the support of the entire caucus and a unified caucus to make this race work. All this infighting will make it all the more challenging."

It's a lot more than caucus in-fighting; it's about change and who can deliver the most votes once the election is over. It should be about how every caucus member can do everything possible to win every competitive race and make a surprise or two for the Republicans.

It should be about helping all those candidates who are knocking on doors in 100-degree temperatures. •

Stillwell is a former House Democratic majority leader and a regular HPI columnist.



Page 4

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012



The epic end game of B. Patrick Bauer



Cunning and clever, an old-school politician fights to stay in power

By BRIAN A. HOWEY INDIANAPOLIS - Embattled House Minority Leader B. Patrick Bauer survived not only a caucus coup attempt last week on Friday the 13th, but also a marathon four and

The Bauersaurus







case. This story represents a 'perfect storm' of misguided government policy and overzealous corporate ambition."

> Marion County Superior Court Judge David Dreyer, on the IBM cas













Bauer's sine die today?

By BRIAN A. HOWEY

INDIANAPOLIS - Embattled House Minority Leader B. Patrick Bauer called today's third attempt to oust him as "atrocious" and "destructive."

At a Statehouse presser on Wednesday - after word came that the House Democratic caucus would gather today at an IBEW Hall in Lafayette - Bauer said, "I'm not worried about tomorrow because I don't think it's a legitimate deal and number two, if they want to keep doing this, nobody should want to be leader, to tell you the truth. I don't think a no-confidence vote at this time would be a true test of what I'm doing or where we're going."

Bauer also described himself as "folicly impaired," a reference to his famous toupee.

The NWI Times reported in today's editions that State Rep. Linda Lawson will serve as interim leader

through the Nov. 6 general election, according to State Rep. Charlie Brown. A permanent leader will be selected at a party meeting after the election, he said.

But further evidence of Bauer coming "unhinged" and detached from reality was his effort to recruit a candidate to oppose State Rep. Tom Dermody (R-LaPorte) in the backyard of key challenger, State Rep. Scott Pelath.

Sources tell HPI that longtime political veterans like the current county chair John Jones, former county chair Shaw Friedman and Rep. Pelath were hesitant to field a candidate unless it was a "Tier 1 candidate" who could successfully compete with Dermody in dollars and name recognition.

"Let's face it, to beat Dermody, you need all hands on deck," said one observer. "With Dermody one of only four R's voting against Right to Work, much of organized labor was going to sit on their hands. Some labor leaders were even going to work for Dermody. All of the planets have got to line up right to beat Tom Dermody. .



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012



The Mike Pence family poses after his campaign kickoff in Columbus in June 2011. Pence has refused to engage his opponent, John Gregg. (HPI Photo by Brian A. Howey)

Pence, from page 1

his sunny, good mood demeanor and "soar" with a warm and fuzzy message, a bank account double that of his opponent, and when it comes to taking the gloves off, Mike Pence the "good cop" will rely on "bad cop" surrogates to bloody up his opponent.

Appearing the Indiana Black Expo last week, Pence told Amos Brown, "We're going to continue to put out a positive message about aspiration. We can build a better Indiana. It's about aspiration for every community in the state."

Thus, this week Pence released his fifth feel-good TV ad focusing on jobs. Seated with Karen, he talked about jobs pumping gas and baling hay, and then "I found myself out of work. We got through, tightening our belts." He added that he wants Indiana to be known "everywhere as the state that works."

"I know the pain of losing a job," Pence tells a state with a persistent 8% jobless rate. It was the first time in nearly a year the state's jobless rate increased as nearly 266,000 people were without work in data adjusted for seasonal swings in employment. "We're kind of going sideways right now," said Anthony Sindone, a continuing lecturer in economics at Purdue University North Central.

The Gregg campaign responded to the new Pence ad, saying, "After two and a half months of commercials, Mike Pence finally mentioned jobs for the first time in his latest ad. Unfortunately for Candidate Pence, Congressman Pence's record shows that he has voted against jobs for Hoosiers time and time again."

The Gregg campaign cited: During his 12 years in Congress, Pence has been the voice of a divisive social agenda (Reuters, 7/16/12). On jobs, his record is not on the side of Hoosiers. In 2008, he voted against saving over

120,000 Hoosier jobs (H.R. 7321). Earlier this year, he voted to eliminate another 11,700 jobs (Indy Star, 6/8/12). In 12 years, Congressman Pence has never introduced or helped pass a single jobs bill and he cannot name one job he has ever created. "Congressman Pence has no credibility on this issue," said Daniel Altman, communications director for Gregg for Governor. "His commercial says he will protect Hoosier jobs, but as Congressman he has voted time and time again to give thousands of Hoosiers the pink slip. This is nothing but more of Congressman Pence's Washington-style hypocrisy."

That was followed the next day by a broadside from the GOP "bad cop" – in this instance, Indiana Republican Chairman Eric Holcomb - who accused Gregg of "embellishing" his record as Indiana House speaker. He took Gregg to task for taking a \$1.7 billion surplus and converting it into a \$760 million deficit. "I am not going to let an embellished record stand on its own," Holcomb said, standing in front of a placard that said "we can't afford John Gregg (literally)."

"His rhetoric doesn't match his record," Holcomb said.

The danger in this tactic is that Gregg helped forge the 2001 budget with Republican Senate Finance Chairman Larry Borst and Senate Republicans, with the Gregg campaign noting that Lt. Gov. Becky Skillman, then a state senator, and current Senate President Pro Tempore David Long also voted for that budget.

But the emerging dynamic is that Pence is going to stay above the fray and project his sunny message while surrogates will do the dirty work.

As president of the Indiana Policy Review Foundation in 1991, Pence wrote a tome titled "Confessions of a Negative Campaigner" in which he discussed the gutter brawl tactics he used against Rep. Sharp in 1988 and 1990.



Page 6

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

One of the Pence campaign TV ads had an actor posing as an Arab thanking Sharp for American dependence on foreign oil.

"Negative campaigning, I now know, is wrong," Pence acknowledged.

What Pence does not do is characterize his article as an apology, describing it in 1991 for the Muncie Star Press as a "confession, an admission, a personal indictment. That's the extent of it."

If there is a lesson to be learned from the 2012 sequence, it is that negative ads can backfire. U.S. Sen. Dick

Lugar avoided going negative for virtually all of his career, but had to against Richard Mourdock in the May primary. What had been a close race became a 61-39% blowout as Hoosier voters didn't recognize the "statesman" turned negative campaigner.

The Holcomb attack was seen by Indiana Democrats as the current dynamic. "Part of that stems from the fact that Mike Pence doesn't want to run a negative campaign," Indiana Democratic Chairman Dan Parker told WISH-TV, "so he's going to have Eric do it."

Mark Mellinger, writing for WISH and WANE-TV, noted,

"Gregg has thrown the kitchen sink at his main opponent, Republican Mike Pence, this summer. He's taken Pence to task for being overly focused on social issues, not concerned enough about jobs, out of touch with Indiana, and most recently blasted Pence for taking campaign contributions 'from characters with a nefarious past' (a list on which he includes the well-known conservative donors the Koch brothers). If his hope has been to engender a response from Pence on any of this, Gregg has not succeeded.

"Pence," Mellinger observed, "so far has absolutely refused to become entangled in any kind of verbal backand-forth in a race where he is perceived to be the favorite. His approach has been to project a positive image and stay above the fray. Even when Gregg derided Pence and running mate Sue Ellspermann as the 'Tea Party ticket,' Pence's campaign didn't take the bait and instead issued a decidedly gentle response: 'We think that each candidate should talk about his own ideas, and let Hoosiers decide which they like best.' Why get down in the weeds if you don't need to, right?"

The strategy will likely work if Pence can maintain a big poll lead. In the only independent media poll taken in the race – the March 26-27 Howey/DePauw Indiana

Battleground Poll – Pence had a 44-31% lead over Gregg. Pence's hard fav stood at 32% and his hard negative at 20% (compared to 10/4% for Gregg, who was unknown by 71% of the likely general election voters surveyed). At least two internal polls for other campaigns HPI has seen show Pence with a lead in the 20- to 25%-range.

Pence was unknown by 30% at that point in the Howey/DePauw Poll, so the clear Pence strategy in the five TV ads he has run since the May 6 primary is to gin up his name ID with the series of bio ads that featured him and Karen ice skating, detailing the family history, the jobs

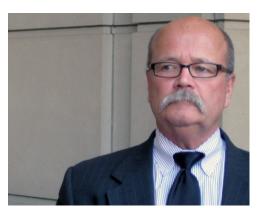
he's worked, the schools he attended, the Columbus home that was flooded in 2008 and now his empathy for unemployed Hoosiers.

Gregg has been forced to rely almost exclusively on earned media, though Parker told HPI he expects Gregg to begin his TV ad campaign before Labor Day. When he does, Gregg faces two huge challenges: To define himself, and then redefine Pence, whom he has consistently characterized as a radical and "extremist" on social issues. Another theme the Gregg campaign has pushed through earned media are the "disagreements" between "Congressman Pence" and "Candidate Pence," contrasting votes Pence has made in Congress with his rhetoric on the campaign trail.

And in this day where Super PACs and other outside groups have been shoveling millions of dollars into attack ads on behalf of various campaigns, it will be easy for groups outside the Pence campaign structure to bloody up Gregg if he gets a foothold and positions for a stretch run. The Pence campaign has stayed on message and disciplined to date.

In talking with numerous Republican and Democratic sources, it appears to be a daunting task for Gregg. Few can conjure a likely scenario where Gregg can overcome the Pence war chest and sunny disposition. The ones who try point to potential Pence gaffes, like his characterization of the Supreme Court Obamacare ruling to the Sept. 11 terror attacks. But it occurred off camera and without a direct quote, coming from a second hand source. Pence quickly apologized.

Some in the party believe a steady Democratic assault on Pence's Congressional record (or lack thereof) will bear fruit. And they point to Frank O'Bannon's 1996 upset of Republican Stephen Goldsmith as Exhibit A, but that was made possible by the mayor's ham-handed handling of the Meridian Street Police Riot. **Horse Race Status:** Likely Pence &



Democratic gubernatorial candidate John Gregg may be fighting more than just the Pence campaign over the next four months. (Indiana Public Media Photo)



Page 7

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Mr. Indiana's ad blitz

By MARK SOUDER

FORT WAYNE - One thing is absolutely certain about the race for governor of Indiana: Mike Pence is taking nothing for granted. August is usually considered early television advertising, but in July Pence churned out TV ads as if it was mid-October.

I am a big believer in early advertising. When Dan Coats was appointed senator in late 1988 to replace Vice President-elect Dan Quayle, he hired consultant Dick Morris to organize his campaign. Seven of the previous eight appointed senators had lost. Morris wanted to set up an early campaign, since Coats was known only in the northeast corner of the state. The first Coats ads were up in March of



the off-election year of 1989. By the time the election year rolled around, the threats of primary opponents from Indianapolis had disappeared.

Though in retrospect 1990 was a difficult Republican year and Baron Hill proved to be a tougher campaigner than expected, Coats had a solid win.

In my own campaign in 1994 I ran against incumbent Jill Long who had received 62% of the vote in the previous two elections, plus had slightly over

a 70% reelect in early June of 1994. I didn't wait around for a last-minute blitz hoping to overcome her with a tide. I used what little money I had each week to define myself, and then begin defining her.

Poor Al Hubbard, then Indiana Republican chairman, was having a heart attack watching me spend my account down every week. It certainly was not conventional wisdom but, of course, under conventional wisdom I wasn't even among the long list of potential winners in 1994 until about two weeks to go. By that time, we were ahead. The national Democrats came in with the last-minute smear attacks they executed across the nation, the Republican help came to me, and I won.

Jill Long should have taken me out before I got rolling, but she waited too long. That forced her to go negative, and with incorrect personal smears rather than issues. Hmm.

Much like Senator Lugar in this year's primary. Lugar did not lay down an Indiana base, aired a confusing Keystone pipeline ad as an attempt to piggyback on talk radio, and then just clobbered Mourdock with personal negatives. When you use personal smears, if they don't stick, they backfire.

Ultimately I beat Jill Long by 13 points, with only one public poll showing me ahead (the Sunday before, by one point). Richard Mourdock won by a huge margin that was increasing by the day, and only the Howey/DePauw Indiana Battleground poll showed the extent of the approaching tidal wave.

Susan Brooks, about to be Congresswoman Susan Brooks, benefited from what appears to have been an even bigger late swing backlashing against negatives run by the supposed leaders against each other, the residency attack on David McIntosh, and solid positive information about her own background.

Mike Pence clearly has studied other campaigns including Gov. "My Man Mitch" Daniels and his own races. He decided first and foremost to make his Hoosier roots clear. We have every reason to believe at this point that we will be learning in Pence TV ads which were his favorite state parks growing up, whether he preferred blue or pink cotton candy when his family went to county fairs, and that he once had a pet cow named Elsie (after Borden's Ice Cream symbol in Fort Wayne).

In other words, he's Mr. Indiana. He's traveled enough of the world to know he prefers New Paris to Paris as well as Hoosier versions of Versailles, Peru, Mexico, Brazil and our other exotic locales.

Even more extraordinary than learning about the historic adventures of "Mike the Hoosier" each week, from family floods to being without work, is the sheer number of different commercials. In a pure advertising sense, it is an unmitigated disaster. I know so, because all the "wise men" informed me that, especially for radio but also for TV, as a congressional candidate I ran too many different commercials without enough media buy "points" for each version. No one would remember them. The fact that I won eight general elections and eight primaries in 16 years, and never lost, didn't seem to matter.

But as a private sector marketing guy, I knew the key point was to have memorable elements in common in the commercials, and then copy could vary. My television commercials, for example, featured me on our wooden boardwalk in front of our store, with an Amish buggy going by. That was when I began in 1994, as well as in my last race when I was there in our family business talking about our roots in Grabill and how they defined me.

Pence has several things that link his ads, when grouped as a whole. Having seen his commercials in past congressional races, they are not radically different. Mike driving through cornfields and talking about Hoosier values was pretty much the approach. One common trait is that Mike does the talking. He's a media guy himself. His voice sounds Hoosier. He looks like a Hoosier, not like some city slicker from out east or a Hoosier trying to shake the "stuff"



Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

off his boots (as the cleaned-up expression in Washington goes, mocking those who don't want to be who they are). Daniels did some of his talking in his ads, but Mike so far is doing all of his.

Mike is basically telling the story of his life. He is saying: Hey, I'm a lot like you. I went through the challenges you face. God has given me the opportunity to address these problems. I, like you, know government may aid at

times, but the real solutions are with the people themselves when they have the freedom to do it. Let's work together and make our state an even better place.

It is pure Mike Pence, just delivered in an expanded form, statewide. It is not cheap. But I think it is brilliant.

Souder is a former Republican Member of Congress.

Mourdock's appearance with Glenn Beck shows he won't move to center

By BRIAN A. HOWEY

INDIANAPOLIS - Any pretext that Republican U.S. Senate nominee Richard Mourdock will use the Nixonian political axiom - run to the right in the primary; run to the middle for the general - appears to be moot.

Eric Bradner of the Evansville Courier & Press reported on Wednesday that Mourdock is traveling to Dallas

this weekend for a Freedom-



Works event that will feature former Fox News talk show host Glenn Beck. Mourdock will speak Thursday at American Airlines Center, at an event called "FreePAC" — a FreedomWorks event and "an important momentum-

builder as we head into November with eyes on regaining a majority in the Senate and restoring fiscal responsibility to Washington," said Matt Kibbe, the FreedomWorks president who will speak there, too.

"He was asked to speak to the group because of the unprecedented grass roots support he received during the primary election," said Mourdock spokesman Chris Conner. Other speakers there include Beck and two other Republican U.S. Senate candidates, Ted Cruz of Texas and Mike Lee of Utah. Thursday's event precedes a Beck event Saturday at Dallas Cowboys Stadium called "Restoring Love."

"If Hoosiers needed any more proof that Richard Mourdock is an extreme Tea Party candidate, they'll have it after seeing the company he keeps this Thursday," said Ben Ray, the Indiana Democratic Party spokesman, told the Courier & Press. "Maybe if he was running against Christine O'Donnell for most popular tea partier, Richard Mourdock would want to spend time with these guys. But he's run-

ning for Indiana's Senate seat, and this is just more proof that he's extremely out of touch with Hoosiers.

Until Larry Sabato and Kyle Kondik of the University of Virginia's Center of Politics noted in a column last week that Senate Republicans could lose what would have been a "safe" seat had U.S. Sen. Dick Lugar won the nomination, it has been uncanny that so many national analysts don't see the Indiana Senate seat in play.

The national analysts see Indiana as a "red state" with no one named "Bayh" on the Democratic side and assume that Mourdock is favored.

But every poll conducted on this general election matchup - including the March 26-27 Howey/DePauw Indiana Battleground Poll - have shown this race to be tied.

What's missing from the analysis is Indiana's long history of ticket splitting.

Let's go through a list through the television age: **1968:** Republicans Nixon and Gov. Edgar Whitcomb win, but so does Democrtic U.S. Sen. Birch Bayh.

1988: The Bush/Quayle presidential ticket carries Indiana, but so does Democratic Gov. Evan Bayh.

1996: Hoosiers vote for presidential Republican Bob Dole, but elect Democrat Frank O'Bannon as governor.

2000: Republican George W. Bush carries Indiana's 11 Electoral College votes and Sen. Dick Lugar wins reelecton, but Gov. O'Bannon is reelected.

2008: Gov. Mitch Daniels is reelected with 58% of the vote, but Barack Obama wins Indiana and Democrats maintain control of the Indiana House, an unprecedented development in modern times. Usually a winning governor carries the House with him.

State Sen. Brent Waltz, R-Greenwood, observed, "Hoosier voters pick the most qualified candidate, even if it means splitting the ticket."

Mourdock already has the Tea Party vote wrapped up. In the March 26/27 Howey/DePauw Poll, Mourdock had a 76/18% fav/unfav with respondents who identified with the Tea Party. But among conservative independents his favorable was 10% and among liberal independents it was 14.4%

The expectation was that he would reach out of Lugar voters and try to make forays into independent vot-



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

ers. Not sure Glenn Beck will help Mourdock do that.

Mourdock criticized President Obama for his call to raise taxes on small businesses by allowing previous tax cuts to expire. "Raising taxes right now – again – is absolutely the last thing we should do in a weak economy. The Washington crowd just doesn't get it. First, the ObamaCare tax and now income tax increases?" Mourdock continued, who stressing that the vast majority of Indiana jobs are created by small businesses.

"President Obama once warned us against raising taxes during a recession," stated Mourdock "But now, faced with the need to make tough choices, he's forgotten." Appearing with several small business leaders at Daman Manifold Company in Mishawaka, Mourdock also called on Washington to stop political games associated with the tax cut and automatic spending cuts that threaten defense jobs in the South Bend area and across the country. "In typical Washington fashion, the White House and members of Congress are playing a game of chicken with American jobs, by attempting to tie their tax increase to saving defense jobs from automatic spending cuts. It's time to stop the games, make thoughtful cuts in federal spending, and save defense jobs," said Mourdock. "We need to start running Washington like we run the State of Indiana," he said.

Indiana Democrats announced today that they are proud to stand with national Republicans who agree that Richard Mourdock's plan to end the Medicare guarantee is bad for Hoosier seniors. The announcement came on the heels of a Politico report that the National Republican Senatorial Committee funded television ads in Montana hyping their candidate's opposition to Mourdock-endorsed cuts that would end the Medicare guarantee. Under Mourdock's plan, Medicare would be converted to a voucher program, boosting out of pocket costs for seniors by more than \$6,000 annually. "We welcome national Republicans to the cause of protecting seniors from Richard Mourdock's attempt to end the Medicare guarantee," said Indiana Democratic Party Chairman Dan Parker. "Richard Mourdock believes that Medicare and Social Security are unconstitutional, so it's no wonder that he wants to end the Medicare guarantee. Hoosier seniors deserve better."

Alexander Burns of Politico reports that a former donor to the pro-Lugar super PAC Hoosiers for Jobs is raising money for Joe Donnelly: A former donor to the super PAC that backed Sen. Dick Lugar in this year's Indiana GOP primary hosted a fundraiser last night for Democratic Senate nominee Joe Donnelly, according to an invitation obtained by POLITICO. Doug Rose, an Indiana businessman who has donated to both political parties, cut a \$5,000 check back in March to the Hoosiers for Jobs super PAC. That group was created to aid Lugar in his unsuccessful effort to beat back a primary challenge from Mourdock. But this week, central Indiana campaign donors and potential fundraising prospects got this message inviting them to

an event at Rose's home in Carmel: Please join: David & Jackie Barrett, Miriam Dant, Mark & Rochelle Effron, Steve & Leslie Fivel, Irwin & Iliana Levin, Michael & Julie Mervis, Doug & Michelle Rose, Tony & Marya Rose, Jeff & Heather Smulyan, and Greg & Renny Silver.

Two months after the formation of Republicans for Donnelly, membership has grown from six to about 60, according to a campaign official for Donnelly (Fort Wayne Journal Gazette). The group was begun by supporters of Sen. Richard Lugar, R-Ind., who was defeated by state Treasurer Richard Mourdock in the May 8 GOP primary election. Elizabeth Shappell, communications director for Donnelly's campaign, said more than 50 people had signed up online to join Republicans for Donnelly. "We encouraged people to sign up for the group online as a grass-roots organizing tool -- not a fundraising tool," Shappell said in an email. Mourdock campaign spokesman Christopher Conner said in an email about Republicans for Donnelly: "Several of the individuals they originally list as Republicans actually had voted in several Democratic primaries. I am sure some of that is still the case."

Mourdock announced last week that he has been endorsed by the U.S. Chamber of Commerce (Fort Wayne Journal Gazette). Chamber President and CEO Tom Donohue said in a written statement that the election of Mourdock "will help produce sustained economic growth, help create more jobs, and get our country back on track." On April 17, Chamber executive Rob Engstrom said the world's largest business advocacy organization was endorsing Lugar "because of his proven record and ability to get things done in support of Indiana job creation and economic growth." Mourdock said in a statement about the Chamber's endorsement: "Congressman Joe Donnelly will continue to support (President) Obama's Washington, DC way: increased government spending and higher taxes in the U.S. Senate. I support the Hoosier way: less government spending and lower taxes, which encourages businesses to expand and jobs to be created." Horse Race Status: Tossup

2nd CD: Farm Bureau endorses Jackie

Jackie Walorski, Republican candidate for the U.S. House, has secured the endorsement of the Indiana Farm Bureau political action committee (Elkhart Truth). "At a time when Indiana farmers are suffering from a devastating drought, they need to know their next representative will fight to protect their farms and voice their concerns at the federal level," Walorski said in a press release. Trustees of Indiana Farm Bureau ELECT, the group's political action committee, heard presentations from Walorski and Democratic U.S. House hopeful Brendan Mullen before endorsing Walorski. Walorski also got the endorsement of Maggie's List, a group "dedicated to electing conservative women to federal office," the organization said in a press release.



Page 10

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Walorski "will work to create a pro-growth environment for businesses," said Sandra B. Mortham, chairwoman of Maggie's List. Horse Race Status: Leans Walorski

Presidential

A strategist tracking the 2012 air war flags an interesting development: the Obama campaign is booking ad time for rural radio in and around the states of Ohio and Pennsylvania (Politico). The Obama campaign has reserved about \$35,000 so far in airtime between July 20 and Aug. 2. Markets include Pittsburgh, Pa.; Youngstown, Ohio; Fort Wayne, Ind.; and Huntington, Charleston and Parkersburg, W. Va. The markets in West Virginia and Indiana -- two states that are not expected to be competitive -- also reach voters in Ohio and Pennsylvania.

Sen. Dick Lugar is one of about a dozen GOP officials who have said Romney should release more of his tax returns, according to the National Journal. The GOP presidential nominee has said he will disclose only his 2010 and 2011 returns. Lugar told CBS News that it would be "prudent" for Romney to release more. Lugar said he released "quite a number" of his returns when he sought the 1996 GOP nomination for president. Other GOP officeholders who also have said Romney should do more include Texas Gov. Rick Perry, Alabama Gov. Robert Bentley and former Mississippi Gov. Haley Barbour.

The method used to raise money for Mitt Romney's presidential campaign in Evansville next month is at the cutting edge of fundraising for White House candidates and the party strategists tasked with helping them win (Langhorne, Evansville Courier & Press). Romney, the presumptive Republican nominee, is scheduled to attend a private fundraiser Aug. 4 at the home of Evansville businessman

Steven E. Chancellor. Romney did two fundraisers in Indianapolis and one in Schererville, but the Evansville event represents the first and, perhaps, only high-dollar strike by his campaign into Indiana's secondary market for political contributions. Fundraisers at Chancellor's home can pack a considerable punch. He hosted a GOP event in July 2000 that generated more than \$1.4 million. The money raised next month won't go to Romney for President alone, which is why there will be so much of it. It will go to Romney Victory, Inc., a relatively new joint fundraising committee

to which donors may legally contribute \$75,800 during this election cycle. Romney Victory, which received its first contributions in April, was created by Romney for President, the Republican National Committee and several state GOP organizations to allow donors to give the legal limit to all of them with a single check. The limits are: \$5,000 to the candidate's campaign, \$30,800 to his national party committee; and \$40,000 to the state parties' federal accounts.

Indiana General Assembly

HD60: Mayfield TV features guns

All 100 seats in the Indiana House of Representatives are up for grabs, but there is one race that's already getting a lot of attention (Rader, WTHR-TV). Peggy Mayfield, a candidate for House District 60, has launched an early TV ad (pictured below) campaign that's hard to miss. The stakes have been raised when it comes to a seat in the House. A candidate used to be able to ride the tractor. in the local parade, but no more. Incumbent Peggy Welch in District 60 - which covers parts of Morgan and Monroe counties, including parts of Bloomington and Martinsville - is facing a tough challenge from Mayfield, the Morgan County clerk. In an unprecedented move this far out from Election Day, the Mayfield campaign is up on television and the commercial is attracting some interest. "Peggy is

a strong defender of life and Peggy is a champion of the Second Amendment," the commercial states. **Eyewitness News** put in an official request with Mavfield's campaign office, but was told she was too busy to talk about her commercial. The state's Republican Party was also too busy to talk



about it, as was Rep. Welch, except she is on vacation. The state's Democratic Party did respond. "I think that goes to, she is not prepared for this and Peggy Welch is a veteran legislator who gets things done," said Democratic Party Chairman Dan Parker. In light of the theater shooting in Colorado, it is an issue that may get more scrutiny, whether the candidates like it or not. Horse Race Status: Tossup



Page 11

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Lawson to 'aggressively' seek election changes

By BRIAN A. HOWEY

INDIANAPOLIS - Secretary of State Connie Lawson intends to push an "aggressive" elections legislation package in the 2013 Indiana General Assembly, with a biennial voter registration cleanup as a possible centerpiece.

It was prompted after the U.S. Department of Justice indicated that at least 10 Indiana counties have more registered voters than the 2010 Census says exist. An independent group called Judicial Watch has sued the state, seeking to force Indiana to clean up voter rolls.

"Indiana's election officials are shirking their responsibility to maintain clean voter registration lists. The citizens of Indiana should be outraged by the indifferent attitude their election officials have taken with respect to the National Voter Registration Act and to clean elections," said Judicial Watch President Tom Fitton. "This is our first lawsuit. We plan to sue other states who failed to take reasonable steps to remove dead and ineligible voters from the rolls."

Lawson is one Hoosier official who cannot be characterized as shirking her duties. She describes Indiana Code requirements for maintaining voter lists as highly technical and complicated, involving state agencies such as the Departments of Correction and Health and the BMV, as well as the 92 county clerks' offices.

DOC is in charge of flagging inmates convicted of felony crimes for removal from voter rolls and when that information is received the inmate's name is immediately taken off the voter rolls. "But another type of prisoner might be held in a county jail," Lawson explained. "Counties report very sporadically and it's a written list, not an electronic list."

DOH reports names of Hoosiers who have died. That information is transmitted to county clerks "on a daily basis."

"When a clerk receives that information, they double check the name and date of birth," Lawson explained. "But once in a while, the information of the Department of Health might not exactly match. If they have a doubt, they won't remove it."

In the case of a name change, a woman who has married and takes a new name can make that change at the county clerk's office or at the polling station on Election Day. People who move can change their voter registration information at BMV. "The most common way is people register on line or through mail," said Brad King, the Republican Elections Division member. "The BMV information is a little more complicated."

Other than those events, it's up to the individual counties to keep their rolls current and there is no state law that requires counties to do that on a regular basis.

In 2006, when the last statewide voter list cleanup occurred, it was prompted by a Department of Justice court order. The Republican and Democrat Election Commission members agreed to conduct the cleanup. Lake County ended up purging 137,164 names from its list alone. Porter County removed 124,958, Marion removed 68,120 or 10%, while Madison and Hamilton counties each removed 42,000 names. Statewide, 1,134,427 voter registrations were cancelled.

As for a regular cleanup, Lawson said "it would be very possible that legislation would find that a priority. If the legislature requires the state to do it, we could go ahead and proceed. They would have to appropriate \$2 million."

The money would be used for a postcard to be sent to every registered voter asking them to verifying their voting address. A returned card would require another to be sent and if the respondent doesn't send it back within 30 days, that person would be put on an inactive list. If that individual would miss two consecutive federal elections, he or she would be removed from the rolls.

"It's important to note that this is not an efficient process," said Lawson, who was appointed secretary of state on March 16 following the conviction of Charlie White on election fraud charges. "It's just not that easy."

Lawson will be meeting with her elections staff and local elected officials today to consider what she calls an "aggressive" elections legislative package. She will also consult with Sue Landske, Senate Elections Committee chairman, and Eric Koch, Landske's counterpart in the House.

As to whether there will be changes in the presidential ballot petition signature process which came to light after a Howey Politics Indiana/South Bend Tribune investigation into the 2008 cycle, Lawson said, "I think you could see something like that. We have been in contact with vendors. We want to make it more convenient for voter registration officials to certify petitions. It would be a software change. If you were checking petition signatures, it would keep track of numbers as you go. It would be helpful to campaigns and committees.

HPI and the South Bend Tribune discovered that hundreds of Hillary Clinton and Barack Obama presidential ballot petition signatures had been forged in St. Joseph County.

It resulted in the indictment of three St. Joseph election officials and former Democratic Chairman Butch Morgan. �



Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Loathing, fearing, hating despising President Obama

By BRIAN A. HOWEY

NASHVILLE, Ind. - Last week, the inflatable Obama punching bag at the Delaware County Fair caught the attention of the world - via the Muncie Star Press and then the Drudge Report.



There was a courageous Indiana House Republican candidate - Brad Oliver running in HD34 - who protested, saying he was "unable to reconcile my own personal and political convictions with an inflatable punching bag depicting an inappropriate and offensive image of the president of the United States" who also happens to be commander in chief of our armed forces.

The Muncie Star Press reported nent teacher, felt it was his respons

that Oliver, a government teacher, felt it was his responsibility "help our children learn the art of political civility and the need to listen and respect the diverse views of others."

Reporters quickly pointed out that a similar Obama punching bag attended the Indiana Republican Convention, which turned into a gigantic anti-Obamacare (and Federal Reserve) rally.

There is no doubt that most Hoosier Republicans loathe, fear, hate and despire President Barack Obama. There are virtually no neutral feelings on the right.

The other news item that caught my attention was a story in The Hill, which reported on Tuesday that the repeal of Obamacare would inflate the federal budget deficit by \$109 billion.

It was an interesting non-partisan study, one of the long-term forecasts I viewed with great skepticism, even during the homestretch of Obamacare passage, when both sides were brandishing studies that were 180 degress apart in their conclusions.

It came as Republican U.S. Senate nominee Richard Mourdock began running a high-production TV ad vowing to bring down Obamacare while "Congressman Donnelly won't."

And then my mind took me back to the mid-1990s when the last Democratic president - William Jefferson Clinton - was hated, loathed and despised by most Republicans. President Clinton

spawned the Rush Limbaugh reaction, and it culminated in his 1998/99 impeachment, the first one that had occurred since President Andrew Johnson, who was also loathed, hated and despised by Republicans.

Now, this is not going to be a popular column with my Republican subscribers. But I must remind my readers that when the Clinton presidency came to an end, there had been welfare reform, no foreign wars, no domestic terror attacks from external groups, banking deregulation, tax cuts and a federal budget surplus of \$430 billion.

As for the impeachment trial, Congressional Republicans were obsessed with his lies in the Monica Lewinsky case, and as Congress pursued what ultimately was an unsuccessful trial (that included the revelation that the incoming Republican Speaker of the House had been having his own extramarital affair), Osama bin Laden was quietly declaring a fatwa against the evil satan America.

Compare the Clinton record to that of President George W. Bush, who ignored signs of the 9/11 terror attacks, enmeshed the U.S. in two messy and deadly Middle Eastern and Asian wars that were boosted by outright lies and intelligence fabrications, gave us the greatest entitlement expansion since LBJ's Great Society, watched as the financial (Clinton deserves some of this blame) and auto sectors almost collapsed, and handed a \$1 trillion budget deficit to his successor. He also appointed Chief Justice Roberts, who upheld Obamacare.

I apologize to my Republican readers, but given the choice between the Clinton years - as lubricatedly messy as they were - and George W. Bush, I'd easily take the former over the latter based on results from hindsight (pun intended).

Over the past several months, I've read a number of analyses of the Obama presidency. On foreign policy, it has been hawkish. He angered his base with the Afghan surge. He pried the U.S. loose from Iraq, which is

still functioning as a brittle democracy. On the terror front, his exponential increase in the use of drones over the Bush administration has been devastating to al-Qaeda.

The economy is Obama's problem. Critics on the left say his stimulus was too small. To critics on the right, he opted for health care reform - when he used his poltical capital with two Congressional majorities - as opposed to fixing the economy, though Republicans were vowing at the time that their top priority was to ensure he was limited to one term. If Obama loses his reelection - something I predicted would be likely in 2009 given the array of problems he faced - it will be for this reason.

As for the loathed, hated and despised Obamacare, the fact is that its origins were





Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

rooted in the conservative Heritage Foundation, and in Massachusetts Gov. Mitt Romney's reforms there.

It all came to a head during the GOP presidential primary season when at the Western Republican Leadership Conference debate last winter, Newt Gingrich blasted away at Romney for "Romneycare. Here, listen:

ROMNEY: Actually, Newt, we got the idea of an individual mandate from you.

GINGRICH: That's not true. You got it from the Heritage Foundation.

ROMNEY: Yes, we got it from you, and you got it from the Heritage Foundation and from you.

GINGRICH: Wait a second. What you just said is not true. You did not get that from me. You got it from the Heritage Foundation.

ROMNEY: And you never supported them? **GINGRICH:** I agree with them, but I'm just saying, what you said to this audience just now plain wasn't true.

ROMNEY: OK. Let me ask, have you supported in the past an individual mandate?

GINGRICH: I absolutely did with the Heritage Foundation against Hillarycare.

And this is why Romney could lose to Obama. Republicans have lurched far to the right and there is a lack of consistency, other than their hatred for any Democratic president.

Forbes Magazine, hardly a font of liberalism, observed that Peter Suderman picked up on something subtle and important in the Gingrich-Romney exchange: that Gingrich adopted the mandate as a tactic "against Hillarycare."

Sunderman explained, "This tells you something about why Republican party leaders have had such a hard time addressing health policy issues over the last few years. Rather than make a prolonged case for health policy that does not involve endless expansion of entitlements and insurance subsidies, the GOP has instead focused primarily on reacting to Democratic proposals."

As I wrote recently about HHS Secretary Doc Bowen and President Reagan's attempt to fix health care in 1987-88 (which was quickly repealed), the Republicans controlled the White House and Congress for six years during the Bush43 years, and did nothing on health care reform but Medicare entitlement expansion. And this was during a time when businesses and families were being hammered by skyrocketing health care costs.

It is this reason I am skeptical of today's Republicans, who talk repeal, but have virtually no plans or strategy to replace.

Health care reconstruction takes a political backseat to fear, loathing, hate and despising. It may cost them the presidency in 2012. ❖

General Election: Romney vs. Obama

Polling Data						
Poll	Date	Sample	MoE	Obama (D)	Romney (R)	Spread
RCP Average	7/9 - 7/24			46.3	45.0	Obama +1.3
Rasmussen Tracking	7/22 - 7/24	1500 LV	3.0	44	47	Romney +3
Gallup Tracking	7/18 - 7/24	3050 RV	2.0	45	46	Romney +1
NBC News/Wall St. Jrnl	7/18 - 7/22	1000 RV	3.1	49	43	Obama +6
FOX News	7/15 - 7/17	901 RV	3.0	45	41	Obama +4
CBS News/NY Times	7/11 - 7/16	942 RV	3.0	46	47	Romney +1
NPR	7/9 - 7/12	1000 LV	3.1	47	45	Obama +2
McClatchy/Marist	7/9 - 7/11	849 RV	3.5	48	46	Obama +2



Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Sorry Mitt and Mitch: Folks just don't it on their own

By SHAW FRIEDMAN

LAPORTE - "I believe in fairness. As I've said before, there is nobody in this country who got rich on his own. Nobody. If you built a factory, good for you. But I want to be clear. You moved your goods to markets on the roads that all of us paid for. You hired workers the rest of us paid to educate. You were safe in your factory because of police forces and fire forces that the rest of us paid for. You built a factory and it turned into something terrific. God Bless! Keep a big hunk of it. But part of that underlying social contract is that you take a hunk of that and pay forward for the next child who comes along."

- Elizabeth Warren, Democratic U.S. Senate candidate, Massachusetts

* * *

There is nothing quite as offensive as the sons of wealth and privilege like Mitt Romney and Mitch Daniels

lecturing the rest of us on the need to be independent, self-reliant types pulling ourselves up by our bootstraps without the aid and assistance of government.

Both seek to justify continuing budget-busting tax cuts for the rich and tax avoidance by the biggest, wealthiest corporations in America by saying it's time that Americans wean themselves off what they call the "free stuff" that government provides. They continually

invoke the musty image of the entrepreneur in his garage coming up with an invention that is somehow thwarted by government. They try to envelop themselves in some rags-to-riches mythology where hard work and persistence delivered them to great wealth while the truth is that both Daniels and Romney used every advantage, every trick in the book, every family or political connection they could to get where they got.

Take Mitch. A son of privilege, he used his affluent family background to help gain access to Princeton. While we heard plenty about Mitch's experimentation with marijuana as an undergrad, I don't recall stories of Mitch breaking a sweat working two jobs to support himself through college. No, he had the luck and good fortune to be born into an affluent family that was able to send him to one of the finest schools in the country and into privileged ranks after that.

Using connections he made during his time work-

ing for President Ronald Reagan, he leveraged those ties to a key job with a Fortune 500 pharmaceutical firm where his political connections helped make him a fortune. Even to this day, rather than any so called merit-based job, we learned that eight of the 10 Purdue trustees who just appointed him university president – after a highly secretive selection process – were his personal appointees; six of whom were actually his political donors.

While he has sanctimoniously inveighed for eight years against "cronyism" in local government, with his own plum appointments at Eli Lilly and now Purdue, Mitch used every personal and political connection he could tap to get where he got.

Same with Mitt. The son of a Michigan governor and wealthy auto industry executive, Romney parlayed family connections into admission to Harvard. His entry into a venture capital firm traded on unique family connections and a wealthy network of friends built from his days at one of our country's most prestigious educational institutions.

Say both had started instead as sons in an impoverished family eking out an existence on the hard-scrabble dirt roads of a small Indiana town. Both might have needed to rely on food stamps or school lunches or Medicaid or the GI Bill or any number of social safety net protections that have been put in place over the past 80 years to try to make life more livable and humane. That's not "free stuff," gentlemen. It's the helping hand of a government fulfilling its obligation to assist its own citizens.

But let's finally put aside the mythology of the modern capitalist who supposedly does it all on his or her own. It just doesn't happen that way. Most businessmen and women are more than eager to seek governmental assistance as they grow their enterprises.

For instance, the high-flying tech sector has been more dependent on government research and development than any other industry. The U.S. government provided about half of the funding for basic research in technology and communications well into the 1980s. Even today, federal grants support about 60% of research performed at universities.

IBM was founded in 1911, Hewlett Packard in 1947, Intel in 1968, Microsoft in 1975, Apple and Oracle in 1977 and Cisco in 1984. All relied on government and military innovations. The more recently incorporated Google, which started in 1996, grew out of the Defense Department's ARPANET system and the National Science Foundation's digital library initiative.

Don't give us this baloney that today's most successful entrepreneurs didn't have help and assistance from the government. Mitt and Mitch want to lecture us on contemporary capitalism? Romney surrogate John Sununu this week tried to claim that anyone seeking controls on



Page 15

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

unregulated capitalism isn't a "real American." The reality is that most American capitalists rely on subsidies, handouts, grants, abatements, tax incentives and basic public services like the courts, police, fire, EMS and publicly funded roads and bridges as much as ever.

The specter of the vaunted sons of privilege – like Mitt and Mitch – who want to lecture the rest of us on the

need for self-reliance and swearing off the "free stuff" provided by government is just too much to take. It's time we call it for what it is − rank hypocrisy. ❖

Shaw Friedman is a LaPorte attorney who is a regular HPI columnist.

Where the jobs pay well

By MORTON J. MARCUS

INDIANAPOLIS - A reader wrote to ask, "Where are the jobs that pay well?"

There are Indiana jobs that pay well and jobs that pay better elsewhere than in Indiana. The problem most often is the worker either has to change occupation or residence (or both) to get those jobs.



If you are typical, that is, if half of all the workers in the state make more than you do and half make less, you are known to statisticians as the median worker.

In Indiana, the median worker earned \$31,280 in 2011. That was \$3,980 less than the median worker in Illinois, the state with the highest median wage among Indiana's neighbors.

Is it worth nearly \$4,000 a year to leave friends and family and move to Illinois? In addition, there is no guarantee that you have the

skills or experience to make the median wage in Illinois.

If Illinois does not appeal to you, if you want to go for the big money in the 50 states, then consider Massachusetts (\$42,730) or Alaska (\$42,960).

However, first you might want to look around the Hoosier Holyland before you go elsewhere. In every state, the median worker's wages differ greatly by occupation. If you are a cook in a Hoosier fast food restaurant, you know the median wage is \$17,690 a year. You might consider becoming a carpenter and enjoying a median wage more than twice what you are currently making flipping burgers. Indiana's carpenters have skills and experience that you would have to acquire before you could be that median carpenter at \$37,970.

If mysteries intrigue you, think about becoming a detective or criminal investigator and enjoy a median wage of \$48,150. If you have sadistic tendencies, maybe the job for you is dental hygienist with a median wage of \$65,700. But these jobs, and most jobs, require training

and experience in addition to talent and determination.

What's the best paying occupation in Indiana? We don't know because the Bureau of Labor Statistics does not report detail above \$187,200 per year. We do know that surgeons, psychiatrists, OB-GYN doctors, and anesthesiologists are in that class.

Eleven of the top dozen wage earning occupations in Indiana were doctors. The doctors practicing internal medicine come in at \$173,580, general dentistry paid \$10,000 per year less, and all other occupations fell lower on the scale.

All of these are figures for Indiana. Would it pay for the fast food cook or the carpenter to go elsewhere? Vermont offered a median wage of \$20,930, or 18 percent greater than does Indiana. The median wage of a carpenter in Hawaii was \$66,980 or \$29,010 more than in Indiana.

Some readers have been disturbed that I write often about wages and fail to discuss the cost of living. Hoosiers make less than people elsewhere, these readers argue, because the cost of living in Indiana is lower than elsewhere.

I **deny this assertion.** As I see it, Indiana has a lower cost of living because Hoosiers have lower wages than workers elsewhere. Housing markets are local, barber shops base their rates on nearby barber shops. Prices set in local markets are determined, in large measure, by the incomes of the customers. Hence, housing and haircuts cost less in Princeton and Portland (IN) than in New York or San Francisco. ❖

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



Page 16

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Chief Justice Roberts plays national 'umpire'

By JACK COLWELL

SOUTH BEND - Neither liberals nor conservatives believed John Roberts when he said he would be like an impartial baseball umpire on the Supreme Court, there just "to call balls and strikes, and not to pitch and bat."

Liberals believed he really would pitch and bat against their causes.



Conservatives believed he really would pitch and bat for their causes. Beliefs have been shattered. And a new Gallup poll reflects a remarkable shift in how Republicans and Democrats view the court and Chief Justice Roberts.

Now, some angry conservatives, focusing on political rather than legal analysis, call the chief justice a traitor for not going to bat for the anti-Obama side on health care.

They fear Roberts really did decide to play the role of umpire, not activist.

They shout the cry of baseball fans displeased with the call on a game-deciding play at the plate: "Kill the umpire!"

Now, some delighted liberals, also focusing on political rather than legal analysis, call the chief justice a hero for declining to hit or pitch for the anti-Obama team on the Supreme Court on health care.

They hope Roberts really did decide to play the role of impartial umpire and will do so again.

They hail the motto of the baseball umpire who ignores booing and cheering of the crowd:

"I call 'em as I see 'em."

Roberts, in Senate confirmation testimony, drew the baseball umpire analogy. It wasn't original. The analogy has been cited for well over a century.

It's the theory that judges, like umpires, should follow the rules: In the judiciary, follow the Constitution and precedents, make impartial decisions, avoid favoring one team over another, refrain from being activists for a cause, never invent ways to strike down the work of elected officials just because of personal dislike for the legislation.

In contending that justices should be like umpires, Roberts testified: "Umpires don't make the rules; they apply them. The role of an umpire and judge is critical. They make sure everybody plays by the rules. But it is a limited role. Nobody ever went to a ballgame to see the umpire."

Not all legal scholars go for the umpire analogy.

Critics say that in litigation, especially on constitutional issues, there often is no agreement on the rules. No agreement on four balls being a walk or three strikes and you're out.

But Roberts' comforting testimony and credentials as a brilliant jurist deflected criticism, enabling him to win confirmation easily. Neither liberals not conservatives believed, however, that he would be just an impartial umpire.

Liberals believed he would be an activist conservative, interpreting the Constitution in a way to strike down liberal legislation and precedents and promote conservative philosophy.

Conservatives believed the same thing. They were happy about it. Liberals, though unhappy, knew they couldn't force President George W. Bush to nominate somebody less conservative.

In the vote on confirmation, Roberts was approved by all Republicans and half of the Democrats. Sen. Barack Obama, who liked Roberts and initially wanted to vote for him, and Sen. Evan Bayh, who had praise for Roberts, a fellow Hoosier, were among Democrats voting "no" on confirmation.

Reason? They were eying the Democratic presidential nomination and knew that voting for Roberts, viewed unfavorably by the Democrats who vote in presidential primaries, could knock them out of nomination consideration.

Liberals and conservatives both appeared to be correct in their evaluation of how Roberts would decide cases. He helped to form a conservative majority for decisions displeasing liberals, especially so on the Citizens United ruling on political spending.

That Gallup poll shows that Republicans have turned against the Supreme Court and Roberts, while Democrats now have a much more favorable view of a court controlled 5-4 by nominees of Republican presidents.

Once again, beliefs may be shattered in future decisions.

Has Roberts changed philosophy? Or was he following a conservative contention of the past that justices should not be activists seeking ways to change things?

He did reject the commerce clause argument for the health care law. And then said it was OK under taxing powers.

Kind of like an umpire ruling that the throw to the plate was there in time, but the catcher missed the tag. �

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



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

A memorial for John Curley

By RICH JAMES

MERRILLVILLE – I'm told it was a pretty touching ceremony on July 13 when ground was broken for the John B. Curley Memorial Park. That's not surprising. Curley was a heckuva guy.

Curley was the Winfield Township trustee and assessor for almost 30 years and was Lake County Republican chairman for the last six years of his life. Curley died in October 2009. He was 66.



Curley seemed in good health. Just a few years before, he had a kidney transplant. His sister Kathy was the donor. After the surgery, John told me, "My sister said the kidney needs a little Budweiser from time to time."

John worked hard at building a strong Republican Party in what is the most Democratic county in the state. He made impressive strides. Curley also was highly critical of Republicans who came to Lake

County to raise money and then left. Curley argued that it's difficult to build a strong local party when the bulk of the political capital is heading to Indianapolis.

Upon his death, Republican Gov. Mitch Daniels said, "John will be missed by friends of good government and very difficult to replace." The governor was on the money.

John was replaced by Kim Krull, who brought a pretty big ego and little else to the job. Consequently, the Lake County Republican Party is more divided than it has been in decades. Krull could well be ousted when the precinct committeemen elect a new chairman next year.

Democrats who worked with Curley and appreciated his honesty and openness will likely hate to see Krull's divisiveness go. Winfield Township is selling personalized bricks to be placed at the new park. The money will help cover the cost. Those interested may call 219-663-6705.

* * *

The Northwest Indiana Regional Bus Authority has to be feeling a good bit like Rodney Dangerfield. Just three weeks after the RBA ceased operations for a lack of funding, there are those still throwing stones.

State Rep. Chet Dobis, D-Merrillville, told the Times of Northwest Indiana that the RBA should be disbanded. Dobis said the RBA was given a chance but failed to make a go of it. It's time to sell the buses and pretend the RBA

never existed, is what Dobis suggested.

Not so fast, Chet. The RBA failed because Dobis and other state legislators and elected officials back home refused to come up with a permanent funding source for public transportation. They all ought to be ashamed.

Instead of writing off the RBA as a failed experiment, the elected officials ought to convene and find a way to resurrect what they helped kill. The reality is that people were riding the buses. The reality also is that there isn't a bus system in the country that isn't subsidized by taxpayers.

To illustrate the reluctance to fund bus service, one has to look no further than the county council and its approach to financing county jail operations. The county remains under pressure from the Department of Justice to upgrade the 1,000-bed jail operation. It seems that Sheriff John Buncich inherited a real mess from former Sheriff Roy Dominguez. While the county – at the direction of the DOJ – has poured millions into jail upgrades, more is needed.

But the council, like other units of government in Lake County, doesn't have the money. The reason for the financial shortfall – in addition to DOJ demands for the jail – are poor property tax collections, the property tax cap and the punitive levy freeze imposed by the state in 2007 because the county refused to adopt an income tax.

Because the county has been cutting across the board since the levy freeze was imposed five years ago, there is little more to cut. So where is the money to come from?

County Councilman Rick Niemeyer, R-Lowell, who is the son of Ernest Niemeyer, former state senator and county commissioner, had this to say: "I'm not leaning toward any kind of income tax or any other taxes. I'm at the point of how much further can we go, considering what we have spent over there in the last two years. There comes a point when you just can't do anymore. We don't have the revenue to do it."

Don't try telling that to the Department of Justice.

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Rich James is the former editorial page editor and columnist for the Post-Tribune in Merrillville.



Page 18

Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

Eric Bradner, Evansville Courier & Press: The good-government groups sniffed this one out from the beginning. They were wary from the outset of the 10-year, \$1.37 billion contract Gov. Mitch Daniels' administration signed to hire a set of private companies to modernize Indiana's old paper-based welfare delivery system. The two sides at the forefront of the deal — one that went sour, and is still playing itself out in court — were the state of Indiana and Armonk, N.Y.-based IBM Corp., the prime contractor in the deal. There was a third group in the middle of it all, though. Dallas-based Affiliated Computer Services, Inc., was tops in a group of more than 20 subcontractors that collectively made up what was known as the "IBM Coalition." It's the company that had employed Mitch Roob — that is, until he made the leap into the Daniels administration, becoming Secretary of the Family and Social Services Administration and leading the drive for a modernization deal. That's the connection about which watchdog organizations always complained. They thought a powerful cabinet secretary should not be handing such large deals to the company that had last employed him. Their instincts were right Indiana - not necessarily about Roob, but about ACS being too connected to the state's government. It's a connection that Marion County Superior Judge David Dreyer laid out in detail in a ruling issued last week in which he ordered the state to pay IBM a total of \$52 mil-

lion. You don't have to read very far. On the second page,

Dreyer refers to "evidence of ACS lobbying against IBM in

violation of its own subcontract." What that means is that

once it became clear the state might move on from IBM,

the top of the contract.

ACS officials were there lobbying to be the replacement at

The man at the center of it all was Joe Loftus, who lobbied the state on behalf of ACS — and who also is a partner at Barnes & Thornburg, LLC, the law firm that got millions of dollars to do the state's legal work on the deal, and a firm that employs a number of key financiers of Republican campaigns. "The evidence shows that actions of ACS's lobbyist contributed to an atmosphere of distrust among coalition members," Dreyer wrote. He then cites an email that Loftus wrote to Roob on Jan. 3, 2007, in which he explained that IBM would try to make its status at the top of the contract clear: "I expect to get a lecture later today from IBM reminding me that they are the Prime. They just do not get it." When the state and IBM had worked on a "corrective action plan" in hopes of fixing problems with the modernization effort, Dreyer wrote that ACS was less than a partner, and again mentioned Loftus. "According to state witnesses, ACS failed to make any serious effort with respect to its portion of the CAP responsibilities, and was instead lobbying the state, directly and through its lobbyist, to replace IBM as the general contractor on the project," he wrote. He then identified another man — Richard Rhoad, who technically was an ACS employee but had an office within the FSSA, around the agency's top leadership — as having "no idea of what was going on" and actively working against IBM. To be clear, the contract between the state and IBM said that IBM would be the "sole point of contact with regard to contractual matters." Daniels' chief of staff, Earl A. Goode, is quoted in Dreyer's decision as having told other members of the Daniels administration that they should not be talking to IBM's subcontractors about the deal. However, his word was not heeded. As it turns out, this contract - at least the ACS portion - was exactly what its detractors thought it might have been. At least a part of this story looks like a modernized kind of patronage. ❖

Abdul Hakim-Shabazz, IndyPolitics: State Auditor Tim Berry reported a \$2.1 billion state surplus and

another one is on deck for next year. Tony Bennett, superintendent of public instruction, reported that ISTEP test scores were up for the third year in a row. Even the announcement by Democratic gubernatorial candidate John Gregg and lieutenant governor candidate Vi Simpson that state was dropping the ball on the Department of Child Services had good news in it — if one looked

closely at the facts. In other words, Indiana is doing more with less of your hard earned money. Take DCS. Gregg and Simpson argue that DCS endured about a \$116 million budget cut in the last couple budget cycles because this state — like every other one in the union — was going through a tough financial crisis. Gregg and Simpson have both implied these budget cuts are possibly responsible for child deaths that have taken place under the agency's watch. Well, here's the question: If these cuts have been so devastating to DCS, then obviously that should be reflected in the data. Well, here's the data: There were 25 fatalities due to abuse or neglect in 2010. That number was 54 in 2005. DCS reviewed nearly 95,000 abuse and neglect cases in 2011. That number was nearly 47,000 in 2004. Ninety-six percent of families got at least one monthly visit from a case manager in 2011. That number was 23 percent in 2007. DCS completed 1,787 adoptions in 2011. That number was 1,045 in 2004. So if DCS is being devastated by budget cuts, shouldn't that be reflected in the data? .

Andrea Neal, Indiana Policy Review: Call it Mitch Daniels' gift to the next governor. While 31 states are still struggling to close budget shortfalls blamed on the recession, Indiana is touting the largest surplus in its history: \$2.15 billion. Some will be put aside for a rainy day. \$360 million will be applied to our unfunded pension liability. Another \$360 million will be given back to taxpayers. \$



Page 19 Weekly Briefing on Indiana Politics

Thursday, July 26, 2012

State audit will take months

INDIANAPOLIS - It could be months before there are definitive answers on how Indiana lost track of a total of \$526 million in taxes, with questions possibly pending well past the November election (NWI Times). Representatives of the international account firm Deloitte told members of the state budget committee Wednesday they are still developing a plan for what would be audited, saying it could take through the end of August to complete the task. Gov. Mitch Daniels announced last December that the state lost track of \$320 million in

corporate tax collections from 2007-2011. And in April, State Budget Director Adam Horst said Indiana owed \$206 million to TICKER
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its counties. Three top Indiana revenue officials resigned following the revelations. The broad strokes of the problem in both cases, state workers did not properly enter changes in the state's tax collection system are well-known following an internal review led by Horst. But specifics, such as why the \$320 million mistake was not discovered for four years, are still unanswered. Bari Faudree and Kathi Schwerdtfeger told lawmakers Wednesday that they have been working with other Deloitte auditors over the last few weeks to determine what should be reviewed. Once the assessment is completed, Schwerdtfeger said Deloitte will deliver a "detailed audit plan." "This is not simply an audit issue, this is not simply an accounting issue, this is hitting a whole variety of other areas," Faudree said of Deloitte's preliminary work. Asked by Budget Committee Chairman Jeff Espich if she expected the state to adopt their recommendations, Schwerdtfeger said

"absolutely." She said the audit could take "months" after the plan is approved by the panel, but said it was hard to give a specific timeline.

Lugar casts 13,000th vote

WASHINGTON - Sen. Richard Lugar, R-Ind., cast the 13,000th roll-call vote of his career Wednesday afternoon when he voted against a Democratic proposal to extend income tax cuts next year for all households earning less than \$250,000 (Fort Wayne Journal Gazette). The measure passed 51-48. Lugar, who joined the Senate in 1977, recently moved past Vice President Joe Biden, a former senator from Delaware, into 10th place for most votes in Senate history. Senate Majority Leader Harry Reid, D-Nev., and Minority Leader Mitch McConnell, R-Ky., saluted Lugar and Sen. Patrick Leahy, D-Vt., who cast his 14,000th roll-call vote on the tax-cut legislation. "This has been a great experience of my life," Lugar said on the Senate floor, "and this has been a very special moment." Lugar will leave the Senate by year's end. He was defeated in the May 8 Republican primary election by state Treasurer Richard Mourdock, who faces Rep. Joe Donnelly, D-2nd, in the Nov. 6 general election. Senate records show that the late Sen. Robert Byrd, D-W.Va., cast the most votes -- 18,689 from 1959 until June 2010.

Pence applauds disaster declaration

WASHINGTON – U.S. Rep. Mike Pence applauded the U.S. Department of Agriculture's (USDA) announcement that it is designating additional counties in Indiana as primary disaster areas due to drought conditions. "Farmers across the Hoosier state are hurting because of

the devastating drought," said Pence. "I support the Department of Agriculture's continued efforts to provide much-needed assistance to our farmers in the heartland." The following Indiana counties were designated as primary disaster areas on Wednesday: Blackford, Boone, Clinton, Delaware, Fountain, Henry, Madison, Montgomery, Rush, Tippecanoe, Tipton, Vermillion, Vigo and White. Benefits are also available for the contiguous counties of Benton, Carroll, Cass, Clay, Decatur, Fayette, Franklin, Grant, Hamilton, Hancock, Hendricks, Howard, Jasper, Jay, Marion, Parke, Pulaski, Putnam, Randolph, Shelby, Sullivan, Warren, Wayne and Wells.

Judge rules for I-69 construction

INDIANAPOLIS - A federal judge has ruled against opponents of the \$3 billion Interstate 69 extension between Indianapolis and Evansville who claimed the U.S. Army Corps of Engineers violated federal law by giving Indiana permission to fill wetlands and reroute streams along part of the 142-mile road (Indianapolis Business Journal). U.S. District Judge Larry McKinney wrote in an order issued Tuesday that the Corps' decision to issue a permit was not arbitrary or capricious. He granted summary judgment to the Corps and the Indiana Department of Transportation. The Hoosier Environmental Council and Citizens for Appropriate Rural Roads argued in their lawsuit the highway would cause "irreparable" environmental harm along a 26-mile section that would cross southern Indiana's Daviess and Greene counties. A 70mile section of the I-69 extension is expected to open late this year.