

## Kavanaugh chaos creates INSen volatility

Donnelly decision roils race, but still leads by 2% in new Fox Poll

By **BRIAN A. HOWEY**

INDIANAPOLIS – Six days ago – a political eternity in the Trump era – U.S. Sen. Joe Donnelly ended one of the longest running Hoosier parlor games. He announced he would oppose the Supreme Court nomination of Judge Brett Kavanaugh.

The political damage, if any, is unclear at this writing, with Donnelly taking a 43-41% lead over Mike Braun in a new Fox News Poll.

His decision came less than 24 hours after a riveting day of explosive testimony from Dr. Christine Blasey Ford and then a defiant Kavanaugh, with 20 million Americans watching one of the 21st Century's first "O.J." moments. Thirty-one minutes after Donnelly's decision, Republican Sen. Jeff Flake temporarily derailed Senate Majority Leader Mitch McConnell's dream of fast-track-



The Senate Judiciary testimony of Supreme Court nominee Brett Kavanaugh has support from President Trump's base and has become a wildcard in the U.S. Senate race between Sen. Joe Donnelly and Republican Mike Braun.

ing the Kavanaugh confirmation. Flake did what Donnelly had called for, which was to push for an FBI investigation into the allegations leveled by at least two seemingly credible women from Kavanaugh's beer-soaked high school

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## Trump's NAFTA remake

By **BRIAN A. HOWEY**

INDIANAPOLIS – From the auto assembly lines in Fort Wayne and Kokomo, to the RV belt in Elkhart and Goshen, to the rows of soybeans across the Hoosier state, there's been much organizational angst over President Trump's trade strategy and tariffs.



But if there was a hold-the-line mentality, it came from individual farmers, union workers and the assortment of President Trump's 2016 voters. Through dozens of press accounts and TV interviews we heard this: Trump gets the big picture. There was a method to the madness that seemed to defy conventional wisdom.



**“The position of chair, as structured by state leaders prior to my time in office, is irrelevant to policy outcomes. My time and attention are better utilized without this unnecessary distraction.”**

*- Supt. Jennifer McCormick, in not seeking the SBOE chair*



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And last Sunday night as the farm bill stalled in Congress, the word was that through ultimatum and insult, Trump had forged a deal with Canada and the president's whipping boy, Prime Minister Justin Trudeau. What emerged was the final part of a trilateral agreement with one of our staunchest allies. NAFTA would be replaced with the United States, Mexico-Canada Trade Agreement (USMCA).

"It's not NAFTA redone, it's a brand-new deal," President Trump said at the White House on Monday. "Our farmers have gone through a lot over the last 15 years. They've been taken advantage of by everybody, prices have gone way down. Mexico and Canada will be opened up a lot more than they are now, and I think there will be a better spirit between the three countries, which is important for our farmers. The agreement will give our farmers and ranchers far greater access to sell American-grown produce in Mexico and in Canada. The deal includes a substantial increase in our farmers' opportunities to export American wheat, poultry, eggs and dairy, including milk, butter, cheese, yogurt and ice cream."

This all came down five weeks before the mid-term elections. The latest Indiana from Fox News had Trump's approve/disapprove at 52/46%. His NAFTA remake has the potential of bolstering his base, sending a dose of renewed faith among those willing to invest a vote to "shake things up."

From the **New York Times**, we learned that "General Motors lauded the deal." You know how the old saying goes, "What's good for GM is good for America."

The NYT analysis explained: "The pact includes major adjustments in several key areas of the countries' trading relationships. The agreement sets new rules for automobile production, meant to incentivize production of cars and trucks in countries that pay higher wages. It reduces barriers for American dairy farmers to sell

cheese, milk and other products to Canada. It retains a tribunal for resolving trade disputes that the United States had sought to eliminate."

For instance, NAFTA required automakers to produce 62.5% of a vehicle's content in North America to qualify for zero tariffs. That now moves to 75%, or as the NYT analysis



explains, "That's meant to force automakers to source fewer parts for an 'Assembled in Mexico' (or Canada) car from Germany, Japan, South Korea or China." The new agreement includes side letters that grant exemptions from any future American tariffs to 2.6 million imported passenger vehicles from each of those countries.

The **Wall Street Journal** editorial board was unenthused, saying, "We're happy to avoid the great harm that would have come from a unilateral U.S. withdrawal. The new deal is more relief than vindication. U.S. business is likely to be ambivalent about a pact that is worse than NAFTA. GOP free-traders will also prefer the status quo, and Republicans always provide the bulk of the votes for trade deals. The new trade deal could have been worse given Mr. Trump's protectionist beliefs, but that's about the best we can say for it."

ForeignPolicy.com took a more cynical stance on the deal. "His approach to trade is all about images and symbols, and has relatively little trade analysis," said Phil Levy, a trade expert at the Chicago Council on Global Affairs. FP called the new trilateral agreement's economic impacts and

political future “utterly unclear.” As Keith Johnson reported, “By and large, what’s new in the revised NAFTA is almost identical to the provisions in the doomed TPP that the Obama administration spent five years negotiating, which faced an uphill fight in Congress before Trump pulled out of the deal.”

Some of the fallout will eventually settle on American consumers. Because USMCA (anyone want to try a pronunciation of that) requires \$16/hour auto worker wages (but not indexed for inflation), the cost of cars and trucks will likely go up.

**For Hoosier farmers,** the early take was this was a real victory. State Rep. Jim Baird, who won the ag vote in his upset 4th CD victory in last May’s primary, told WIBC, “To have our products moving into those countries is extremely important to our well-being and extremely important to agriculture. Agriculture in general is happy to see fair trade and to see the tariffs lowered to at least make trade much easier.”

U.S. Rep. Larry Bucshon explained, “Throughout this renegotiation for a fairer, smarter, and modern trade deal, President Trump remained steadfast in his efforts to create more reciprocal trade, support American jobs, and protect American intellectual property.”

From U.S. Rep. Jackie Walorski, seeking to fend off Democrat Mel Hall: “A modernized trade agreement with Mexico and Canada will strengthen America’s economy and open new markets for made-in-America products. This announcement is welcome news for northern Indiana, and I look forward to reviewing the details of the agreement to ensure it benefits Hoosier manufacturers, farmers, and workers.”

“However,” Walorski continued, “I am concerned there is still no resolution to the steel and aluminum tariffs and retaliation that continue to harm our manufacturers and threaten Hoosier jobs. The Trump administration must provide clarity on the steps being taken to end these tariffs on our trading partners and target the real problem, which is China’s unfair trade practices.”

**In USMCA, the tariffs** on steel and aluminum remain. “Canada and Mexico did exactly what we said we wanted them to do” but got no relief, Tori Whiting of the Heritage Foundation told Foreign Policy. “It goes to show that we’re not really sure what the strategy is with all these tariffs. First it was about national security, then it was a negotiating tactic, and they’re still not gone. I’m not sure what the point is.”

FP continued: “Experts say there was a lot of unnecessary drama, brinkmanship, and damaged diplomatic relations for what finally emerged. Or as Phil Levy put it, ‘How much credit goes to Trump for putting out fires he himself set?’”

Therein lies the next big thing in the trade wars that some of President Trump’s staunchest supporters like Gary Cohn urged him to avoid. The U.S. and China have been slap-happy with tariffs over the past year. That will be the next trade frontier.

At last week’s press conference, a reporter from the “failing” New York Times asked Trump how he can successfully negotiate with Chinese President Xi when he just accused him of interfering in U.S. elections. Last month, the NYT reported that China was still unsure how to respond. “I’ll be honest with you, I think we had a very good friendship; we understand each other,” Trump answered.



“They are doing studies on Donald Trump. They’re trying to figure it all out because this has never happened to them before.”

**Trump then noted** that China is again buying U.S. soybeans, through the back door. “And soybeans are going up, and things are going up. And we’ve had very little hurt from what I’ve done,” the president explained. “In fact, the markets have gone up. And the farmers are going to do great. These guys are amazing; I love them. And they voted for me and they love me. And they said, ‘We don’t care if we get hurt. He’s doing the right thing.’”

Trump added a few minutes later, “The farmers say, ‘This man is fighting for us. No President has ever fought for us before.’ And you really have to study what’s happened over the 15 years with the farm. The farmers have been decimated over a 15-year period. They’ve been decimated. The farmers are going to come out great. These are great people. They’re great, great patriots.”

That is Trump’s message, as conflicted and obtuse as ever when it comes to actual policy, but it’s playing well across Mike Pence’s amber waves of grain as the crops pour into the bins, and the midterms draw near. ❖

# Kavanaugh chaos, from page 1

and college past. The risk to McConnell is that Flake would vote no, killing the nomination.

What Americans ended up with was a fast-food style FBI probe, no interview with Dr. Ford, and a completely new dynamic heading into the mid-terms, with President Trump fastidiously fanning the cultural (and gender) divide. While Donnelly is counting on the pink wave of disaffected suburban female voters to help deliver a second Senate term, the Kavanaugh wake has reinvigorated the Trump base. According to Gallup, Pew Research, FiveThirtyEight, NBC/Marist and Fox polling and analysis, what was a languishing Trump base has now been fully energized. Democrats throughout most of this year had a double digit lead in voter intensity. The Kavanaugh saga has erased that.

Wave elections, like those of 1980 and 1994, tend to feature two dynamics. One, like we saw in 1994, is that one party's base simply didn't show up to the polls. In 1994, there was a deep falloff of Democratic voting, allowing the GOP to take control of Congress for the first time in two generations. In 1980 during President Carter's economic malaise, we witnessed a surge of undecided voters move in the same direction over the final weekend, in this case toward the Ronald Reagan presidential candidacy. Caught in that wake were U.S. Sens. Birch Bayh, Frank Church, George McGovern, John Culver, Warren Magnuson, Gaylord Nelson and John Durkin – all Democrats going down in defeat.

The volatility of the 2018 mid-term is different, in that both parties are now fully stoked. By Oct. 15, we will likely see gas thrown on this fire, as third quarter FEC reports are expected to reveal a Noah-style flood of cash into congressional races.

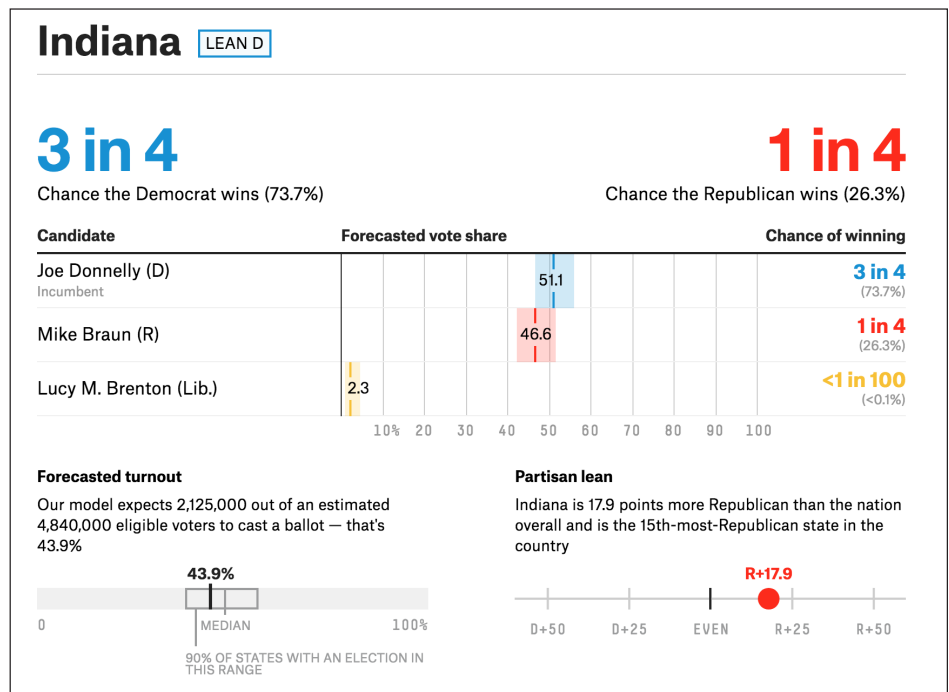
Donnelly opened up this sequence just hours after the sensational testimony of Dr. Ford and Judge Kavanaugh. He released a statement late Friday morning, saying, "I have deep reservations about Judge Kavanaugh's nomination to this lifetime position and, as I stated, we have been unable to get all the information necessary regarding this nomination, despite my best efforts. Only 113 people have ever served on the Supreme Court, and I believe that we must do our level best to protect its sanctity. While I would gladly welcome the opportunity to work with President Trump on a new nominee for this critically important position, if Judge Kavanaugh's nomination comes before the full Senate for a vote under these circumstances, I will oppose it."

Donnelly added, "As I have made clear before, sexual assault has no place in our society. When it does

occur, we should listen to the survivors and work to ensure it never happens again. That should not be a partisan issue. My job as a senator is to gather as much information as I can to make the best-informed decision. The allegations made against Judge Kavanaugh are disturbing and credible. In the interest of getting as much information as possible, I believe the allegations should be investigated by the FBI."

Donnelly was under intense pressure by various Democratic constituencies to oppose Kavanaugh. Prior to the Ford allegations, he seemed to be a plausible "yes" vote as the Kavanaugh confirmation seemed to be a fait accompli. The internal thinking had to be: This battle is over; save the powder for future fights ahead.

His decision brought an immediate retort from Republican nominee Mike Braun, who called Donnelly's decision a "grave mistake," explaining, "This entire process



has been an embarrassment to our democracy as Hoosiers watched firsthand how Senator Donnelly's liberal colleagues used uncorroborated allegations to create a media circus designed to smear and destroy Judge Kavanaugh's reputation. Donnelly's decision to oppose President Trump's highly qualified nominee is a grave mistake, but proves he is more concerned with standing with his liberal Democrat leaders than standing for Hoosiers. I continue to strongly support Judge Kavanaugh's confirmation to the Supreme Court."

There were several immediate questions for Donnelly last weekend: If the supplemental FBI probe cleared Kavanaugh of these sexual assault allegations, would he change his vote? And was he part of a reported "gentleman's agreement" with undecided Sens. Joe Manchin, Susan Collins, Jeff Flake and Lisa Murkowski to all vote the same way, so that none would be exposed as the deciding

vote.

Uncharacteristically, the Donnelly Senate office and campaign went dark in the wake of his decision. The gregarious senator has been under wraps. His communications staff was on mute.

But Wednesday morning, Donnelly confirmed to the Washington Post that he would not change his vote, with a senior Senate office aide, saying, "Joe has serious concerns about Judge Kavanaugh's temperament and impartiality. He's willing to work with President Trump on a new nominee, but remains opposed to this one."

HPI asked Donnelly spokesman Will Baskin-Gerwitz if the campaign had polled internally on the Kavanaugh question. "He did all the reseach," Baskin-Gerwitz said. "They don't appreciate Mike Braun's rush to judgment before any information came out."

Braun spokesman Joshua Kelley said his candidate viewed prior FBI background checks on Kavanaugh as sufficient. While Braun viewed Dr. Ford's testimony as "compelling," Kelley said that Braun believes Kavanaugh "been vetted publicly through six background checks."

With events spiraling far out of Donnelly's control, this saga will likely come to resolution late this week or early next. Next Monday, Donnelly faces off in his first statewide televised debate with Braun and an ensuing press conference (though Braun did not appear at the post-primary debate presser last April). Baskin-Gerwitz believes that Donnelly will participate in the debate post-mortem; Kelley told HPI, "We haven't decided on that."

### Donnelly jumped the gun

At this writing, it is impossible to know where this story might be heading.

But there was a growing sentiment among Indiana political observers that Donnelly jumped the gun on his decision to oppose Kavanaugh. It's the second time a Hoosier politician moved swiftly on a sexual harassment allegation, with Gov. Eric Holcomb calling for the resignation of Attorney General Curtis Hill early last July well before any determinant legal probe.

When Donnelly made the statement, it appeared the Senate would be voting on the nomination on Tuesday of this week. The Judiciary Committee was poised and did vote the nomination to the floor Friday afternoon. The first procedural vote was expected to come on Saturday morning that that would have given the first indicators on where Flake, Collins, Murkowski and Manchin would be headed.

Had Donnelly kept his powder dry, it would have bought him an additional weekend (or possibly most of this week) to see where events would take this tortured nomination. Instead, Donnelly immediately found himself boxed in by his decision, Flake's call for the FBI probe, and the acquiescence of President Trump for the probe and

"free rein" that has since been circumscribed.

"Senator Donnelly blows in the wind like a spineless politician and followed Democrat Leader Chuck Schumer's order to oppose Judge Kavanaugh's nomination," Braun said. "While Donnelly faces heat for abandoning Hoosier values that Kavanaugh would protect, the fact remains he opposed the nomination before there was any agreement for a supplemental FBI investigation."

In essence, Braun also boxed Donnelly in, continuing campaign trail rhetoric that the incumbent Democrats talks one way in Indiana and votes with the party establishment in Washington.

Braun told CBS News that the "Earth shook a little bit" with Donnelly's decision, followed by the supplemental FBI probe. "Joe Donnelly votes with Trump and in a bipartisan way when everybody is voting for it," Braun said. "On all the key legislation like tax reform and like Obamacare originally, like the repeal of Obamacare, like the Iran deal, he's been lockstep with the liberal side of the party."

### Donnelly takes 2% lead in Fox Poll

The political impact at this point seems to be mitigated in Indiana at this point, with Donnelly taking a 43-41% lead in a new [Fox News Poll](#) released overnight. In September Braun had the 43-41% lead. The poll was conducted by telephone with live interviewers September 29-Oct. 2 (after Dr. Ford and Kavanaugh testified) among a random sample of 806 Indiana registered voters with an

MOE of 3.5 percentage points. Men are more likely to back Braun by a 9-point margin, while women pick Donnelly by 11. Voters with a college degree support Donnelly by 10 points, while those without a degree go for Braun by 3 points.

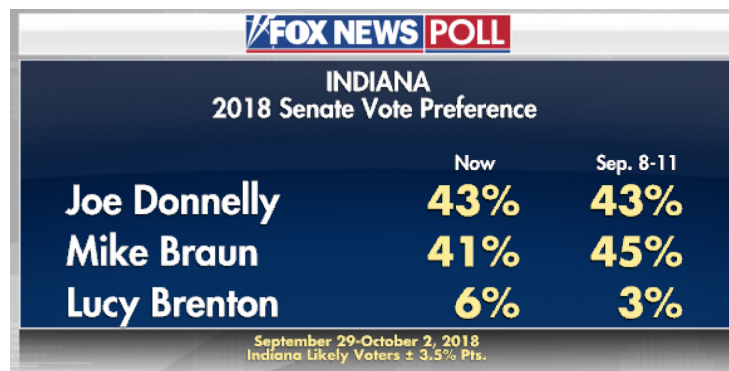
Strength of support is about equal: 77% of Braun's backers say they are certain to vote for him. It's 74% for Donnelly. But if Donnelly votes against Kavanaugh, 30% say it would make them more likely to vote for him, 32% say less likely, and 34% say no difference.

Donnelly's favorable/unfavorables stood at 46/43%, while Braun's stood at 44/41%. President Trump's approval/disapproval stood at 52/46%.

As Baskin-Gerwitz told HPI on Wednesday, "There is a path to victory for us."

### Kavanaugh invigorates Trump base

Heading into this sequence of the campaign, FiveThirtyEight gave Donnelly a 74.3% chance of winning this race with a projected 51.2% of the vote, compared to



46.4% for Braun and 2.3% for Libertarian Lucy Brenton on Monday. By Wednesday, it put Donnelly's chances at 73.7%, only a slight statistical erosion, but perhaps an early precursor to a reawakening Trump base in a state it defines as +17% Republican.

Earlier this week, Republican pollster Frank Luntz viewed Dr. Ford's testimony as one that would drive a deeper wedge into the political chasm between men and women, telling Bloomberg News, "It's going to be the largest gender gap in modern American history."

By Tuesday, Luntz told the Washington Post that among Republicans, "There is a feeling of being guilty until proven innocent. In this era of #MeToo, there are a lot of men — and some women — who believe that justice no longer exists in America, that the accusation is enough to destroy someone's career and someone's life. That wasn't manifesting itself politically until late last week."

An NPR/Marist Poll released Wednesday showed the Democratic voter intensity edge shrinking from 10% to 2%. Democrats still retain a 6-point edge on the Congressional generic, but it was 12 points after a Marist poll conducted in mid-September.

The Washington Post story on Tuesday by Philip Bump and Robert Costa reported that the Kavanaugh allegations and attempts by Senate Democrats to exploit them had "sparked a wave of unbridled anger and anxiety from many Republican men, who say they are in danger of being swept up by false accusers who are biased against them. The howls of outrage crystallize a strong current of grievance within a party whose leadership is almost entirely white and overwhelmingly male, and which does not make a secret of its fear that demographic shifts and cultural convulsions could jeopardize its grip on power. This eruption of male resentment now seems likely to play a defining role in the midterm elections just five weeks away, contrasting with a burst of enthusiasm among women propelling Democratic campaigns and inspired by the national #MeToo reckoning over sexual assault and gender roles."

Republican pollster Michael Steel said on MSNBC Tuesday, "It's bringing more Republicans to the polls. Whatever happens to Kavanaugh in the next few days, there will be a whole new series of fights, outrages that will play out between now and Nov. 6. If Kavanaugh doesn't get the confirmation, there will be a huge reaction, they will turn out on Election Day." Conservative commentator Hugh Hewitt believes the opposite, that if Kavanaugh fails, Republicans will stay home.

Asked about the Donnelly/Braun race, Democratic

Down-Ballot Impact			
<i>President Party Performance in the States</i>			
Year	President Job Approval	Governors	Seats in State Legislatures
1962 (JFK)	74%	0	-76
1966 (LBJ)	49%	-8	-762
1970 (Nixon)	57%	-11	-288
1978 (Carter)	52%	-5	-357
1982 (Reagan)	43%	-7	-201
1990 (HW Bush)	58%	-1	+32
1994 (Clinton)	46%	-10	-514
2002 (W Bush)	63%	-1	+127
2010 (Obama)	45%	-6	-708
<b>&gt;50% Average</b>		<b>-8</b>	<b>-546</b>
<b>50%+ Average</b>		<b>-4</b>	<b>-112</b>

pollster Anna Greenburg said, "I'm just not sure Kavanaugh adds much to it. It's really a partisan fight more than anything else. If Kavanaugh had been derailed, it would rally the right, but it will rally the left even more."

"I think the Democrats' campaign to smear Kavanaugh has united Trump and Bush Republicans as never before," Cesar Conda, a former chief of staff to Sen. Marco Rubio told NBC News. "The GOP base will be energized to stop the Democrats from taking over the Congress." Conda and other Republicans who spoke to NBC News pointed to recent polls by

Gallup and others that showed that the GOP's enthusiasm matched that of Democrats after months of imbalance.

Glen Bolger, a Republican pollster with Public Opinion Strategies, added, "There hasn't been any lessening in Democratic enthusiasm, but the gap between Democrat and Republican enthusiasm has gone away."

To summarize, now everyone's fired up.

### Donnelly's tailwind

Historically, Donnelly still has some tailwind behind him. Public Opinion Strategies pollster Patrick Lanne, speaking to the Indiana Energy Association, notes that when presidential job approval in midterms since 1962 is above 60%, the party of the White House picks up three congressional seats, loses an average of 12 seats when it's between 50 and 60% and when under 50%, loses 39 seats. President Trump's job approval in the last NBC/Wall Street Journal Poll stood at 44%. And the congressional generic in that poll stood at +12% for Democrats. But that poll was taken prior to the Ford/Kavanaugh testimony last week, so we're flying in the dark at this point.

A late September Pew Research Poll revealed that opinions about President Trump also continue to be an important consideration for voters. A 60% majority views their midterm vote as an expression of opposition or support toward Trump — with far more saying their midterm vote will be "against" Trump (37%) than "for" him (23%). Democrats hold a 10-percentage-point lead over the Republicans in the generic ballot. About half of registered voters (52%) say if the election were held today, they would vote for the Democrat in their district or lean toward the Democratic candidate; 42% say they would support the Republican or lean Republican. In June, the Democrats' lead in the generic ballot was five percentage points (48% Democratic, 43% Republican). Second, while voter enthusiasm is relatively high among voters in both parties, it is somewhat higher among voters who favor the Democratic over the Republican candidate. Overall, 61% of all registered voters say they are more enthusi-

astic about voting than in past congressional elections, higher than at any point during midterms in the past two decades, including at later points in those elections.

The Pew survey emphasized that the Supreme Court and the referendum on Trump are the two main considerations. Overall, 76% of registered voters – including 81% who support the Democratic candidate and 72% who favor the Republican candidate – say appointments to the court will be very important to their vote this fall. Among all voters, Supreme Court appointments rank with healthcare (75%) and the economy (74%) among the top voting issues. While healthcare and the economy typically rank among the top issues for voters, there is no trend to past midterms on the importance of court appointments.

However, more voters view Supreme Court appointments as a very important issue today than did so in June 2016, during the presidential election. At that time, 65% of voters (70% of Republicans and 62% of Democrats) said court appointments were very important.

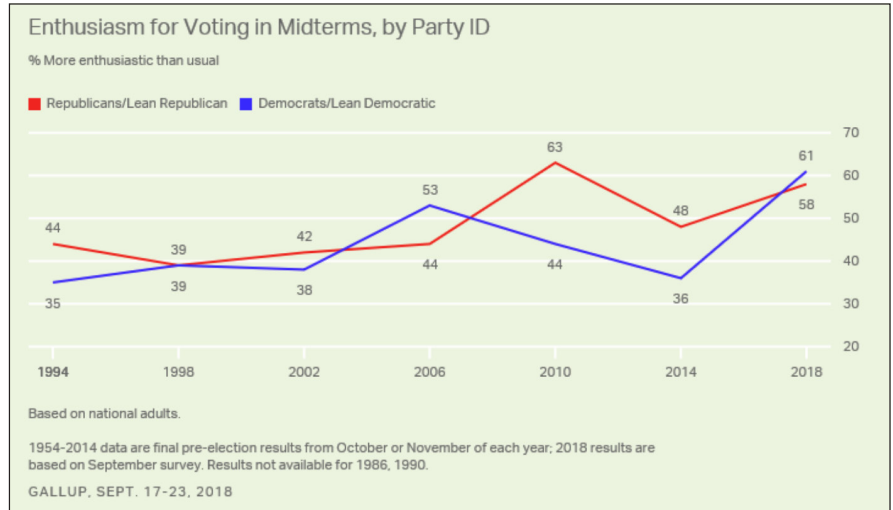
The six in 10 voters (60%) that say Trump will factor into their vote for Congress this fall is a larger share than those who said Barack Obama would factor into their 2014 congressional vote, but similar to the percentage who named Obama in 2010 or George W. Bush in 2006 as factors in those midterms. Again, Pew’s September poll has anti-Trump sentiment leading by 14 points.

Gallup reported this week that “Americans’ enthusiasm for voting in November is significantly higher than it was in the prior six midterm election years. Fifty-five percent of U.S. adults say they are ‘more enthusiastic’ about voting than usual, which contrasts with between 37% and 50% saying the same in Gallup’s final pre-election surveys each midterm year from 1994 through 2014. Currently, 33% say they are “less enthusiastic.”

Gallup added that both parties are now at a “fever pitch.” Today’s heightened interest is the result of high levels of enthusiasm among Republicans and Democrats, possibly reflecting both party groups’ enhanced recognition of the importance of the election in light of the high-stakes Kavanaugh hearings, Gallup reported. Sixty-one percent of Democrats and Democratic leaners and 58% of Republicans and Republican leaners say they are more enthusiastic about voting in November compared to prior elections. These levels roughly match Republicans’ record-high enthusiasm in 2010, Barack Obama’s first midterm, when the GOP won a whopping 63 seats. But this is the first time in Gallup’s trend since 1994 that both parties have expressed high enthusiasm.

**A volatile week on tap**

In the coming week, the Indiana



Senate campaign likely will be impacted in unprecedented fashion by the supplemental FBI probe on Kavanaugh, McConnell’s determination to hold the confirmation vote, the decisions by Sens. Flake, Collins, Murkowski and Manchin on the Kavanaugh confirmation, whether there will even be a vote (likely to be scheduled for Saturday) if at least two of them decide to vote against the judge, the state-wide televised Senate debate at Purdue North Central in Westville on Monday night, and what Donnelly and Braun have to say at the post-debate press conference.

Axios’s Mike Allen reports this morning that the FBI report has reached Capitol Hill: “An administration source tells me there’s nothing in it that’s likely to stall confirmation. ‘Never will satisfy critics,’ the source said. ‘But it’s not problematic.’” MSNBC was reporting that Manchin is now a likely yes vote.

Then there’s Secretary of State Connie Lawson’s bombshell that “hundreds of thousands” of Democratic-distributed absentee ballots may not be counted in some counties, which could pose a problem for Donnelly in a cliffhanger.

This promises to create a dynamic of utter volatility that has the potential to shift by the day, if not the hour. Fasten your safety belts, and affix your HANS device (in NASCAR parlance).

**Horse Race Status:** Tossup. ❖



**CONTENT BY CARTER**  
strategic content creation and deployment

# Hollingsworth joins the 9th CD ad war

By JACOB CURRY and BRIAN A. HOWEY

INDIANAPOLIS – 9th Congressional District Representative Trey Hollingsworth’s reelection campaign launched its first series of television advertisements this week with two ads: “Liberal Liz” and “Fix It.” Both deal with a central question in this election: the apparent breakdown of Congress and who is at fault.



The first depicts the Congressman’s Democrat opponent as a lobbyist who “won’t fix the problem” because she “is the problem.” It also attacks Watson for wanting to “raise taxes, open our borders and take over your

healthcare.” The second ad is a positive message about Hollingsworth’s efforts to combat the people he says are behind Congress’s issues – lobbyists and career politicians. It covers some tenets which also played a role in Hollingsworth’s 2016 campaign, mentioning term limits, cutting taxes and spending as well as taking on D.C. insiders. These ads from the Hollingsworth campaign follow Watson’s first two ads for the fall election, both of which released in late September.

With debates seeming like an unlikely possibility for this year’s 9th District race, these television ads may end up as the most visible interaction between the candidates. Howey Politics reached out to representatives of both campaigns hoping to get a sense of what the final few weeks before November 6 will bring in terms of messaging. There was no response from a Hollingsworth campaign spokesman to questions on their two new ads and whether they plan to continue that message or move on to new issues for TV ads in the coming weeks.

When asked how they planned to respond to Hollingsworth’s new effort, Watson campaign manager Brian Peters outlined their views. “Everything Trey said was a lie. Liz supports strong border security. Trey was silent when children were put in cages. Liz is for prioritizing tax cuts for working families and small businesses. Trey Hollingsworth voted to enrich himself with a huge cut while voting to raise taxes on families. Liz is for a health care

plan that would save our country trillions of dollars by cutting waste and lowering the cost of prescription drugs. Trey voted to take away health care from people with pre-existing conditions. The Congressman is acting like a desperate politician who sees his time in office coming to an end.”

## Sanders to stump for Watson

Ninth CD Democrat Liz Watson will appear alongside Sen. Bernie Sanders, I-Vermont, next month at a campaign rally on the IU campus (IDS). The rally, featuring the 2016 Democratic presidential candidate, will take place at 11 a.m. Oct. 19 in Dunn Meadow, Watson’s campaign confirmed Thursday. Sanders last spoke on campus in April 2016, less than a week before he achieved a five-point upset in the Indiana primary. He would go on to lose the nomination to Hillary Clinton. **Horse Race Status:** Likely Hollingsworth.

## U.S. Senate

### American Bridge launches ad v. Braun

American Bridge launched a multi-state digital ad campaign targeting Mike Braun and three of his fellow GOP Senate nominees for fundraising with North Dakota Congressman Kevin Cramer after he called Dr. Blasey

Ford’s sexual assault allegation against Brett Kavanaugh “absurd” because “it didn’t go anywhere,” and said “even if it’s all true, does it disqualify him?” The ads target four Republican Senate nominees who are attending a joint fundraiser with Cramer this Friday: Braun, Josh Hawley, Martha McSally, and Patrick Morrisey. Not one of the four has denounced Cramer’s comments. The ads will play statewide on social media in Indiana, Missouri, Arizona, and West Virginia, targeting mid-term voters. “Kevin Cramer has made it abundantly clear over the past week that he is incapable of the kind of judgment befitting a U.S. senator,” said American Bridge spokesperson Amelia Penniman. “And not

only has Mike Braun failed to condemn Cramer’s remarks, he is attending a joint fundraiser with him this Friday. Hoosiers deserve better.”

### Donnelly not on Obama’s endorsement list

Former President Barack Obama released his record round of endorsements, but it doesn’t include U.S.





Sen. Joe Donnelly. Obama said, "I'm proud to endorse even more Democratic candidates who aren't just running against something, but for something — to expand opportunity for all of us and to restore dignity, honor, and compassion to public service. They deserve your vote."

### Senate Leadership Fund money coming in

The Senate Leadership Fund, a super PAC aligned with Senate Majority Leader Mitch McConnell, is reserving \$13 million more in TV, radio and digital ads in Arizona, Indiana, Missouri and Tennessee, according to Politico Playbook this morning. SLF had already booked \$46 million in total ad reservations for those states.

### Congress

#### 2nd CD: Walorski lauds trade deal

U.S. Rep. Jackie Walorski lauded President Trump's new trade deal with Canada, but asked him for "clarity" on the steel and aluminum tariffs that she says are hurting 2nd CD farmers and manufacturers. "A modernized trade agreement with Mexico and Canada will strengthen America's economy and open new markets for made-in-America products," said Walorski, who faces a challenge from Democrat Mel Hall. "This announcement is welcome news for northern Indiana, and I look forward to reviewing the details of the agreement to ensure it benefits Hoosier manufacturers, farmers, and workers." She added, "However, I am concerned there is still no resolution to the steel and aluminum tariffs and retaliation that continue to harm our manufacturers and threaten Hoosier jobs. The Trump administration must provide clarity on the steps being taken to end these tariffs on our trading partners and target the real problem, which is China's unfair trade practices."

**Horse Race Status:** Likely Walorski.

#### 4th CD: Baird likes trade deal

State Rep. Jim Baird, who grew up on and still runs a farm in Putnam County, calls President Trump's new trade deal with Canada and Mexico a deal that Hoosier farmers wanted to see (WIBC). "To have our products moving into those countries is extremely important to our well-being and extremely important to agriculture," Baird said. "Agriculture in general is happy to see fair trade and to see the tariffs lowered to at least make trade much easier." Baird, who is running for Todd Rokita's seat in the U.S. House, refers to the tariffs President Trump placed on corn and soybeans last year. Those tariffs would be scaled back under the proposed deal, but steel and aluminum tariffs would stay as they are.

#### Mayor Kitchell endorses Beck

Logansport Mayor Dave Kitchell announced his endorsement of 4th CD Democratic nominee Tobi Beck in her race against Republican State Rep. Jim Baird. "It's time to stand behind someone who not only will be recognized

by us, but will recognize that the real needs of Indiana residents in this part of the state go beyond maintaining a majority for one party and not the other," Kitchell said in the Logansport City Building. "I think (Logansport voters) will vote for someone who, like former Reps. Chris Chocola and Joe Donnelly, a Republican and a Democrat, will put a congressional office back in Logansport so that area residents can have local access to them and their staff."

**Horse Race Status:** Safe Baird.

#### 6th CD: Letterman campaigns for Lake

The famous Ball State alumnus who made a surprise visit to Muncie in May returned on Thursday to show support for a local congressional candidate (Kirby, Muncie Star Press). David Letterman spent the evening at a private event at the Muncie home of Jeannine Lee Lake, the Democratic candidate running against Republican Greg Pence. The former late-night talk show host posed



in pictures with guests and delivered about a 10-minute speech in support of Lake to more than 100 supporters in attendance. Lake granted The Star Press exclusive access to the event. "I loved this woman from the very first moment I talked to her and here's why," Letterman said, interrupted by applause before telling the story of when he asked Lake why she wanted to run for Congress having not served in public office before. Letterman told the audience that Lake said it was after President Donald Trump was elected and she told herself, "I have to do something."

**Horse Race Status:** Safe Pence.

### General Assembly

#### SD16: Rhoades enters race

Another candidate has jumped in the race to replace Sen. David Long, R-Fort Wayne. Tom Rhoades announced he will seek to represent Senate District 16 in a caucus later this year (Kelly, Fort Wayne Journal Gazette). Allen County Councilman Justin Busch has also entered the race. "The departure of Senator Long leaves a significant void in the Indiana State Senate and in the representation of this district," Rhoades said. "It's important that the next senator knows the people of this district and the issues that are important to them. I have built a career of serving this community. I look forward to continuing that service." Rhoades, who currently serves as the chief of police and corporate director of public safety and emergency preparedness for Parkview Health, has nearly 30 years of law

enforcement and security experience. Prior to his service at Parkview, Rhoades served as captain with the Fort Wayne Police Department. **Horse Race Status:** Likely Busch.

**SD38: Ford, Gambill debate**

While state representative candidates played nice and generally got along with their political opponents at Tuesday night’s candidate forum in the Vigo County Public Library, Indiana Senate candidates were often at odds (Terre Haute Tribune-Star). It didn’t take long for the contentious nature of the Senate District 38 competition to spill over into the forum, with Democrat Chris Gambill going after his Republican opponent in that race, Jon Ford, in his opening statement. Gambill said he wanted to address negative campaign ads and flyers chronicling supposed delinquent tax payments. Gambill refuted the claim and then levied the same charge against Ford, saying the incumbent senator is as guilty as anyone of delinquent tax payments. Ford did not address the accusation in his subsequent opening statement. The topic would resurface after the candidates were asked whether they favor negative political ads and using party “muscle” to gain an edge in an election. Gambill once again went after Ford saying he was disappointed in the tactic and said he would rather not have his name associated with that type of campaign. “A candidate has the right to refuse to have their name associated with that type of ad and unfortunately, Senator Ford, you approved of both the mail piece and the television piece,” Gambill said. Ford was blunt in his response, saying it was a tactic his campaign does not regret using. “The reality is that people say they don’t like negative advertising, but it works,” Ford said. “When you look at the news every night it’s all negative. Everything is negative.

That’s the cycle we’re in right now. **Horse Race Status:** Tossup.

**SD46: Complaint against Grooms ad**

A state legislator up for re-election is denying he used his government-provided email address for campaign purposes, which is being alleged in an ethics complaint filed by the Floyd County Democratic Party ([News & Tribune](#)). In a letter dated Oct. 1 to the Senate Legislative Ethics Committee, Floyd County Democratic Party chair Adam Dickey complains that state Sen. Ron Grooms, R-Jeffersonville, committed a violation of ethics after two social media posts contained a photograph of Grooms’ campaign business card, which lists his Senate email address, in addition to his personal email address. Grooms faces Democrat Anna Murray. Groom’s business card also lists personal social media accounts, his campaign website and the message “Re-elect in 2018!”. Grooms said he has never used his government email address — S46@in.gov — for campaign purposes. “Absolutely not,” he said, adding that he does not use the state-issued email account to personally communicate with constituents; rather, it is a way for constituents to contact his legislative office in Indianapolis, and vice versa. **Horse Race Status:** Leans Grooms.

**SD25: RSLC heralds Ali**

The Republican State Leadership Committee named Zaki Ali to its “18 in ‘18: Races to Watch” list (Howey Politics Indiana). Ali, an Anderson attorney, is challenging Senate Minority Leader Tim Lanane. Comprised of the RSLC’s Future Majority Project (FMP) and Right Women, Right Now (RWRN) initiatives, Zaki Ali is credited by the RSLC as a rising star who would champion conservative policies. **Horse Race Status:** Likely Lanane. ❖

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# McCormick bugs out

By **BRIAN A. HOWEY**

INDIANAPOLIS – Supt. Jennifer McCormick’s bombshell that she won’t seek reelection in 2020 did several things. It immediately relegated her to lame duck status; any Statehouse juice she may have had will quickly dissipate.



On Wednesday, McCormick announced she wouldn’t seek reelection as chair of the State Board of Education. “The position of chair, as structured by state leaders prior to my time in office, is irrelevant to policy outcomes,” McCormick said. “My time and attention are better utilized without this unnecessary distraction.”

**It gives Gov. Eric Holcomb** (who wasn’t informed of her decision prior to its announcement) an earlier opportunity take control of Indiana education, the dream of any Hoosier governor. He can now choose the next superintendent and meld DOE into his Next Level/Five Pillar program. House Education Chairman Robert Behning is now talking about moving the superintendent to appointed status prior to the 2020 election instead of 2024. In Holcomb’s mindset, that’s a baseline jumper swish (and a high-five).

McCormick bowed out, saying she had “no patience” for the “distracting noise” at the Statehouse. As for keeping Holcomb in the dark, she said, “I don’t owe

anyone but kids.” Good luck with your legislative agenda, Dr. McCormick. On that front, Holcomb said he was still “digesting” her agenda. Holcomb pointedly noted, “I reminded her that we have more time left in this term than we’ve been here, and there’s still plenty to be accomplished.”

**But it will be the Guv** calling the shots. While Holcomb has emerged as an uber-executive (as evidenced by his Toll Road truck-fee deal), we find him at odds with two Republican constitutional officers, McCormick and Attorney General Curtis Hill, which is Statehouse rarity. Normally there’s great deference to the governor of your party. Look for that dynamic to change in a second Holcomb term.

McCormick won the GOP nomination in 2016 a month before Gov. Mike Pence resigned his nomination to run for vice president, and two months before Lt. Gov. Holcomb was nominated for governor. Gov. Holcomb then successfully pushed to turn the elected constitutional office into a gubernatorial appointed one, a move McCormick publicly supported. But she was at odds with Statehouse Republicans, criticizing publicly funded vouchers and early education, aligning more with the views of former Supt. Glenda Ritz, who McCormick defeated in 2016. Gov. Holcomb is expected to recommend the 2020 Republican nominee. McCormick complained that Republicans kept inquiring about her 2020 plans, saying, “For that conversation to keep coming up ... I’m growing very weary of that. The best way I can help shut that down is to let people know that I’m not running again.” ❖

**Photography With Punch**  
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# A country divided beyond politics

By **LEE HAMILTON**

BLOOMINGTON – We live in a divided country. And I don't just mean politically.

Our economy is creating winners and losers, with no clear way up the ladder for millions of Americans. The last few decades have produced great inequality of wealth accompanied by unequal access to the levers of power. We're split along regional lines. We're divided along rural and urban lines. We increasingly struggle with differences of race, religion and class.



We're also divided politically and ideologically. Abortion, gun rights, same-sex marriage, the use and abuse of police power, curbs on corporate power, environmental protection: These issues elicit strong feelings and cut deeply through

the electorate.

They're also reflected in the overt partisan divisions that show up in elections, and thus in legislatures and Congress. The parties in many ways play a more important role in how people vote and how they think about political issues than we usually imagine. Although there are plenty of Americans who disdain party allegiance, many of us lean toward one party or the other, and whether we acknowledge it or not, more often than not follow its lead and vote for its candidates.

These divides are permeating our politics in ways that would have been unthinkable just a generation ago. It's not just that public debate has become coarser, less civil, and more mean-spirited. It's that partisanship is being woven into places we once believed were safe from it, such as the courts; witness the current debate over the nomination of Brett Kavanaugh to the Supreme Court.

**So what do** we do about this? The answer, actually, is not complicated.

We have to boost public understanding about how to participate in the process. We have to be more mindful about the quality of public dialogue. We have to appreciate the roles of cooperation, collaboration and compromise in a representative democracy. We have to vote for and value leaders who

deal with opponents not as enemies, but with respect, civility, and a recognition that they share more in common than divides them.

This means listening carefully and trying to understand the other's point of view. It means figuring out how to accommodate differences, so that rather than every fight producing winners and losers, everyone can walk away with something gained. It means striving not to destroy your opponent, but instead persuading her or him to reach a result that helps everyone claim some measure of success. It means recognizing we're all in this together, that we're all searching for the common good.

**Because in the end**, the political process depends on personal relationships — the bonds between key actors, including elected politicians, their staff, their supporters, and others. And not just in politics at the federal level. It's everyone from members of Congress to state legislators to township trustees.

We must not let the political extremes dominate discourse; they don't reflect the views of most Americans, who tend to value moderation.

The greatness of our country rests on shared ideals that go beyond party labels. Most Americans want to believe that better days are ahead, that progress is possible, and that major policy disagreements may not be easily resolved, but do yield to discussion that is carried on rationally with civility and respect.

This is not just wishful thinking. There are real-world examples. For instance, the divisions we've faced in foreign policy have often been mitigated when political opponents shared the view that U.S. leadership is good for the world. Or, on the domestic side, divergent views on how to provide affordable health care to all have been brought together by addressing incremental steps.

**One peculiarity of this** time of great unease, when lack of confidence in the country and its institutions is rampant and our differences are accentuated, is that it comes at a moment of economic growth. In the past, it's usually been a sour economy that exacerbated divisions.

That's a puzzle, but it's also an opportunity. It means that we have a prosperous economic backdrop that should allow us more easily to find common ground

with one another, as I've seen happen in the past. It's time to step up our game, move past our differences, and propel the country forward. ❖

**Lee Hamilton is a Senior Advisor for the Indiana University Center on Representative Government; a Distinguished Scholar, IU School of Global and International Studies; and a Professor of Practice, IU School of Public and Environmental Affairs.**

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# Small steps for judicial gender inclusion

By LINDA CHEZEM

MARTINSVILLE – There are days when I think how far we have come in making justice look like our community and then are the days when I wonder what I was I thinking. I am not sure we will ever see political selection, merit, and diversity come together in a way that reflects all members of our communities.



The appointment of Judge Elizabeth F. Tavitas to the Court of Appeals offers a point of hope and optimism for increased inclusion of women on the Indiana bench as one facet of leadership in the legal community. Her appointment bodes well even though I do not know Judge Tavitas well. However, other judges whom I do know well and whose opinions I respect, know her and consider her to be an excellent judge.

On Oct. 1, I had the pleasure and honor of attending her formal swearing-in and robing ceremony. So, it was a good day to celebrate and recognize Judge Tavitas' accomplishments.

I found a specific pleasure in attending Judge Tavitas's ceremony because 30 years ago this month, Gov. Robert Orr announced that he was appointing me to the Indiana Court of Appeals. Gov. Orr was a gentleman and a man with vision for Indiana. My admiration for him is not just because he appointed me to the bench, first as the first woman circuit court judge in Indiana and second as the second woman to serve on the Indiana Court of Appeals. Gov. Orr saw Indiana as a player in the world with international trade and business interests.

**Nurturing an ambition** for Indiana to be engaged in international businesses, Gov. Orr realized that a justice system that was inclusive and accepted other cultures would provide an attractive climate to business from other countries. I thought I had an obligation to do my best to modernize the courts to better serve the people. I fully expected to see many men and women coming on the bench in Indiana that represented new faces and cultures.

But it has not happened. I am not sure why, but the history of women judges in Indiana may provide some hints. The Honorable Betty Barteau, Judge, Indiana Court of Appeals wrote a 1997 law journal article that now, more than 20 years later, offers the best insight available about

the role of women on the Indiana bench. Judge Barteau noted, "Ninety years after Indiana admitted its first woman lawyer, Indiana had its first woman judge ... In 1964, V. Sue Shields was elected to serve as a superior court judge in Hamilton County, Indiana."

Slower than pond water, women came on the bench. It was not until 1975, some 11 years later, that the next woman took the bench in a court of record. Judge Betty S. Barteau was elected in Marion County and began to serve in January of 1975.

**The next woman** judicial appointment occurred when Gov. Bowen appointed me to a term as Judge of the Lawrence County Court, beginning January 1, 1976. Then in 1978, Judge Shields of the Hamilton Superior Court was appointed to the Indiana Court of Appeals, becoming the first woman in Indiana history to serve on an appellate court.

In 1982, Gov. Orr appointed the first woman (me) in Indiana to serve as a Circuit Court judge. In 1988, I became the second woman to serve on the Indiana Court of Appeals. Thirty years ago, I joined the court and there were two women judges. Today, only six of the 15 judges are women. Why are there not at least seven women judges if not more? Why is there only one female judge of the five judges on the Indiana Supreme Court?

I think the "merit system" of appointment deters the appointment of women. The politics of merit selection are not nearly as visible as the politics of elections. That invisibility may make it more difficult for women and other non-traditional candidates to navigate. I am being kind here because, although I have no political ambitions for myself, I do not want to harm anyone by association with me. Many years ago, I told Judge Barteau it would take retirement before we could openly discuss the challenges to women in the law and on the bench. I was wrong. There are some discussions it is best not to have, ever.

Nationally, the future looks increasingly bleak for women and nontraditional appointees and candidates. The hashtag movement is so divisive that the professionals, politicians and parties are going to decimate their own potential stars. Why would anyone with common sense want to take on the popular press and face the ugly anger and unreasoning hatred present all over the internet (and Washington, D.C.)?

Our challenge in Indiana, Republican, Democrat, or Libertarian, is to understand how we can invite smart people, people with strong work ethics, those who learn from mistakes, male or female, and those who live nontraditional lives to participate in public life. You know, ordinary people like us. ❖



**Chezem writes about legal and agricultural issues.**

# Hoosiers going in the wrong direction?

By **MORTON MARCUS**

INDIANAPOLIS – In case it has escaped your attention, America and Indiana are changing. Some of us cheer while others jeer; some of those changes are rapid while other are languid. Tradition, or stubbornness, keeps Indiana from changing as rapidly as the rest of the nation.



According to the latest (2017) Census reports from the American Community Survey, the number of households in the U.S. grew by 4.4% between 2011 and 2017; Indiana added only 3.7%. Nonetheless, that's more than 90,000 additional households.

We don't think in terms of households. Normally, we talk about the number of persons, the population, but households have different implications for a community, and its economy, than population alone.

Households subscribe to newspapers and magazines. The number of households more than the population is a determinant of water, sewer and fire infrastructure. Households buy washing machines, dryers, air conditioners, de-humidifiers and coffee pots. Clearly, the number, ages and preferences of individuals in a household have added implications for consumption. A teen in the house will easily change the number of autos and the cost of insurance.

In 2011, 66.5% of Hoosier households were families, just a bit over the national average of 66.2%. We ranked 18th in that metric behind Utah's 74.9%. But just six years later, our 64.9% was now lower than the U.S. average of 65.5%, ranked 22nd, trailing Utah's 74.1%.

**What do all those** numbers show? Family units are a declining share of U.S. households. From 2011-17, non-family households were in the ascendancy nationally, growing by 6.5%, twice the growth rate for families. In Indiana, the difference was even greater; non-family units grew by 8.7% while Hoosier family households grew by only 1.1%.

When we look at the median income of households, there is one consistent point every Hoosier voter and elected official needs to recall: Income is lower in Indiana than in the U.S. no matter how we break down living arrangements. Please, don't give me that old line that it's less costly to live in Indiana and that justifies lower wages. No! Lower wages in Indiana reduce the sale and rental prices for housing. People pay what they can afford.

And it got worse between 2011 and 2017. In 2011, the median income of all Indiana households, families and

non-families, black, Hispanic, white, male or female head of household, was \$4,604 less than the national median income. In 2017, that gap increased to \$6,155. Adjusting for inflation does not do much for closing the gap.

**If our goal is to** improve the economic well-being of our citizens and their communities, then we need to keep Hoosier families together more than attracting unattached workers from elsewhere. The delusions of many economic development groups are focused on the twin fads of our times, fancy factories and mysterious Millennials. ❖

**Mr. Marcus is an economist who can be reached at [mortonjmarcus@yahoo.com](mailto:mortonjmarcus@yahoo.com). His views can be followed on "Who gets what?" wherever podcasts are available.**

# Gary's fiscal straits and the new reality

By **RICH JAMES**

MERRILLVILLE – Someone has forgotten to tell the city administration that Gary's population has fallen over the years from 185,000 people to fewer than 80,000. If those at the top recognized that fact, the city wouldn't be in the financial straits that now exist. And one has to wonder who is watching the store.



So bad is the city's financial picture that the City Council is considering a plan to raise \$40 million through the sale/leaseback of the public safety building. The city says it will be out of cash by Oct. 31. The city also has to come

up with a plan to eliminate a \$17 million structural deficit by eliminating jobs and consolidating departments. And in the midst of all this, the city is probing the misuse of \$8.2 million in emergency public safety dollars that went to cover payroll and other expenses.

**If all that isn't enough,** the city just spent \$105,000 in software upgrades in an effort to get a handle on who is spending what at the city's gas pumps. Adding to the financial woes is a growing number of crimes, including homicides.

The political atmosphere provides a snapshot of what has been happening to the city. With the Democratic mayoral primary some eight months away, there generally would be a fierce battle in progress. But that isn't the case as Mayor Karen Freeman-Wilson is expected to cruise to another term.

When Richard G. Hatcher was mayor, some of the city's biggest names challenged him every four years. He turned away four big names before losing to Thomas Barnes in 1987. While Freeman-Wilson has tried to make the city better, she has been shackled by the crime problem. And now, the Gary mayor's job isn't looked upon as one of the real political plums in Indiana.

**There used to be an** understanding that Lake County – and in fact all of Northwest Indiana – had to do everything it could to help Gary. That was done for a num-

ber of years, but I'm not so sure that still is happening. It was said that if Gary goes, so does the rest of the Region.

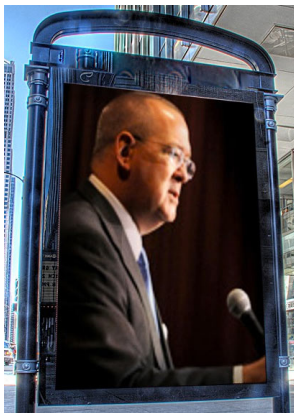
There are those who now say Gary is gone with no hope of again becoming a viable city. The rest of the area is doing well – and growing. ❖

**Rich James has been writing about politics and government for 40 years. He is retired from the Post-Tribune, a newspaper born in Gary.**

## Amazon and the harsh reality of pay, labor

By **MICHAEL HICKS**

MUNCIE – Amazon announced last week that it would be raising its entry wage to \$15 an hour and would lobby for a higher minimum wage at federal, state and municipal governments. Other companies have announced this in recent months, including Walmart, who bumped their starting wages to \$10 an hour. These are interesting developments that merit a bit of discussion.



I'll begin with a cynical view. Amazon is about to choose a headquarters location, and in the process will likely extract well over one billion dollars in incentives from some

American city. For this, the company and its chosen city will receive significant criticism, and much of it will be well-founded. So, Amazon is likely trying to insulate itself from some of that criticism with some well-timed do-gooderism.

To be honest, I'd rather see businesses be a bit more proudly self-sufficient in this regard. American business has caused the largest and most enduring period of wealth creation in history. Business leaders should be neither shy nor quiet about that fact, nor about the opportunity that free markets afford workers. This is especially true for the poorest among us, who most desperately need the opportunity of a job.

**Of course, this calculus** of reason changes entirely once a business comes running to the government for help. That is precisely what Amazon is about to do with its headquarters announcement. Once a business asks for special tax breaks or other favors, it becomes a part of the favor granting political machine. That is why it will lobby for a higher minimum wage, because it makes it easier for a governor and mayor to shell out a billion or two dollars

for its new headquarters. For some time, progressives, libertarians and constitutional conservatives have argued strongly against this new business paradigm. The rest of us should listen more fulsomely to their arguments.

The non-cynical view of Amazon's announcement also has merit, and offers a strong lesson for business and policy leaders across the country. The \$15-per-hour move might well be a way for Amazon to reduce labor costs. Let me explain.

**Labor markets are tight**, and every business is now complaining about finding workers. The studies I have read peg job turnover costs from between \$3,000 and \$6,000 per job for entry-level positions. Here in Indiana, annual turnover in the warehousing industry is 38%, which would add between \$6 and \$12 an hour to labor costs. New hires in this industry make \$12.60 per hour, so reducing turnover by 50% would be worth at least \$3 an hour, maybe \$6 an hour. Viewed in that light, this is a purely profit-maximizing business decision. That's good for Amazon, good for their workers, good for their suppliers, good for their consumers and good for taxpayers. There's also a lesson for every other business struggling to find workers.

Across the Midwest, and indeed most of the nation, business appears frantic about the supply of available workers. Almost daily, I read of shortages of truck drivers and warehouse workers. A very good story even highlighted the RV industry's efforts to convince schoolchildren in Elkhart that their industry offered good employment options. But do they?

**Wage data say otherwise.** Nationally, by the end of 2017, truck drivers' salaries haven't returned to the inflation-adjusted rate of 2002. In inflation-adjusted terms, warehousing workers earn 81 cents for every dollar they earned in 1998, and new hires earn 30% less each than they did two decades ago. In the red-hot labor market of Elkhart, Indiana, motor vehicle manufacturing workers earn less than they did back in 2003.

This is an endlessly repeating story that requires some plain speaking. We don't have a labor shortage in America. We have instead businesses who are unwilling or unable to pay market wages for the workers they want. To be clear, I'm an economist who respects markets, so am

not saddened to see these businesses fail. A business that cannot muster a business plan that enables it to hire the workers it needs should relinquish those workers, capital and industry to business who can do so. The technical word for this is economic growth.

**What does sadden me** is that instead of paying market wages, far too many businesses turn to the government for help. The most egregious abuse are the pressures on schools, workforce development and community college officials to push young people into occupations

where wages are lower than they were a generation ago. It is time for businesses and state government alike to re-educate themselves on one of the fundamental aspects of labor markets; like businesses, workers also have a choice. Amazon has clearly figured that out. ❖

**Michael J. Hicks, PhD, is the director of the Center for Business and Economic Research and the George and Frances Ball distinguished professor of economics in the Miller College of Business at Ball State.**

## Gauging the Kavanaugh curveball

By **KYLE KONDIK**  
**Sabato's Crystal Ball**

CHARLOTTESVILLE, Va. — As we enter the final month of Campaign 2018, the political world remains fixated on embattled U.S. Supreme Court nominee Brett Kavanaugh, who awaits the findings of an FBI investigation into whether he tried to sexually assault Dr. Christine Blasey Ford while both were in high school. The allegations, somewhat predictably given the tribal nature of our politics, divided the country along partisan lines. For instance, Quinnipiac University found an almost identical plurality who said they do not want Kavanaugh confirmed (48% against, 42% for) and who said they will vote Democratic in their local House race (49% Democratic, 42% Republican).

We find it difficult to assess the importance of the Kavanaugh situation while his nomination remains in limbo. It does make some intuitive sense to suggest that the outcome, whatever it is, could have a limited and possibly contradictory electoral effect depending on the race. Suburban, college-educated women are both enraged at the president and likelier to be sympathetic to Ford; these voters are very important in some of the key House races, many of which are in newly-swingy territory covering affluent, highly-educated suburbs. Meanwhile, many of the key Senate races are in dark red states, where voters probably are more sympathetic to Kavanaugh and/or outraged that Democrats are trying to submarine the president's Supreme Court pick. There are some signs that the Kavanaugh fight has stirred the GOP base, at least for the moment.

**Questions abound:** How might the electorate react if the seat remains open? Would Kavanaugh losing in a floor vote actually help the GOP motivate base turnout because of the higher stakes of an open SCOTUS seat and

rage, from the right, over the Democrats (and a handful of Republicans) blocking him? Will the issue fade in importance if Kavanaugh is confirmed? Or would Democrats get even angrier and more engaged if Kavanaugh is confirmed? These questions are important, but also impossible to answer in the midst of the process.

Here's what we know: The environment remains treacherous for Republicans. The president's approval rating has rebounded a bit from the dip it took in September -- illustrating once again that the president may do better when others are dominating the news -- but his disapproval still remains over 50% in polling averages and his overall approval is in the 42%-44% range. That's not bad

for this president, but historically it's weak on the eve of a midterm, a point that Republican lobbyist Bruce Mehlman illustrates in vivid detail in his most recent, must-read quarterly presentation.

The slight uptick for the president hasn't changed the overall House generic ballot much: Democrats are up by about seven to eight points in averages. That's suggestive of an environment where Democrats are favored in the House but not overwhelmingly so; that's also where we've been at in terms of our own House handicapping.

**The stratified political** maps this year make it hard to make a sweeping generalization about the election's direction. A Democratic House takeover would make this a wave year, in our view, and that designation would be reinforced if the Democrats also pick up a substantial number of governorships, which also seems likelier than not. And yet, the Senate could see very little net change or even a GOP gain, as we've repeatedly noted. That makes 2018 different, in all likelihood, from the last three big midterm wave elections (1994, 2006, and 2010). In those years, the presidential out party took the House from the presidential party each time and netted at least six Senate and six gubernatorial seats each year. Democrats could match or exceed those feats in the House and the governorships, but not in the Senate because of the map. (2014 was a wave too, but the GOP only made relatively modest gains in the House and governorships





in part because they already held a majority in the House and a majority of the governorships, so we're setting that election aside here.)

In other words, we don't envy the headline writers who have to pithily sum up the results of an election when, hypothetically, Democrats could net 35 or so House seats and a half a dozen governorships or more but lose, say, one net Senate seat. That would be an outcome unsurprising to those who closely follow elections, but we suspect many who are just tuning in on Election Night will need a crash course in the particularities of this cycle's Senate map to understand what happened.

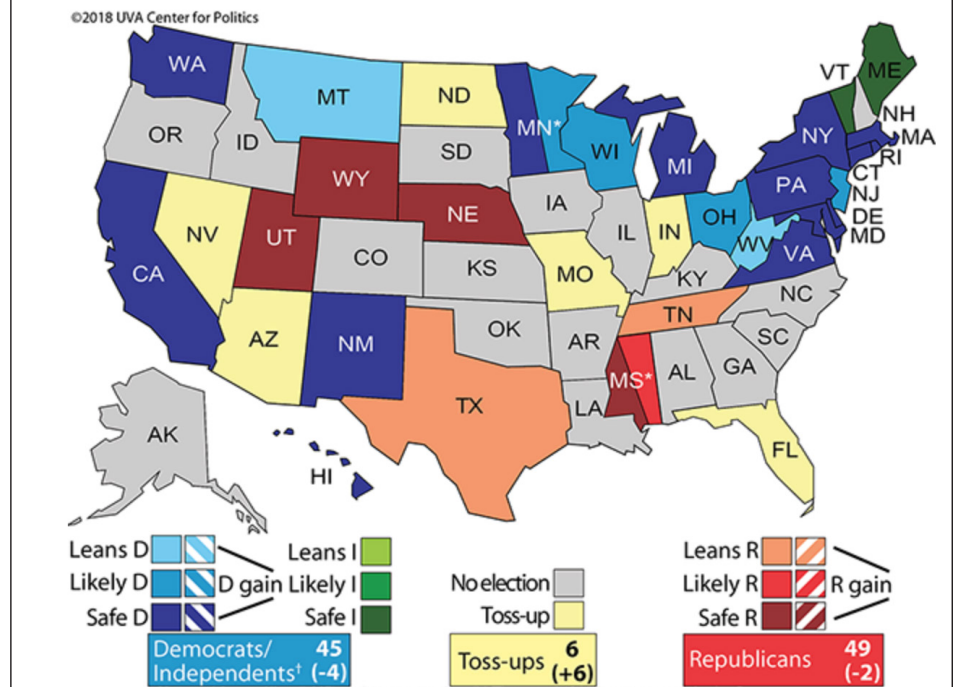
What follows is an explanation of ratings changes in all three categories (Senate, House, governors), along with our latest intel and observations:

### House: Assessing "triage"

A telltale sign of House peril is when national third-party groups begin to pull money out of certain districts. Known as "triage," these moves by outside groups to cut off incumbents who might be behind can be suggestive of what might happen in the fall. Both the National Republican Congressional Committee and Congressional Leadership Fund, the two most important outside groups on the GOP side, have been engaging in triage. However, the two entities cannot coordinate, and they sometimes have different opinions about races.

For instance, CLF recently pulled advertising money from the races of Reps. Mike Coffman (R, CO-6) and Mike Bishop (R, MI-8). Both occupy suburban districts with above-average numbers of residents with four-year college degrees, a demographic suggestive of hostility to President Trump. Both face Democratic opponents, veteran Jason Crow (CO-6) and former Obama administration Defense Department official Elissa Slotkin (MI-8), who significantly outraised the incumbents in 2018's second quarter and very well may have again in the third quarter (while we do not yet know what Crow and Slotkin raised, similar Democrats in similar races have begun to post eye-poppingly huge fundraising quarters). In response, the NRCC said they would boost their ad buy in CO-6, a race we moved to Leans Democratic a couple of weeks ago. The NRCC also remains engaged in MI-8. But the NRCC is engaging in triage of their own: The committee recently cut off Rep. Kevin Yoder (R, KS-3), who faces attorney Sharice Davids (D) in a suburban Kansas City district that Hillary Clinton carried (CLF remains engaged there, at least at the moment). So, on one hand, the committees may be shifting around money to cover a wider playing field with the knowledge that one or the other will be covering most of

Map 2: Crystal Ball Senate ratings



the competitive territory. But for incumbents like Bishop, Coffman, and Yoder, they now are getting less outside support even as their Democratic opponents likely will have tons of money to spend. For them, this is a problem.

As analysts, what do we do about "triage?" On one hand, there is the old cliché that applies here: "money talks, and BS walks." Meaning that, in the political game, how the committees spend their money is the best sign we have about how they really feel about a race. The professionals working these campaigns on both sides have access to the most information, more than analysts do, and their actions are often telling. On the other hand, committees are not always correct in their assessments. For instance, in 2016, the National Republican Senatorial Committee cut a million dollars in support of Sen. Ron Johnson (R-WI) around this time two years ago, and he ended up winning. So the committees aren't always right, although they also often are.

Of course, now that there are several different big outside groups on each side, different committees have different opinions about different races. One place where CLF and the NRCC are at odds is in Northern Virginia, where Rep. Barbara Comstock (R, VA-10) appears to be an underdog. CLF has never booked any time there, while the NRCC has a giant reservation (so do Democratic groups, although one of them, House Majority PAC, just cut some of its reservation, likely a move made out of confidence). Comstock is very likely trailing but is still in the game: Monmouth University found her opponent, state Sen. Jennifer Wexton (D), up six points, an improvement for Comstock since Monmouth's last poll a few months ago. ❖

**Randy Kron, NWI Times:** At Indiana Farm Bureau, we are dedicated to our mission of proactively advocating for agricultural and rural needs. Recently, Gov. Eric Holcomb announced his infrastructure agenda for 2019 that very clearly addresses the infrastructure needs of farmers and their rural communities. As the president of the state's largest general farm organization, I believe the Next Level Connections program announcement restated Gov. Holcomb's commitment to rural Indiana and emphasized the value of agriculture to our state. The plan includes a \$1 billion investment for infrastructure projects. There are several provisions of the plan that will positively impact Hoosier farmers and rural residents. Those projects include funding to repair and maintain highways and significant funding for broadband expansion. Also included are steps to complete an analysis of the construction of a fourth port in the state near Lawrenceburg. The governor's Next Level Connections plan commits \$100 million to bring broadband internet access to unserved and underserved areas of Indiana. Expanding broadband internet access to rural communities has been a priority for Indiana Farm Bureau for several years. Our members, more than 70,000 farm families across the state, have been clearly expressing the need for broadband internet access during legislator farm visits and at the Statehouse. The need for high-speed internet is growing everyday no matter where you live. Rural areas and farming operations are no different. New technology which requires broadband access is making farming more sustainable and efficient. This investment for high-speed internet in underserved and unserved areas is a needed step that will help put rural Indiana on a level playing field with more populated areas. ❖



**Amy Chozick, New York Times:** At a time when the big-tent TV show seems all but dead and niche shows proliferate ("Marvelous Mrs. Mais-who?" groaned many Emmy viewers), Mr. Trump has created an unscripted drama that has unified living rooms everywhere. Whether you're rooting for the antihero or cheering for his demise, chances are Trump TV has you under steady — some would say unhealthy — hypnosis. Now, with more than half the country ready to hurl the remote, and the mid-term elections presenting the first real opportunity to rewrite the script, the question remains: Why can't we stop watching? Even in the so-called golden age of TV, Mr. Trump hasn't just dominated water-cooler conversation; he's sucked the water right out, making all other entertainment from N.F.L. games to awards shows pale in comparison. "The Russia probe, Kavanaugh, Avenatti, Rosenstein, Cohen, Flynn, Papadopoulos — we're a wildly creative community, but this is peak TV," said Warren Littlefield, who oversaw NBC Entertainment in the era of "Friends" and "The West Wing." (He says "The Apprentice," a ratings juggernaut, killed quality scripted TV in 2004, when it got the coveted 9 p.m. slot on Thursdays, a move made by his

successor, Jeff Zucker, now president of CNN.) Some TV executives say the only way for the Trump show to get canceled is for ratings to fall off — forcing the president to fade into obscurity or an awkward fox trot in a "Dancing With the Stars" spray tan. But TV history shows that the most successful series — "American Idol," "Lost," "The West Wing" and, yes, "The Apprentice" — don't see sharp declines in viewership or talk of cancellation until around Season 6. By that logic, Mr. Trump would win re-election in 2020 unless, as many liberal viewers are probably hoping, impeachment and scandal end his presidency prematurely. (In what would no doubt be "The most dramatic finale of a presidency ever!"). ❖

**Gregg Jarrett, Fox News:** The confirmation fight over President Trump's nomination of Judge Brett Kavanaugh to the Supreme Court long ago careened wildly out of control, driven by desperate Democrats determined to keep this highly qualified judge off the high court by a shameless exercise in character assassination. Now that the FBI has completed its supplemental report on sexual misconduct accusations against the judge, the American people deserve to see that report to set the record straight. While FBI background investigations for federal employment are normally not made public, allegations of sexual misconduct against Kavanaugh by Professor Christine Blasey Ford were made in televised hearings before the Senate Judiciary Committee last week. Accusations by two other women were publicized in numerous news stories broadcast and published around the world. ❖

**F.H. Buckley, New York Post:** NAFTA 1.0 wasn't the terrible deal President Trump said it was, but NAFTA 2.0 is an improvement and, more importantly, it tells us good things about Trump's skill at deal making. An agreement with Canada needed to be reached. Nine million US jobs depend on goods and services we ship to our northern neighbor. With what they buy from us, Canada is the biggest export market for 36 states. The economies of the two nations are closely intertwined, and Canadians are painfully nice. If you can't cut a trade deal with them, with whom can you do so? So across the world, people took notice when Trump began quarreling with Canadian Prime Minister Justin Trudeau. Mind you, the Canadians seemed to be playing above their weight. They implied that Trump was a threat to democracy, not a good thing to do when you're trying to cut a deal. What happened next was right out of "The Art of the Deal." Trump showed that he took the criticism personally and raised the stakes. The crucial non-negotiable for Canada was the protection it gives to Canadian content on radio and TV. That's a big deal because, guess what, we cheat. So do the Canadians. Everyone cheats, over things like anti-dumping allegations and crazy tort awards in places like Mississippi. That got the attention of the Canadians. ❖

## FBI report finds no new evidence

WASHINGTON – The White House has found no corroboration of the allegations of sexual misconduct against Supreme Court nominee Brett Kavanaugh after examining interview reports from the FBI’s latest probe into the judge’s background, according to people familiar with the matter ([Wall Street Journal](#)).

It was unclear whether the White House, which for weeks has raised doubts about the allegations, had completed its review of the FBI interview reports. Still, the White House’s conclusions from the report aren’t definitive at this point in the confirmation process. Senators who will decide Mr. Kavanaugh’s fate are set to review the findings on Thursday, and some of them may draw different conclusions. Sen. Chuck Grassley (R., Iowa), the Senate Judiciary Committee’s chairman, said on Twitter early Thursday that the committee had received the report. The result could leave senators in much the same position as last week—faced with two witnesses providing mutually exclusive accounts and forced to decide between them. The investigation, which concluded two days before its Friday deadline, has faced mounting criticism in recent days from Democrats who have said the probe wasn’t appropriately comprehensive. Investigators spoke to one of the three women who made accusations of sexual misconduct against Judge Kavanaugh. Raj Shah, spokesman for the White House, said in a statement early Thursday morning: “The White House has received the Federal Bureau of Investigation’s supplemental background investigation into Judge Kavanaugh, and it is being transmitted to the Senate.”

## Final ISTEP scores show race divide

WASHINGTON – Indiana’s minority students have far lower passing rates than their peers on the state’s ISTEP exams — and the gaps are widening even as scores overall remain steady



(Cavazos, [Chalkbeat](#)). Only half of the state’s elementary and middle school students passed both English and math exams in 2018, but the results released Wednesday were worse for students of color. For example, about a quarter of black students in the lower grades earned passing scores on both tests, compared to nearly 60 percent of white students. The gaps in passing rates were also more than

30 percentage points between general education and special needs students, as well as students from affluent and low-income families. And, with the exception of special education students in grades 3-8 and Native American students in grade 10, these gaps have increased by several percentage points since 2015 and 2016. “The gaps are already big, and so we need to be shrinking those, not increasing them,” said Laura Hamilton, associate director at the RAND Corporation, a nonprofit organization that conducts research and analyzes data on public policy issues. “If you are seeing increases, even if they are small, it suggests a need to kind of take a closer look at what’s going on.”

## IU school named for Lugar, Hamilton

BLOOMINGTON – During a ceremony today, Indiana University renamed one of its prestigious schools after two of Indiana’s most accomplished federal lawmakers and kicked off a \$25 million fundraising campaign ([IndyStar](#)). The School of Global and International Studies will now be known as the Lee H. Hamilton and Richard G. Lugar School of Global and International Studies — the Hamilton Lugar School, in short. Both Hamilton and Lugar, two influential voices on foreign policy, were scheduled to attend the event at the Bloomington campus. “The School of Global and International Studies continues to be a symbol of Indiana University’s global engagement in an increasingly complex and connected world,”

President Michael McRobbie said in a prepared statement. “We are proud to bring the great legacies of Hamilton and Lugar, two of the most revered voices in foreign policy in the United States, to further cement our commitment as one of the nation’s most internationally focused universities.”

## Cook, Irsay on Forbes 400 List

NEW YORK – The minimum net worth to get on Forbes’ list of the 400 richest Americans has hit an all-time high of \$2.1 billion, according to the magazine: Amazon’s Jeff Bezos, whose fortune jumped \$78.5 billion in one year, leads The Forbes 400 list this year, with a net worth of \$160 billion — by far the highest ever. “Bill Gates, worth \$97 billion, who held the No. 1 spot for 24 consecutive years, is now ranked at No. 2. Warren Buffett, worth \$88.3 billion, comes in at No. 3. Facebook’s Mark Zuckerberg holds spot No. 4 with a net worth of \$61 billion, despite being \$10 billion poorer than he was a year ago.” Larry Ellison is worth \$58.4 billion. Donald Trump’s ranking dropped to No. 259 [from 248] ... but his net worth remained the same from last year at \$3.1 billion.” Carl Cook of Indiana’s Cook Group ranks 59th. Colts owner Jim Irsay ranks 302nd.

## Amazon pay hike impacts business

INDIANAPOLIS – Amazon’s plans to increase its minimum wage to \$15 per hour will heat up the competition to hire workers in an already tight labor market, say those familiar with central Indiana’s logistics industry ([Orr, IBJ](#)). But some local non-Amazon employers say they have strategies of their own for attracting and retaining workers.