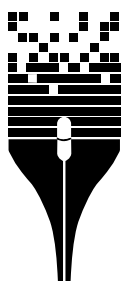


The Howey Political Report



The Howey Political Report is published by NewsLink Inc. Founded in 1994, The Howey Political Report is an independent, non-partisan newsletter analyzing the political process in Indiana.

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Subscriptions: \$250 annually via e-mail or fax. Call 317-254-1533.

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“QUOTE” OF THE WEEK

“Political polls are not predictors of voter behavior....” - Dr. Brian Vargus

“In his case, for the last few years, that’s been largely true....” - Jeff Lewis

7th CD forecast sees primary volatility

Hendricks Co., Gatzimos wild cards

By **MARK SCHOEFF JR.** in Washington and **BRIAN A. HOWEY** in Indianapolis

Talk to Alex Gatzimos for a few minutes and you will hear him use the word "vehemently." That adjective aptly describes the approach the Lebanon physician is taking in his run for the Republican congressional nomination in CD 7. He has entered the primary with the zeal of a proselytizing missionary and with the money of a rich doctor.

"I believe vehemently in my message," said Gatzimos, who has already sunk more than \$200,000 of his own resources into his campaign. He is on a path to spend between \$400,000 and \$500,000. "I have more than a little of both -- money and mouth." Gatzimos, who has a 500-patient practice, is advocating Medicare, education and agriculture reform. He will outline sub-issues within each category without taking a breath.

Gatzimos, 40, is competing in a conservative district in which the Republican victor will be the heavy favorite to win the seat of retiring Rep. Ed Pease, who was first elected in 1996 and was re-elected with 69 percent of the vote in 1998. Before Pease, Republican Rep. John Myers held the seat for three decades. The open-seat primary has attracted seven Republicans and four Democrats. Bob Griffiths, vice president of Merrill Lynch in Lafayette, and Brian Kerns, former Pease chief of staff and Myers' son-in-law, are the leading contenders for the GOP nomination.

But the political landscape is changing, thanks to the rapid growth of the Indianapolis suburbs in the eastern part of the district, which is anchored by Lafayette and Terre

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2,200 AT RIGHT TO LIFE BANQUET: More than 2,200 people showed up at the Right to Life of Vanderburgh County's spring banquet on Tuesday night. It continues to be the largest right to life event in the world.

BAYH STILL PONDERING CHINA TRADE BILL: Bayh has not made up his mind on a bill that would extend permanent normal trade relations (PNTR) to China in exchange for China's lowering tariff and non-tariff barriers to U.S. products. China accepted the reductions as part of an agreement to secure U.S. backing for its entry into the World Trade Organization, which sets rules for global commerce. All WTO members grant one another normal trading status. Last week, the European Union and China failed to reach an accord that would ensure the EU's backing of China's WTO membership. "It's not clear what our course of action is going to be," Bayh said in reference to the failed China-EU talks. President Clinton, who strongly supports China PNTR, wants Congress to vote on the China trade bill by Memorial Day so that the bill doesn't get caught in the election milieu. Business favors the trade bill while labor is fiercely opposed. "I believe in free trade," Bayh said. "I

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7th CD, from page 1

Haute. The number of registered voters in Hendricks County has jumped from 47,644 in 1996 to 62,018 today. The Griffiths campaign estimates that 22 percent of the GOP primary vote will come from Hendricks. New residents might not be able to name the incumbent congressman, let alone those who are competing to take his place or even John Myers.

Gatzimos is trying to build his name identification through an aggressive television buy in each of the district's media markets. He also is up on 44 billboards. Griffiths, 61, has been on television for six weeks with strong buys in Terre Haute, Lafayette, and Indianapolis. He added a new TV spot on Friday. Like his first ad, it concentrates on the theme of "conservative values." Kerns, 42, put up his first TV ad this week. In the spot, which is running in all three media markets, he emphasizes his experience with Pease and calls for "family friendly" government. This week, Kerns was endorsed by the Indiana Farm Bureau.

The other candidates are playing catch-up to Kerns. Kerns launched his campaign just days after Pease surprised the Indiana political establishment by announcing his retirement on Jan. 15, one month before the filing deadline. Pease's timing has irked Kerns' opponents.

But last week during a visit to Washington, Griffiths exuded confidence. He brandished a poll by Public Opinion Strategies showing him with a 59 percent - 41 percent lead over Kerns among people who have an opinion on both candidates. He said campaign volunteers are signing up in droves and helping him knock on thousands of doors in the district. "There is reason to be optimistic at this point," said Griffiths, who indicated that he has raised about \$80,000. In a published report, he said he is willing to spend tens of thousands of his own money on his race. "The enthusiasm that's building up now is because people are learning who Bob Griffiths is. The message of family values and good character is reaching the voters."

Kerns also believes he is on the path to victory. "Our polling indicates that even after a significant advertising run by others, we led in name ID and ballot," he said. "Our work over the last four years with Ed Pease gave us a good base. I feel comfortable that we have a plan put together to win this race."

Varied Approaches to Issues

Kerns' issues are outlined in his 10-point "Blueprint for a Better America," which includes reducing taxes, streamlining government, strengthening national defense, and providing quality constituent

service. Griffiths recommends cutting taxes and federal spending by 4 or 5 percent in order to show that it can be done without harming the economy and to build consensus for major tax reform. "If you move gradually in that direction, you can achieve something closer to a flat tax."

Constituent service also is high on Griffiths' priority list. "We can certainly improve on the type of service people expect in the congressional offices, both in Washington and in the district offices."

Kerns was Pease's district director. "We recognized from day one that John Myers left a legacy in terms of quality constituent service," said Kerns. "We made sure we provided that."

The words "conservative values" are prominent in the Kerns and Griffiths lexicons. Gatzimos, though, believes that the traditional Republican message is hidebound and is hampering the growth of the party. "We have to have the leadership and courage to address social issues. My goal is to get the Republican party out of the country clubs and corporate board rooms and back into the real world."

Gatzimos rails against what he believes are "penny wise and pound foolish government programs." He advocates Medicare prescription coverage for senior citizens to prevent costly taxpayer-financed hospital stays. "I'm tired of seeing senior patients choose between necessary medicine and other necessities in life."

He supports tuition tax credits and guaranteed student loans in order to increase individual income and tax revenue. Increasing research and development in biotechnology and biofuels would decrease U.S. dependence on foreign oil, he said. He also decries the dwindling number of family farms. "We need the political leadership and will to make agriculture a top priority."

Griffiths has a different take on the centrality of issues. He said voters want to know about his background and life experiences rather than his policy positions. He has been deeply involved in the

Lafayette community, serving as the president of the Board of Works, founding president of Greater Lafayette Progress, president of Leadership Lafayette, and as a member of the board of Home Hospital.

Both Kerns and Griffiths agree that a flap over Kerns falling behind in child support payments between 1986 and 1990 shouldn't be a campaign issue. Kerns said the delays resulted from waiting for court rulings. He said he knows "who is behind this 'anonymous' campaign," but refuses to name the source. "I won't tear anyone down to win an election."

Griffiths' reaction to the Kerns child support controversy: "I was shocked and disappointed. I was disappointed, too, in his response to it. This should not be part of the campaign and it is certainly not part of our campaign."

Volatile forecast

Going into this surprise campaign, Kerns was the early favorite with the endorsements of Pease and Myers, which should make for a pretty powerful TV ad in the primary homestretch. The problem with that scenario is that many of the new Hendricks County voters - Republicans who have fled Marion County - know little of either Myers or Pease.

Conventional wisdom is that Kerns will run strong in the southern part of the district and around Terre Haute; Griffiths will be strong in the Lafayette area and points north. The burgeoning Indianapolis doughnut counties of Hendricks and Boone are a mixed bag. Hendricks GOP Chairman Bob Bales has come out for Kerns, but State Rep. Matt Whetstone and former Sen. Dick Thompson are for Griffiths. Gatzimos, whose sister-in-law is country music star Crystal Gale, with his potential half million dollar budget is the wild card. With eight candidates in the mix, none of them with any ballot familiarity for voters, and Gatzimos appearing before either Griffiths or Kerns, this volatile situation is ripe for an upset. ❖

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don't think there is any alternative to trying to sell our goods and services to the rest of the world." But he said wants to ensure that trade doesn't lower labor or environmental standards around the world. "I support people playing by the rules," Bayh told reporters on Monday. "If we're going to have a system of trade, we have to have enforcement mechanisms."

SHINE TO RUN AGAIN: Allen County GOP Chairman Steve Shine will announce he will seek a third term in 2001.

CROSSING PARTY LINES: Evansville's Republican Mayor Russ Lloyd Jr. has appointed the Rev. William D. Garrett as director of the C.K. Newsome Center. Garrett, a Democrat, ran against Lloyd for a county council post in 1998 (Herb Marynell, Evansville Courier & Press). Garrett replaces Randy Giles, who becomes Democratic co-chair of the Vanderburgh County voter registration office.

TAX ABATEMENT: Ispat Inland Inc. plans to spend \$300 million to construct two electric-arc furnaces and a galvanizing line at the Indiana Harbor Works, and the East Chicago City Council has approved a 10-year tax abatement plan for the company (Bob Tita, Munster Times). The work is

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expected to be completed by 2002 and create as many as 70 new jobs for the company. The new furnaces will replace two blast furnaces and a basic oxygen furnaces and increase steel production by about 1 million tons a year.

100 DAYS LATER: Mayor Graham Richard of Fort Wayne, during the course of his first 100 days in office, commissioned task forces to look at the Southtown Mall, business development, and improving city services (Scott Smith, Fort Wayne News-Sentinel). His management style has been likened to that of the last part of former Mayor Paul Helmke's three terms. His primary goal at this point is to build a consensus of those in leadership positions in the city.

APPLE BLOSSOM TIME FRIGID: Northern Indiana's apple crop took a killing hit from last week's frigid weather (The Associated Press). Unseasonable mild temperatures brought early buds to trees, and readings in the low 20s froze most of them.

BOTH OR NONE: Roger Chiabai, Lake County Republican Committee chair, issued an ultimatum to the party's two gubernatorial candidates: Appear at the annual Lincoln Day dinner together or stay home (Tracy Hayhurst, Munster

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Winston on O'Bannon and Bayh

It was tough catching up with Indiana Democratic Chairman Robin Winston, but we finally did on Tuesday just prior to his dash downtown to fetch his Golden Retriever from the doggie day care center.

HPR: What is your reaction to the NUVO Poll that showed Gov. O'Bannon up by a 41-37 percent margin?

Winston: Obviously it got everyone's attention. The minute that a poll comes out, some will say that it's not a good poll, which is to be expected, and others will say, uh-oh, what does that really mean? For those of who are practitioners of this it means that this is going to be a very, very competitive race, as we've been saying all along.

HPR: The *Star/13* Poll said that 25 percent of the Republicans are supporting O'Bannon. And that there are only 9 percent undecided? Do you believe that?

Winston: A substantial number of Republicans are supporting Frank O'Bannon. People here are not as identified by party preference. First of all you know they're not because we can't capture them on the voter file other than their primary history. He is not viewed as an overt partisan. I do agree with you; I don't think 9 percent are undecided.

HPR: McIntosh really hit the education issue and went up on the air for eight weeks without a response from the governor. That was the top issue with the independent female voter. What's your spin on that?

Winston: First off, he's got to win a primary on May 2. Your own polling shows there is a substantial number of Hoosiers who don't even know who he is, so he is trying to get his message out as best he can. As the campaign moves forward, each candidate's record on education will become more and more noticeable to the public. Once Hoosiers have the opportunity to see behind the rhetoric and

the reality people will see that Frank O'Bannon has done a very good job on education and will come to his side. There are some votes the congressman made that I'm sure Hoosiers will be reminded of.

HPR: Comparing a federal record to a state record is almost like comparing

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apples and oranges. What will be the dynamic with that?

Winston:

When you vote against putting 100,000 more teachers in the classroom, Hoosiers should be concerned about that. When you vote against the school lunch program, Hoosiers should be concerned. When you vote against Pell Grants for college students in your past, people will have to be concerned about the commitment to post-secondary education. Your record that you have on your opportunity to vote on things is something that sets your philosophy of government as much as it says about your actual position on those votes. Against school lunches, against more teachers, against math and science funding, against Pell Grants, but yet you call yourself the education candidate. Hoosiers will have an opportunity to ask about that.

HPR: It doesn't look as if the GQE is going to be much of a political factor.

Winston: Hoosiers want their schools to be accountable. They want their students to be prepared for the next century and you can make the argument of getting an accurate measurement is important. People understand that. The other thing to remember is the governor works with the Republican superintendent of public instruction. This is an issue she supports and he will continue to do that.

HPR: Do you believe the gender gap is in play?

Winston: I think there are a lot of

independent minded people who will speak loudly in 2000 about Frank O'Bannon's approach to government. I can tell you people are e-mailing me and telling me that ads look wonderful and that they're glad we're finally getting our message out.

HPR: Do you expect the Republicans to go with a female LG candidate?

Winston: I don't know what they're going to do. Every week they come up with a different name.

HPR: What about the Democratic candidate for public instruction?

Winston: We are still going to fill our No. 4 slot and we're still talking with some folks about that. We'll probably have an answer for that by the middle of next month.

HPR: What's up with Evan Bayh these days?

Winston: Omygosh! Evan Bayh, to me, and I don't say it because the readership is Indiana base and because I'm trying to ingratiate myself with the Bayh supporters in the state, but if I were just looking at it from a distance, he is the quintessential candidate for us to run for vice president. The Midwest is going to be a battleground. The man has been on television in Chicago. He's been on a lot in the Louisville market and Kentucky is going to be a battleground. Cincinnati maybe not so much, but in Niles, Michigan, he has; and then Western Kentucky from Evansville. What amazes me about Evan Bayh is his father's name is still well known. His father used to have hearings about black lung back when he was United State senator and my mother remembered him. The name is still known. He brings a lot to the ticket. It helps us in Indiana. I think you will find that he is on the extreme short list of people. When you talk about constituency groups and whether he has a relationship with them, who else can say they helped elect an African-American female attorney general and appointed an African-American female to the bench?

HPR: What does a Gore/Bayh ticket do for Frank O'Bannon?

Winston: First thing it does is put Indiana on the map as a competitive state. It lets Hoosier voters remember that Frank O'Bannon and Evan Bayh have run together three times. It provides some coattails down the line. Our yard signs will be interesting when we get all three names on them. It helps with a substantial amount of money coming into Indiana. It would nationalize the race, but I think the benefits far outweigh the downside.

HPR: I see the 8th and 9th CDs at the epicenter for control of Congress. Do you see it that way?

Winston: Yes, but I want you to keep the 2nd on the line. I still think 2 is going to be a battleground and I think on the outside rail 5 could be. The enthusiasm for Greg Goodnight in the 5th ... when you go up to an announcement and people are standing outside in the cold, and he reports \$160,000 raised, it's just phenomenal. It's also changed the incumbent's track; he's doing things he had refused to do in the past. CD2, the fact that our party in Delaware County has rejuvenated itself, I think that it can be kept on the watch list. You still have the Bill Fraizer factor. If the guy runs as an independent and siphons off some votes, we're right in the thick of it. CD8 boils down to whether we have enough money and whether the negatives of either of our candidates stick into the fall.

HPR: How has the Internet changed politics this year?

Winston: We weren't rebuilding a website two years ago. I want it to become interactive so people can give us responses on the party platform, so we can take contributions. Just e-mail alone, we blast out the Republican review every week to thousands of people. We keep getting more signed on. We're hiring Jim Brown, who is editor of the Sagamore at IUPUI to be an intern. Part of his major focus will be to go out and procure e-mail addresses. ❖

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Times). They showed up Sunday evening at Merrillville. "The people of Lake County should have a choice," Chiabai said.

EDUCATIONAL STANDARDS: Last fall Gov. Frank O'Bannon and Superintendent of Public Instruction Suellen Reed vowed to forge a state plan to improve student achievement and accelerate school reform by April 1 (The Associated Press). The deadline came and went without a plan, even though education officials have been rewriting standards since January. Education officials are meeting again this week to discuss and review the revised standards. Cheryl Orr, an education roundtable staff member, said the new standards will be more rigorous, be jargon-free and exhibit "sufficient difficulty." No new completion date has been set.

LIBERTARIANS MULTIPLYING? Andrew Horning, the Libertarian candidate for governor, said in Fort Wayne Sunday that voters are taking Libertarians more seriously, election by election (Bob Caylor, Fort Wayne News-Sentinel). "We've made ourselves significant enough, we've gotten enough people in office, that they see we're players now," Horning said. Fewer than 20 persons attended

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the meeting.

BOTTOM FEEDERS GATHER: The stock of Conseco Inc., the wounded Carmel insurance company, are down 53 percent for the year, but they went up \$1, or 14 percent, Monday as bargain hunters sensed a good thing (Greg Andrews, Indianapolis Star). At the same time, there is growing sentiment among investors for the removal of Conseco Chairman Stephen Hilbert, who engineered the \$6 billion purchase of Green Tree Financial Corp. two years ago. The purchase precipitated Conseco stock's free-fall.

KNIGHT'S DAY: A gathering estimated at more than 1,000 persons met outside Assembly Hall Sunday afternoon in support of embattled IU basketball coach Bob Knight, who was not present (David Horn, Bloomington Herald-Times). The crowd included fans, friends and former and current IU players. On Tuesday, CNN revealed a video tape of Knight choking Neil Reed, flying IU Trustee John Walda to view the tape. Walda said the tape would be included in his report to IU President Myles Brand this summer.

HASTERT IN BLOOMINGTON: Dennis Hastert, speaker of the U.S. House of Representatives, visited Bloomington Saturday on a

PERHAPS... W E W A N D E R

By Brian Howey

Son of the Poll Wars plays out at Bowen

MUNCIE - I had lunch with Dr. Brian Vargus at the Bowen Institute last Saturday. It was a cordial meal, full of political chitchat. I mentioned to Dr. Vargus my quip in last week's HPR Horse Race about John R. Price.

"I asked John to send us a postcard from each of the 92 county seats."

Minutes later, Dr. Vargus and Jeff Lewis, our TeleResearch pollster, were glowering at each other on a panel before about 40 students and aspiring leaders.

Could it be? Could it? Yes! It was SON OF THE POLL WARS! Prof. Ray Scheele suggested to the students that this would be a panel of "fireworks."

And it was! First, there was a tap dance as to who would speak first. "Go ahead," Lewis said, remembering that he went first last year, and was then sucker punched by the good doctor.

Dr. Vargus said that he was essentially out of the political polling business. He said that exit polling was unreliable. He suggested that any poll not sanctioned by the American Association of Public Opinion Researchers was not credible - an obvious dig at the recent NUVO/ Tele-Research Poll. But he had a far more critical judgment of the recent Indiana University poll conducted for the *Indianapolis Star* and WTHR. It was published with no demographic data or methodology. "For a newspaper to print this is a thorough disgrace," Dr. Vargus said. "What the *Star* did was thoroughly irresponsible."

At least NUVO/TeleResearch had presented the demographics, he said.

In yielding the floor to Lewis, Dr. Vargus declared, "I'm going to have some questions for you later."

Lewis explained his automated sur-

veying techniques and noted that 13 out of the last 15 polls conducted right before elections had come in on margin. The two that didn't (last year's South Bend mayoral race which came at a 28 percent win for Steve Leucke instead of 21 percent; and the Noblesville GOP mayoral primary race) had gotten the winners right.

Dr. Vargus then began asking questions. "Do you call people back?" he asked of initial calls that don't go through. "No," Lewis said.

"You had a poll where a 58-year-old white male said they were a 48-year-old black female" Lewis cut him off. "No way. We didn't make a racial distinction." Lewis began throwing questions back. That 1998 Carson-Hofmeister race in the 10th CD: "We said Carson would win by 18 percent and you said the night before the election it was too close to call."

Dr. Vargus denied it. "You said she was up by 4 percent," Lewis pressed.

"No, 9 percent," Dr. Vargus said. "Don't call me a liar."

"Oh, so you were only off by 9 percent?" Lewis responded.

HPR Publisher Brian Howey broke in and reiterated a challenge we made in NUVO last year: "You give us your final polls throughout the '90s, so will we, and we'll put them all on a grid with the final election results." Dr. Vargus declined. He said we could find his data on a website called "iupui.pollcat.edu" or something like that.

We couldn't find it.

The offer still stands.

On Sunday morning, Dr. Vargus was on WISH-TV and trashed both the NUVO and *Star* polls, saying they weren't "credible." He then noted the John Price tour and said, "Hopefully he'll send us a post card from all 92 county seats." ❖

Indiana 2000 Racing Form

GOVERNOR, congressional races

Governor: Republican: U.S. Rep. David McIntosh, John R. Price. **Democrat:**

Gov. Frank O'Bannon. **Libertarian:** Andrew Horning. **1996 results:** O'Bannon 1,107,342, Goldsmith 997,505, Dillon 35,261. **2000 Forecast:** O'Bannon doubled his second week media buy to 793 points - \$250,000 statewide to run his new ad on education. It is running in all Indiana markets and will start soon on cable in Northwest Indiana and Louisville. *NUVO/Tele-Research* had identified education as the top issue - particularly with the group we identified as "independent females" in the same poll that showed O'Bannon's lead at just 41-37 percent. The 30-second "Best Start" ad talks about the "Ready to Read" program, putting discipline in the classroom and "teaching the right skills and the right values." The *Times of Northwest Indiana's* Terry Burns wrote, "O'Bannon's ad, however, is strangely devoid of any mention of the ISTEP exam, which has come under fire from several lawmakers, parents, and some education officials." The *Times* quoted O'Bannon CM Tom New, "The governor is very committed to continue the ISTEP program. We're just to that point now where we're really beginning to apply some real accountability in our schools." McIntosh spokesman Rob Collins said he wasn't surprised at the O'Bannon education theme in the ad. "He's essentially saying, 'Please give me another shot. I blew it in the first four years'" (*Times of Northwest Indiana*). McIntosh went to Jeffersonville and pledged to build a bridge over the Ohio River to Louisville from eastern Jefferson County. "For 20 years we have been talking about it. As your next governor, we will build the East End bridge," said McIntosh (Craig Harris, *Louisville Courier-Journal*). Thad Nation, speaking for O'Bannon, said, "This thing has been the most bipartisan effort. It has had almost zero politics involved until today" (Mike Smith, Associated Press). McIntosh also went to O'Bannon's hometown of Corydon and told people in the Wall Street Cafe that the state needs to "bite the bullet" on the stalled property tax reassessment and couple it with "a very deep property tax cut ... so everyone pays less at the end of the day" (Mike Smith, Associated Press). McIntosh appeared on the *Amos Brown Show* on TV53 in Indianapolis. McIntosh said that while he opposed quotas, he does "stand for affirmative action. I would reach out to minority contractors" (Amos Brown, *Indianapolis Recorder*). Brown wrote, "McIntosh gave some surprising answers to viewers and callers. In response to a caller wanting McIntosh's views on the controversy over flying the Confederate battle flag over the South Carolina statehouse, McIntosh didn't equivocate. He strongly called for the removal of the flag, saying it 'was a symbol of division. It should be removed out of respect to those offended by it.'" McIntosh will unveil his tax plan next week. O'Bannon is expected to be at Broad Ripple Park in Indianapolis for the first restocking of the White River on April 28, but environmentalists are planning a big protest. Price continued his 92-county tour of the state to whip up grassroots support from under the heavy McIntosh airway assault. But not a single postcard! We're miffed! **General Status:** *Leans O'Bannon.*

U.S. Senate: Republican: U.S. Sen. Richard Lugar. **Democrat:** David L. Johnson.

1988 results: Lugar (R) 1,430,525, Wickes (D) 668,778. **1994 results:** Lugar (R) 1,039,625, Jontz (D) 470,799, Bourland (L) 17,343, Barton (A) 15,801. **2000 Forecast:** Lugar warned U.S. policy makers not to be short-sighted on oil prices. "We are going to have spikes in oil that will disrupt our economy," Lugar said. "If we are so short-sighted as to not be able to meet this challenge in an environmentally satisfying way - in a way that helps our farmers and producers - shame on all of us." Lugar said the recent escalation in gasoline prices "illustrates how vulnerable we are. We will be very vulnerable again and again until we finally have an extraordinary problem that causes a recession, or worse still, a war." **Status:** *Safe Lugar.*

Congressional District 2: Republican: Mike Pence, State Rep. Jeff Linder, Brad Steele, Luke Messer, Cliff Federle, David Campbell. **Democrat:** Ron Gyure, Robert Rock Jr.,

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swing across the state campaigning for Republican congressional candidates. Hastert told Republicans supporting Rep. John Hostettler that Republican congressional candidates are looking for a "synergy" with the George W. Bush presidential campaign (Kurt Van der Dussen, *Bloomington Herald-Times*).

CONSECO MANAGERS UNDER FIRE: *BusinessWeek* reported that the top 10 Consecos executives borrowed about \$370 million to buy the company's stock when it was in the \$35 range. Consecos Inc. plans to divest itself of the former Green Tree Financial Corp., and Consecos managers had a lot riding on the success of the sale (Greg Jefferson, *Indiana Business Journal*). Consecos bought Green Tree in 1998 for \$6 billion and now hopes to get perhaps \$4.7 billion for the company, now named Consecos Finance Corp. Because the former Green Tree company has burdened Consecos's financial picture, Consecos's stock has dropped 40 percent from its March 30 price and to \$8.50 from \$58 just before its Green Tree acquisition.

LAKE MICHIGAN LAKE LEVEL DROP: The levels of all five Great Lakes are lower than long-term April averages, and that poses problems for shipping, boating, bathing, and even drinking

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(Munster Times). In some communities, water intake pipes may not be in deep enough water. Others may find wastewater does not dilute well enough. In some communities, wells may not be deep enough. Lakes Michigan and Huron are at their lowest levels since 1964. The lakes are 13 inches below their levels a year ago and 21 inches below average. Freighters on the Great Lakes are trimming their loads to avoid running aground.

STATE WATER RECORD POOR: The National Wildlife Federation says Indiana is doing a poor job keeping its waters free from run-off pollution. The state gets a D grade and is accused of barely meeting the national Clean Water Act standards. However, 21 other states failed to get passing grades from the organization.

A MERGER IN COLUMBUS: Arvin Industries, a corporate powerhouse in Columbus for decades, plans to merge with Meritor Automotive Inc. of Troy, Mich. (Norm Heikens, Indianapolis Star). ArvinMeritor Inc. will be incorporated in Indiana and headquartered in Troy. The deal is valued at about \$670 million and is being called a merger of equals in the auto parts industry. Columbus officials have some fears that the Columbus operation will become a branch plant of the company. ❖

Troy Liggett, Angela Burks. **Independent:** Bill Frazier. **Geography:** Muncie, Anderson, Richmond, Shelbyville, Columbus and East Central Indiana. **1994 results:** McIntosh 93,592, Hogsett 78,241. **1996 Results:** McIntosh 122,288, Carmichael (D) 83,478, Zimmerman (L) 4,662. **1998 Results:** McIntosh (R) 99,584, Boles (D) 62,426, Federle (L) 2,236. **2000 Forecast:** Pence and Burks are preparing significant TV ad campaigns. Liggett has challenged all Democratic opponents to head-to-head combat (Rick Yencer, *Muncie Star Press*). He wants debates in Anderson and Shelbyville because, he claims, "Democrats... (in) the 2nd District need to know more than our names and family backgrounds." Liggett, a fiscal analyst for the Indiana House Democratic Caucus, says he is being shut out of Madison County because party leaders there have their own candidate. And he represents the crux of the Democratic primary race. Rock is relying on the Madison County organization - the biggest in the district - to turn out for the favorite son. There were no obvious winners at the Columbus debate on Tuesday night. *Human Events* magazine wrote about Pence, "Right now, all signs are that Mike Pence ... is the frontrunner." The magazine had previously ID'd Messer as the leader. Pence began a radio ad campaign this week on 20 district stations and WIBC in Indianapolis. *Human Events* also observed, "Under normal circumstances, the Republican balloting (in May) would probably pick the eventual general election winner, but the presence of Bill Frazier on a November ballot complicates the situation - and could make Robert Rock or any Democrat a viable contender." Horse Race agrees with that assessment. **Primary Status:** *LIKELY PENCE (R); Leans Rock (D).*

Congressional District 5: Republican: U.S. Rep. Steve Buyer. **Democrat:** Greg Goodnight, John Arnold, McAlister Ellis, Jr. Hugh Salisbury. **Geography:** Kokomo, Marion, Peru, Monticello, Lowell, Northern Indiana. **1994 results:** Buyer 108,575, Beatty 43,619, Alfred (L) 3,328. **1996 Results:** Buyer 133,604, Clark (D) 67,125, Lehman (L) 5,255. **1998 Results:** Buyer (R) 101,567, Steele 58,504 (D), Waters (L) 2,317. **2000 Forecast:** The D's are really talking this race up as something to watch for on the "outside rail." Goodnight is expected to report around \$160,000 in the next FEC report, which might be enough to get the attention of those wishing to punish the House Managers in the Clinton impeachment trial. Horse Race is going to keep an eye on this one. It looks like Buyer may have a real race. **Status:** *LIKELY BUYER.*

Congressional District 7: Republican: Brian Kerns, Bob Griffiths, Dr. Alex Gatzimos, Doug Hess, Bryan Donaldson, Tony Duncan, Michael Graf, John Timm. **Democrat:** Jeff Clapper, Sam Hillenburg. **Geography:** Terre Haute, Lafayette and Western Indiana. **1994 results:** Myers 104,359, Harmless 55,941. **1996 Results:** Pease 130,010, Hellmann (D) 72,705, Bourland (L) 7,125. **1998 Results:** Pease (R) 109,553, Hillenburg (D) 44,749. **2000 Forecast:** Don't be surprised if this race doesn't become a Tossup again. We detect great volatility; but we don't want to be erratic. Anytime a young, goodlooking candidate like Dr. Gatzimos throws \$500,000 at something, anything can happen. **Republican Primary Status:** *Leans Griffiths.*

Congressional District 8: Republican: U.S. Rep. John Hostettler. **Democrat:** John Hamilton, Dr. Paul Perry, John W. Taylor. **Geography:** Evansville, Bloomington, Vincennes and SW Indiana. **1994 results:** Hostettler (R) 93,529, McCloskey (D) 84,857. **1996 Results:** Hostettler (R) 109,582, Weinzapfel (D) 106,134, Hager (L) 3,799. **1998 Results:** Hostettler (R) 92,227, Riecken (D) 81,381, Hager (L) 3,395. **2000 Forecast:** Perry likes the 7th CD ad of Republican Dr. Alex Gatzimos, who is using Perry's "Let's put a doctor in the House" slogan in the neighboring CD, believing it reinforces his own message in the northern part of the Bloody 8th. Perry began running his ad on Terre Haute TV this week. Perry also got the endorsement of Gibson County Democratic Chairman David Knowles and Greene County Chairman Jeff Lehman. He also received the nod from two county commissioners in each county. Hamilton has been criticized by the Center for Responsive Politics for getting much of his funds from people whose occupations were unreported on 1999 Reports (Tim Starks, *Evansville Courier & Press*). The organization says that \$78,000 - 37 percent - of the money Hamilton has raised thus far has come from people whose economic interests in the campaign are unknown. Larry Makinson, executive director of the center, said, "If you have no idea who politicians are thankful to, you'll never know when they are returning the favor at public expense." Hamilton said he has a mostly volunteer staff and the majority of his donors are individuals. Paul Perry, Hamilton's opponent in the primary, and incumbent Republican John Hostettler, fully reported more than 95 percent of the time. Perry told HPR on Wednesday, "It's either sloppiness or he's got something people don't know about." It's sloppiness. **Democratic Primary Status:** *Tossup*



Present

The Forum on Campaign Ethics

8 a.m. to 4 p.m., Monday, June 19, 2000
Westin Hotel, Downtown Indianapolis

Attorneys can receive up to six CLE credits

Tentative Agenda

7:30 a.m. Registration.

8 a.m. **The Ethical Considerations for the Candidate,**
featuring U.S. Sen. Richard G. Lugar and U.S Rep. David McIntosh.
Continental breakfast served.

9 a.m. **Campaign Finance: The Root of All Evil?**
The Impact of Soft Money; Independent Expenditures; PACs and Special Interests: Who's Buying What?
Disclosure in the Internet Age

10 a.m. **On Message: The Responsibility to Tell the Truth.**
Are Your Ads Negative or Comparative? One Person's Poetry is Another's Pornography.
Killer Phone Calls/Killer e-mails. Push Polling.

11 a.m. **Cutting Through the Clutter: "I'll Reform (insert your favorite complicated issue here) in 30 Seconds or Less."**
Debates, Joint Appearances, Barely in the Same Room.
Wedge Politics: The Strange Bedfellows of Pat Robertson and Al Sharpton?

11:45 a.m. **Ethical Considerations For the Candidate,**
featuring Gov. Frank O'Bannon and Senate candidate David Johnson.
Lunch served.

1:30 p.m. **HPR/TeleResearch Polling Results and Political Analysis**
Of Election 2000 and Related Issues, with Brian A. Howey, Mark Schoeff Jr., Jeff Lewis, & Ronald Gifford.

3 p.m. **Panel Discussion on Campaign Ethics,** featuring several prominent Hoosier political figures
(Stay tuned for more details).

4 p.m. **Adjournment/Cocktail Reception Following**

Register by calling 317-254-0535 or send in the registration form
at www.howeypolitics.com