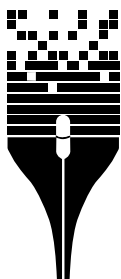


The Howey Political Report



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“QUOTE” OF THE WEEK

“Julia Carson will not go down!”

- U.S. Rep. Julia Carson telling election workers the voting machine lever on her name would not register her vote early Tuesday morning

What a strange trip that election was ...

Bush’s coattails don’t douse the fear

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

The Democratic National Committee had a plan. They wanted a cadre of protesters outside the Downtown Marriott Hotel in Indianapolis last Friday morning, picketing Vice President Dick Cheney, who was in town to campaign for 7th CD Republican Brose McVey.

This took place at 6:30 in the morning, and a handful of labor guys showed up, but not enough to man all the “Are You Better Off Than You Were Two Years Ago?” signs. But help arrived, in the form of a scruffy cloud surrounding recruited “volunteers” from the downtown Wheeler Mission.

The homeless men manned the signs and they all headed over to the Marriott, where scores of marvelously dressed Republican men and women were arriving in BMWs, Cadillacs and Lincoln Navigators on this crisp morning in America. The recruits could be seen pounding on the luxury vehicle windows, yelling, “Are you better off than you were two years ago?” as horrified men and women gaped and gasped from inside.

It was a good question, for the rich and poor alike. But in one of the most perplexing elections ever recorded, the economy and the sour Dow didn’t matter. For Rep. John Hostettler supporters, the war (and his vote against the Iraq resolution) didn’t matter. Sometimes the stunningly popular President George W. Bush didn’t matter.

This election defied virtually all logic. Normally the President’s party loses 30 seats in his first mid-term. Bush not only finds a House at 224, the U.S. Senate (making Sen. Dick Lugar chair of the Foreign Relations Committee), but he picked up Chris Chocola in the 2nd, though he lost Mike Sodrel.

This was a vicious and vacuous campaign; a campaign that seemed to be run on a New Deal/Great Society/Cold War axis despite the crushing 21st Century problems that lie in wait just over the horizon; the ghosts and demons of Sept. 11, 2001, shadowing everything, stoking ... *fear itself*.

The candidates responded with tattling, confrontational ads and fliers, with a wallow-in-the-dirt mentality, victimization and racial politics, *which comforted no one*.

Madison Avenue meets da good ol’ boys

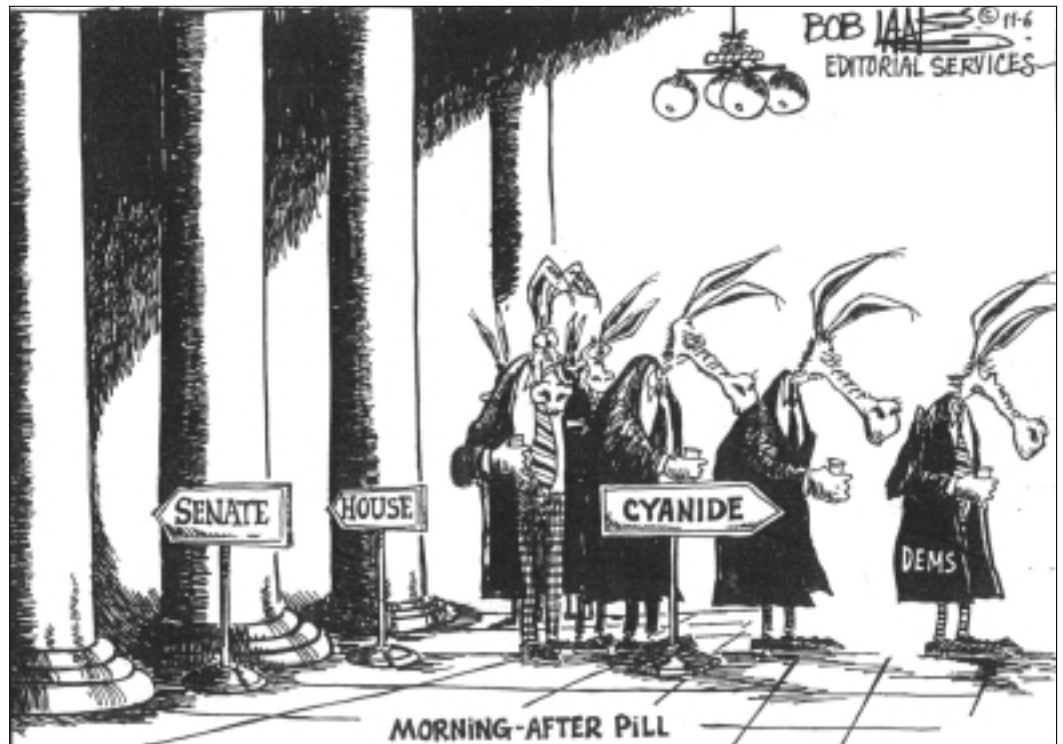
By virtually all accounts, Brose McVey had run an

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MOSES EXITS SPEAKER RACE: With Rep. Winfield Moses having won his HD81 race by 56 votes, his poor showing is expected to drive him from the speaker's race, raising the possibility that Rep. Chet Dobis will be the main challenger to Rep. Pat Bauer, D-South Bend, who is chairman of the powerful Ways and Means Committee (Post-Tribune), when Democrats meet at 1 p.m. today. "It's over. I'm out," Moses said (Fort Wayne Journal Gazette). Many insiders believe Moses spent far too much time focusing on the speaker's race rather than his re-election campaign, something he said could be true in hindsight. "Maybe I should have done a little more here or there," he said. "I knew there was a risk trying to do both but seldom is there a chance to try and bring a speaker back to Fort Wayne." Other names have been added to the list of Democrats vying for the speaker's position in recent days, including Rep. Paul Robertson, D-DePauw, and Rep. Ed Mahern, D-Indianapolis, who ran the House campaigns. Senate President Pro Tempore Bob Garton was re-elected to that post, which he has held since 1980. Rep. Jonathan Weinzapfel will seek election as majority leader.

HOUSE RECOUNTS: House

Continued on page 3



almost flawless campaign. He talked issues with people, received endorsements from young African-American leaders, ran positive, face-to-the-camera and upbeat commercials. He was warm, friendly and on-the-ball. Carson seemed slow and unresponsive, almost as if she were on some type of heavy medication. Washington Democrats fretted that Carson was blowing a sure thing. Local Democrats such as Tom New and David Johnson were worried. Then, on Oct. 24, a stink bomb arrived from the National Republican Campaign Committee.

It was the "Julia Didn't Pay Her Taxes On Time" ad. It showed a grumpy photo of Rep. Carson in one of her trademark hats. "We knew they were going to put up an ad," said McVey campaign manager Tim Searcy. The campaign's media buyer tipped them off, and when Searcy called the RNCC to see if he could see the ad, "They said, sure, at 10 a.m., and it went up at 8."

Republican Chairman Jim Kittle explained that that's the law. The campaign cannot be involved in an independent expenditure. Searcy said, "We didn't know what the content was until they put

it up."

The content might as well have been gasoline dumped on the Carson flame. It fueled Carson's legendary undefeated ground game.

Carson initially said the ads made her cry because she had been caring for her dying mother. When the *Indianapolis Star* reported that Carson's mother died in 1987 (a decade prior to the late taxes documented in the ad), Carson responded two ways. First, she put up a positive ad where she quoted Winston Churchill ("when people do their worst, that's when we'll do our best"), ending it with this prophetic pronouncement: "Actions speak louder than words."

To the McVey campaign, the Meridian Hills Kiwanis Club debate might as well have been that seaside village in the movie *Apocalypse Now*, with Kilroy (played by Carson here) and Air Cav on the way. Carson came in with an entourage, declared that she "didn't feel comfortable being in the same room with him" (as quoted in *Newsweek's* Perspectives and the *Drudge Report*) and stalked out of the debate. Her indignation filled two news cycles, injecting the fuel of

attack and race into her ground machine.

"It changed the dynamic of the race," Searcy said. McVey had an attack of its own -- the fact that Carson had never paid off a summary judgment over the city razing a dilapidated property she owned. It also noted that her ally, Mayor Peterson's administration, never pressed her for compensation.

Carson made the rest of her campaign a referendum on negative advertising. On Election Day, her partisans in Center and Pike Townships turned out heavy and won her a 13,000 vote victory.

"We played a tactical game, communicated a message, a logical message, and she played a tremendous number of emotional games," Searcy observed. "She claims she is a victim and the assumption is that someone who goes up against her is a racist. She pulled it again. There's not a thing about Julia Carson that is not calculated."

The RNCC stink bomb *wud-unt nuthin'* compared to McVey's Old Guard Cottey-Schneider wing of the party. Tom Schneider's sheriff campaign released a campaign flier with a photo of Carson that looked like it came from the Al Jolson, *Amos N' Andy* era. It was the raw, stupid blunder that brought Mayor Peterson out for a Sunday afternoon press conference denouncing "over the top" racist tactics.

Chairman Ed Treacy pulled a campaign button out of his pocket showing a mocking image of Carson in a state trooper hat. "If they're going to do that kind of crap, I'm going to use it against them," said Treacy, who told HPR last week that if McVey lost, it would be because of negative TV ads.

It was one of a series of racially tinged screw-ups from the Cottey-Schneider wing of the party -- "Neanderthals," as Amos Brown of the *Indianapolis Recorder* called them -- beginning with the "Crime is moving to the Township" flier in the waning days of the 1999 mayoral race, followed by the "gorillas and thugs" comments following

Black Expo by Councilors Bob Massie and Bill Dowden.

McVey could only sigh that he had no control over the RNCC, and that he wished the good ol' boys would just let him run his own campaign. The majority didn't buy it. The Carson machine, run out of her North Park Street garage, was described by a *Wall Street Journal* reporter as the most sophisticated ground operation he had ever witnessed. It was "knock and drag, house to house, call 'em on the phone" program, all by scorecard.

"That allows you to turn out about 13,000 more people," Searcy sighed. Carson emerged 24-0, but she spoke only about a minute at her rally after cancelling her afternoon Election Day rounds. She seemed extremely tired and some Democratic partisans worried about her health. All Carson would say was, "It is not my victory. It is our victory. We kept the 7th Congressional District in the hands of the people."

The President's Guy

You could just see President George W. Bush, shoulders back, thumb and finger on chin, checking out the fine young man in Chris Chocola some time ago. He promised to help him out.

Bush traveled to more than 30 states and raised a record \$140 million while his popularity moved between 63 and 70 percent through most of the campaign cycle. OMB Director Mitch Daniels was worried in July that the president's numbers would begin to drop, but they never, ever did.

On paper and with conventional wisdom, Chocola looked like a goner. He was a CEO who, Democrat Jill Long Thompson alleged, laid off people, cut benefits and sold his inherited company to Warren Buffet. He lived outside the district. He had developed a political mean streak from his close call against U.S. Rep. Tim Roemer in 2000. He and Thompson engaged in a \$3 million cam-

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Minority Leader Brian Bosma said Republicans may request a recount in HD86 between Rep. Jim Atterholt and Democrat David Orentlicher, and three others, including the 81st District, in which Rep. Win Moses, D-Fort Wayne, beat Republican challenger Matthew Kelty by a mere 64 votes (Lesley Stedman, *Louisville Courier-Journal*). Bosma said Republicans also were concerned about absentee ballot irregularities in District 45, where Democrat Alan Chowning beat Republican Bruce Borders for an open seat. And Republicans are reviewing the results in District 17, in which Rep. Scott Reske, D-Pendleton, beat Republican Rob Steele by 410 votes. The last general election recount in the House occurred in 1996, when Rep. Vern Tincher, who lost his re-election bid on Tuesday, was locked in a tight race with Republican David Lohr. The House seated Tincher during the recount, giving Democrats their 50th seat and control of the chamber. The recount commission's tally also gave Tincher the nod, and the House accepted those results. "It's not over yet," said Rep. Paul Robertson (Shannon Lohrmann, *Lafayette Journal & Courier*). "Everyone has to feel relieved, but it could change."

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REPUBLICANS SECOND GUESS CAUCUS MONEY: Republican Matt Kelty's impressive showing against State Rep. Win Moses had some House Republicans wondering whether the outcome would have been different had the caucus put more resources into the race. "I don't think the House Republican Campaign Caucus paid enough attention to the north races," said Rep. Phyllis Pond, R-New Haven (Niki Kelly, Fort Wayne Journal Gazette). "Kelty did most of this on his own." Campaign finance reports show the caucus didn't give heavily to the race until the end of the campaign, and even that was well below other hotly contested races. "We were outspent by \$1 million in all. If we would have had that money, we would have spent it," said House Minority Leader Brian Bosma, R-Indianapolis. "We spent what we had. We gave money where our best guess was as we went along."

LUGAR 'SATISFIED' TO RETURN TO CHAIR: The Republican takeover Tuesday of the Senate will make Indiana Sen. Richard Lugar the chairman of the Senate Foreign Relations Committee, a post that could be particularly important as the country defends itself against terrorists and edges toward military action

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paigned that will be remembered for years as one of the ugliest, nastiest races ever. It was so bad that the *South Bend Tribune's* Jack Colwell told both of them they were the "most despised people in the district."

In late summer, a number of Republicans fretted about the Chocola campaign, just as the Democrats in Indianapolis were worried about Carson. It all seemed to change when Bush landed in South Bend on Sept. 5 and the money flowed.

Long Thompson led most of the fall, but Chocola defeated her by 4 percent on Tuesday, just five days after President Bush -- the campaigner-in-chief -- returned to South Bend for one last good word. Residency and the economy turned to war and the military. With the help of U.S. Rep. Steve Buyer, Chocola repeatedly "stood shoulder-to-shoulder" with Bush while Long Thompson was funded by WAND and other peaceniks. Thompson even helped lure away an F-16 squadron from Grissom Air Force Base to Fort Wayne a decade ago. Chocola's campaign even put a flier out that compared Thompson with "Hanoi Jane Fonda."

Bush's appeal carried Chocola to full command of Washington resources -- the House, the Senate -- for the first time for a Republican president since Eisenhower.

Democratic partisans were appalled that Jill Long Thompson didn't use the residency issue down the stretch. Or use Tim Roemer in more TV ads. Chocola's forces seemed to have her on her heels, as was the case in LaPorte when John Brademas went in for an endorsement. Brademas was asked by a reporter, "Didn't you ask President Clinton to pardon Marc Rich?" Gulp.

Long Thompson said she had no regrets about her campaign. Chocola's better campaign financing "was probably the decisive factor," Long Thompson said.

Chocola spent about \$1.8 million; Long Thompson about \$1.2 million, making it the most expensive U.S. House race

ever waged on Hoosier soil.

John Hostettler & Straw Hats

The Sept. 11 terrorist attacks and a possible war with Iraq combined to overshadow issues that would have given Bryan Hartke's campaign the momentum it needed to overcome incumbent GOP Rep. John Hostettler in the 8th CD, Hartke said on Wednesday.

"There was not only a confusion of issues but distraction," said Hartke. His agenda consisted of protecting Social Security, providing prescription coverage for Medicare, promoting education, and bolstering the economy. "One of the things I would have done differently is hammer those issues a lot harder," he said.

Hartke fell to Hostettler by 52 percent to 46 percent. Hostettler spent \$373,667 on his campaign, with \$63,000 for media, while Hartke spent \$272,335. Hostettler survived a firestorm of controversy over a meeting in the spring with breast cancer survivors in which he implied that the disease was related to abortion. In the waning days of the race, the DCCC announced that it was sinking about \$200,000 into Hartke's campaign, which seemed to be surging. But a Hostettler aide said that there was no evidence of DCCC ad buys.

"It never happened," said Jim Banks, spokesman for the Hostettler campaign. "It looked to us like the Hartke campaign was trying to spread a rumor to raise more money." One Democratic operative told us it was "Hartke crack."

Hartke said national Democrats stepped up for him. "We did get financial support and people support from the DCCC. I don't know the totals." But if the DCCC did get into the race, it did so late in the game. "The earlier I could have gotten support, the better it would have been," said Hartke.

But Democratic sources told HPR that some Washington operatives were not impressed with former Sen. Vance

Hartke's involvement in the campaign. One story was that \$20,000 sent to Hartke was meant for TV, but ended up buying straw hats and billboards.

Polls that purported to show Hartke gaining were never documented. But then, he came within 6 percent of Hostettler, lending credence to speculation that the DCCC had passed on a race it could have won.

As usual in this hotly contested district, which leans Democratic after being redrawn by the state legislature, it was the ground war that made the difference. "Once again, the Hostettler grass roots pulled out a big win," said Banks. He said that the campaign had a coordinator in each county and four or five assistant coordinators who worked on yard signs, phone banks, and door-to-door efforts. On election day, they had two or three volunteers at each polling place.

Hostettler's air war also pierced Hartke, and drew criticism. "Some of the ads my opponent put up were obviously lies," said Hartke. "I should have answered them specifically, but my focus was on issues rather than answering him."

Hartke is considering running again. "I haven't made that commitment, but I am considering it very strongly," he said.

Hostettler will be ready. Banks said the congressman finished the campaign with more money in the bank than in his previous races. He had \$181,000 cash on hand at the end of September. "We'll have more money than ever before for next year," said Banks. "Fundraising will be a priority right away."

Hill Stops Sodrel Upset

Republican Mike Sodrel was right where he wanted to be going into the home stretch of the campaign, running well in southern Clark and Floyd counties in the sprawling district. But then he was hit with a wave of advertising on behalf of incumbent Democratic Rep. Baron Hill. The Sodrel campaign complained that the

last-minute ads, sponsored by the Democratic party, were specious. They asserted that Sodrel violated the law by living in Columbus but voting in New Albany.

"Baron is well known for his cheap shots late in the game," said Sodrel communications director Olympus Zarris. "It's to be expected from Baron. It's bunk because you could say that Baron breaks the law by living in Washington and voting in Seymour." The 11th hour ad barrage took its toll on the Sodrel campaign. "What really hurt us is that the DCCC dumped in close to \$400,000 to save Hill," he said.

The Hill campaign dismisses the Sodrel criticism. "Mike Sodrel was portraying himself as someone he was not," said Hill campaign manager Scott Downes. "He was living in Columbus and voting in New Albany, and you're not allowed to do that."

The campaign lurched from somnolent to fierce in the last three weeks. Hill's team blames Sodrel for the shift in tone. "He drug the campaign into the mud," said Downes. "Mike Sodrel chose to make this a negative campaign. He made outlandish charges about Social Security, education and corporate responsibility. It's a typical attack that political challengers do."

Zarris said it was Hill's message that was falling flat with voters. "Message-wise, we were right on track," he said. "But all of (Hill's) messages never got traction. Then he pulled out the lie."

Sodrel spent more than \$1.1 million on his campaign, much of it from his own bank account, with more than \$300,000 going into media. Hill spent a little less than \$1 million, with more than \$577,000 devoted to media. Hill won the seat 51-46 percent. "Mike Sodrel spent about 17 times the amount (2000 GOP nominee) Mike Bailey spent and got 2 percent more of the vote," said Downes. Hill told jubilant supporters late Tuesday night, "You rejected the notion of a negative cam-

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against Iraq. "It's very satisfying," the typically understated Lugar said after making his first public speech on foreign relations Wednesday as the incoming committee chairman (Maureen Gropp, Lafayette Journal & Courier). Because Republicans also retained control of the House, the four Indiana GOP members who head committees or subcommittees will likely keep their posts. But because of GOP term limits on chairmanships, Rep. Dan Burton, R-Indianapolis, will be trading in his chairmanship of the House Government Reform Committee, where he has led high-profile inquiries, for a subcommittee chairmanship on either the reform panel or the House International Relations Committee. The party control switch means Indiana Sen. Evan Bayh, a Democrat, will no longer chair the international trade and finance panel of the Senate Banking Committee. But with the tenuous GOP hold on the Senate, Bayh still has clout as a leader of the conservative Democrats who sometimes vote with Republicans.

INDIANA ELECTION RESULTS

CONGRESSIONAL RACES

1ST CD	
Visclosky (D)	89,590
Leyva (R)	41,860
Brennan (L)	2,746

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T A P E

2nd CD
 Chocola (R) 95,074
 Thompson (D) 86,177
 Metheny (L) 7,101

3rd CD
 Souder (R) 92,559
 Rigdon (D) 50,500
 Donlan (L) 3,531

4th CD
 Buyer (R) 86,272
 Abbott (D) 28,561
 Susong (L) 2,493

5th CD
 Burton (R) 98,226
 Carr (D) 33,143
 Adkins (L) 3,959

6th CD
 Pence (R) 118,438
 Fox (D) 63,873
 Robertson (L) 3,406

7th CD
 Carson (D) 77,327
 McVey (R) 64,352
 Horning (L) 3,909

8th CD
 Hostettler (R) 98,941
 Hartke (D) 88,744
 Williams (L) 5,150

9th CD
 Hill (D) 96,654
 Sodrel (R) 87,169
 Melton (Green) 2,745
 Cox (L) 2,389

INDIANA HOUSE RACES

8th District
 R. Dvorak, (D) 10,949
 Baxmeyer (R) 9,009

17th District
 Heim (R) 10,073
 Winters (D) 7,422

paign. You rejected the notion that one with wealth can buy an election."

Sodrel, a bus and trucking company executive, appeared with President Bush in Louisville last Friday, but resorted to using TV ads featuring a monkey while mocking Hill.

Sodrel might have pulled off he upset with more help from Washington, his campaign said. "Looking at the crystal ball in June or July and then not looking back in the crystal ball again is not the smartest thing," Zarris said of the decision by the National Republican Congressional Committee to mostly steer clear of the race. "This was one to pick up."

Mike Pence's constituents

Republican Rep. Mike Pence believes he won re-election on Tuesday because of what he stands for and what he delivers. "It is a strongly conservative area," he said of the new 6th CD, which he won with 64 percent of the vote over Democratic challenger Melina Fox, who garnered 34 percent. "We have kept our promise of taking conservative values to Washington."

But he said that it's just as important to concentrate on brass tacks as it is philosophy to be re-elected. Pence credited his staff, especially constituent service aides, for building a strong rapport with the people of the district. "We're spending more on people (hiring staff) than on franked mail," Pence said. He said that when he ran unsuccessfully against former Rep. Phil Sharp in 1988 and 1990, he was frustrated that voters who would agree with him on the issues would back Sharp because of his help with Social Security checks and other services. "It used to drive me nuts, frankly," said Pence. "But it taught me a lesson about doing the unglamorous parts of this job. There's almost no better compliment you could pay me than to compare my constituent organization to that of Congressman Phil Sharp."

Although Pence raised considerably

more money than Fox (\$1 million to \$322,000) and spent \$380,000 on a series of feel-good media, he said that it was work at the grass-roots level that turned out to be the most important factor on Tuesday. His campaign received momentum from more than 750 volunteers working across the district on election day. His organization called every registered Republican in Delaware County at least once.

Fox, who had to suspend her campaign fundraising last Sept. 11 and then put the campaign on auto pilot when her mother became ill, tied her campaign to the economy, the corporate scandal and repealing NAFTA. Her campaign seemed to reach an apex last July when she toured the district in a Studebaker. But, she said, there was one main reason separating her from victory: "Money."

Rokita and Fernandez

This was the most disappointing race. Republican Todd Rokita and Democrat John Fernandez are the next generation of young leaders. Both are likeable, hard working, and were remarkably similar on the issues.

Fernandez had an almost 2-to-1 money margin over Rokita, and had been running for 18 months, while Rokita didn't even have the nomination until June 14, winning a spirited convention floor fight on an exhausting third ballot against three opponents.

The advantages come Labor Day seemed to even out. The Republican statewide ticket was expected to run stronger, but Fernandez had the money. And he sat on the money until October, running 5 days of bio ads before launching a bitter TV ad trying to tie Rokita to an IPALCO director (Mitch Daniels). The tactic was almost universally rejected. Many Democrats wondered why Fernandez didn't run more bio ads earlier.

Atterholt & Orentlicher

Everyone suspected that HD86 was going to be the linchpin for control of the Indiana House, particularly after House Minority Leader Brian Bosma pressed for 11 Hamilton County precincts to be added to the district at the 11th hour or redistricting. And that's exactly what happened after a grueling campaign between State Rep. Jim Atterholt, who ran a generally positive campaign, and Democrat David Orentlicher, who used a controversial "gun control" ad to stoke up a district filled with Rockefeller Republicans, Jeep Chicks, and soccer moms who cringe at the word "Columbine."

"Our research showed that message would work there," said outgoing House Speaker John Gregg. "It wouldn't have worked in my district."

Atterholt was declared the winner by 26 votes Tuesday night; the results flipped late Wednesday afternoon, giving the cerebral and Jewish Orentlicher a 37-vote win. A "disappointed" Bosma called Orentlicher's campaign ads "awful" and "despicable" and said he was dismayed that such commercials would boost a candidate to victory. Some thought the gun message would ignite the NRA wing of the party, but that was in the one GOP district that has decidedly slim numbers there.

What's in store for Atterholt and Orentlicher? I just remember U.S. Rep. Frank McCloskey saying in August 1994 that he'd rather lose than go through a recount. He lost that year and didn't have to endure what he did in 1984-85. As McCloskey or any politico or reporter who has ever covered a recount will tell you, it's almost worse than cancer, a slow, skin-crawling, cooped-up, sweaty, linchpin atmosphere ... *you wouldn't wish on your worst enemy.*

Winfield Moses Jr.

The day Winfield Moses Jr. returned to public life in 1992, *Fort*

Wayne News-Sentinel report Mike Dooley observed, "He'll be speaker some day."

But not today.

Moses spent hardly a dime in his 1992 primary race against Charles Redd after losing a race for a third mayoral term in 1987 against Paul Helmke. Once in the House, he rose quickly to the front of the chamber. On Election Night 1994, he and Rep. Mark Kruzan raced to Indianapolis to help Gregg steal the Minority Leader position away from B. Patrick Bauer with a series of all-night phone calls. As November 2002 neared, many Republicans could be heard muttering that the man they feared most as speaker ... was Moses, a shrewd tactician with a good grip on the issues. Those same attributes earned him enemies in the caucus who saw him as too calculating.

Word inside the Democratic caucus by mid-October was that Bauer had out-maneuvered Moses for speaker. While Moses continued to work his leadership angles, Republican Matt Kelty, added to the ticket in June, knocked on doors, raised more money and by Election Night, had come within 64 votes of one of the biggest House upsets since Michael K. Phillips lost in 1994. Signs that Moses was in trouble came about a week ago when he ran TV ads for the first time since 1987. Wednesday, Moses told the *Fort Wayne Journal Gazette*, "It's over. I'm out. Maybe I should have done a little more here or there. I knew there was a risk trying to do both but seldom is there a chance to try and bring a speaker back to Fort Wayne."

Moses blamed his low numbers on voter turnout, and said the margin is not an indicator that his constituents are unhappy with his performance.

"I can tell you exactly what happened. My opponent got the normal base Republican vote and the Democrats did not come out to vote," Moses said.

The Kelty-Moses race could be an interesting precursor to power -- ultimate power -- in Indiana. Kelty is a for-

TICKER

T A P E

19th District	
Kuzman (D)	7,620
Roth (R)	6,355
26th District	
Scholer (R)	5,623
Micon (D)	4,835
27th District	
Klinker (D)	6,352
Hicks (R)	3,835
Bennett (D)	295
30th District	
Herrell (D)	9,017
Rudolph (R)	6,966
Fridholm (L)	379
36th District	
Austin (D)	8,640
Kincaid (R)	7,918
37th District	
Reske (D)	9,009
Steele (R)	8,599
44th District	
A. Thomas (R)	8,997
Schimpf (D)	6,507
45th District	
Chowning (D)	9,627
Borders (R)	9,337
46th District	
LaPlante (R)	8,079
Tincher (D)	7,275
48th District	
Neese (R)	10,251
Carter (D)	5,248
52nd District	
Stutsman (R)	6,950
Sturtz (D)	6,701

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TICKER

T A P E

56th District
Pflum (D) 6,511
Hamm (R) 6,096

57th District
Stine (R) 8,384
Wheeler (D) 5,429
Jester (L) 508

60th District
Welch (D) 9,830
Sabbagh (R) 6,154
Billingsley (L) 769

68th District
Bischoff (D) 10,239
Keeton (R) 6,657

72nd District
Cochran (D) 10,402
Bergman (R) 8,594

75th District
Avery (D) 9,070
Abell (R) 6,101

80th District
GiaQuinta (D) 4,685
Howell (R) 3,415

81st District
Moses (D) 4,718
Kelty (R) 4,654

86th District
Orentlicher (D) 9,904
Atterholt (R) 9,867

INDIANA OCTOBER REVENUES STILL DOWN: State revenue collections in October were \$49.2 million short of what state officials expected for the month, State Budget Director Marilyn F. Schultz said today. But collections for the first four months of fiscal year 2003 were \$180.3 million - 6.3 percent - above collections during the same

mer aide to U.S. Sen. Dan Coats, who ran one of the top political organizations in Indiana, spawning people like Brose McVey, Tim Goeglein and Michael Gerson (both now at the Bush White House). The Coats organization was very conservative, but as Mike Pence would say, "in a good mood about it" and without the polarizing trappings of other movement conservatives who seem sour and nasty.

That Dan Coats, the ambassador to Germany and a finalist to be President Bush's secretary of defense, is now pondering a run for governor in 2004 makes the Kelty run interesting, because even though he lost, Democrats saw on display that kind of work ethic and retail conservatism they might expect should a 2004 Coats effort materialize.

Brooks LaPlante

What about House District 46? we kept asking the House GOP and Democratic operatives. Rep. Vern Tincher was defeated once before, in 1994. The district was supposed to be a little better for a Democrat. And there was Brooks LaPlante, a Terre Haute industrialist, tall in stature, friendly, curious and with a probing intellectual capacity that translated well on the retail level.

LaPlante won by more than 750 votes on Tuesday in a race that everyone said had crept in under the radar. How he did it was take his own success -- he created 200 new jobs at a metal company he owns -- and tirelessly worked the 46th District with a "been there/done that" message that assailed the O'Bannon-Kernan administration. What House Republicans will find is a new member that has the potential for leadership.

Ken Zeller and Joe Kernan

Kevin Brinegar of the Indiana Chamber must have had a tired smile on his face when he turned in Tuesday night. He had a 50/50 House and a Republican secretary of state. The Chamber had dumped about \$300,000 into House races

and targeted some Democrats, such as Rep. Scott Reske, who responded to the arm twisting over tax restructuring with two critical "aye" votes.

By Wednesday, it appeared that the House had flipped Democratic, and there were those unamused by what they saw as a Chamber double-cross. Lt. Gov. Joe Kernan was diplomatic but irritated that accommodating Democrats were targeted. Referring to the TV ads, Kernan's brow furrowed and he said, "A lot of our people were getting beat up." He hoped that at "6:01, we'll be able to work in a bipartisan way."

Zeller, who heads the Indiana AFL-CIO, was more blunt. "Democrats received the same old BS. I hope our people see that no matter what they do for the business community, they always go after our people."

While Brinegar is concerned that some of the gains business received in HB 1001 will be rolled back to solve a \$700 million deficit, his election funding gamble in the House didn't earn him any new friends in what might be the majority caucus.

Peter Manous' Mixed Bag

If anyone had to be concerned about comparison, it was Democratic Chairman Peter Manous. He was following two immensely popular and successful chairmen, Joe Andrew and Robin Winston. But Manous faced something they didn't: the notion that while it has been a good run during the Bayh-O'Bannon years, all things must come to an end. If anything haunts Joe Kernan and Manous, it is the John Mutz syndrome (good man; wrong time). And Manous was facing pressure on another front with Jim Kittle's recharged Republican Party that was setting the stage for a Mitch Daniels gubernatorial bid in 2004.

Manous's first election night started good, with emphatic wins by Marion County Sheriff Frank Anderson, Julia Carson and Baron Hill. There were the off-setting defeats of John Fernandez and

the state ticket. And then the most critical loss, the Indiana House.

"Last night was a mixed bag," Manous said mid-Wednesday afternoon. "I looked across the state and I saw some of the most negative campaigns I've ever seen in some of the Congressional races. Obviously I'm disappointed in the John Fernandez race. But assuming we hold the House, we did pretty good against a pretty big Republican tidal wave."

Wait a minute ... *assuming we hold the House*. The recanvassing of HD86 was on-going, and Manous' GOP counterparts were preparing for a victory lap around the Statehouse rotunda.

Manous didn't skip a beat. "We raised a record amount of money -- should be at least \$5.5 million when it all comes in," he said. "If we hold the House, always the key, we hope that trend will continue. We'll just have to wait and see."

Manous engaged Kittle in firing broadsides at each other. Like the Andrew/Winston eras, the Democrats operate in a busy atmosphere, but scaled down from their foes at 47 S. Meridian. Manous will point out that his Democrats had the money edge in the House.

"If you look at the national picture, it was pretty significant and it brought a major swing here," said Manous. "It will be interesting to see how he uses the power of the presidency. He'll have to deliver on issues important to Hoosier families." Manous added, "We ran a very strong statewide coordinated campaign. If we hold the House, we bucked some of the national trend. My staff did an outstanding job. I'd put them up against anyone."

Jim Kittle's New Era

A little more than an hour before it was learned that the Indiana House might have slipped away, Republican Chairman Jim Kittle declared, "You're seeing from a true leadership perspective the beginning of a new age."

Last summer HPR noted that Jim

Kittle "needed a win" to get his GOP detractors with his game plan. On Tuesday night, he got some foundational wins: Todd Rokita, Chris Chocola, Marion County Prosecutor Carl Brizzi, and, he thought, the Indiana House. At this writing, Republicans are still pressing for changes after defining "irregularities" and may get the House back. If that happens, it would belike Kittle winning a trifecta.

Whether he gets the House back, the credibility remains. He expects to "exceed \$6 million raised," which beats a party record of \$5.088 million in a presidential year. "What this does is set up to attract the best of class," Kittle said. "That ought to encourage people to run against Lt. Gov. Joe Kernan. People do believe we're on the wrong track and we do need a leadership change."

The goal was to create a strong enough organization that OMB Director Mitch Daniels comes back and take on Kernan in 2004. As for the gubernatorial campaign, Kittle said, "I'm not even sure it's up in the air. We may have one, maybe two candidates, but not five or six. If Mitch is going to be our candidate, we'll know by the second quarter of next year."

What Kittle did was help bring in the firepower. On the three presidential visits for Chocola and Sodrel, Kittle said, "I called Rove and I think he diverted the plane." Kittle noted that he helped Karl Rove raise \$100,000 with one little dinner at Al Hubbard's house in 2000. "If we could run events like that and we handle the plane both ways, they're happy to do it. Bottom line, we get some credit."

The chairman was somewhat chagrined when a reporter suggested that what he had after Tuesday was "a tie."

"A tie?" Kittle asked incredulously. "I'm proud of what we accomplished. We've built a functionally operational party. We're even with the Democrats in voter ID. This has happened in eight months and from a functionality standpoint, we've brought it into the 21st Century." ❖

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period a year ago. "October was another month of mixed results," Schultz said. "We're pleased that revenues for the first four months of the year are above those in the same period of FY02 but it is still troublesome that, even with higher revenues from gaming and cigarette taxes, they have fallen short of the amount forecast in November 2001, on which the budget was based." Schultz said that there still is no indication that the national recession that has so damaged Indiana's revenues has begun to ebb. Individual income (up 2.1 percent) and sales tax (up 2 percent) collections came close to meeting the 2.7 percent rate of growth that the budget anticipates, but corporate income collections fell terribly short - 35.7 percent below collections in the same period a year ago. "Corporate profits are off in Indiana and across the country," Schultz said. "But the good news is that individual income collections for the first four months of FY03 are ahead of last year's collections in the same period, halting a steady decline and suggesting that more Hoosiers are working more hours and earning more money." ❖