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.

Brian A. Howey, publisher Mark Schoeff Jr., Washington writer Jack E. Howey, editor

The Howey Political Report PO Box 40265 Indianapolis, IN 46240-0265 Office: 317-254-1533 Fax: 317-968-0487 Mobile: 317-506-0883

brianhowey@howeypolitics.com www.howeypolitics.com

Washington office: 202-775-3242; Business Office: 317-254-0535.

Subscriptions: \$250 annually via e-mail or fax; \$450 annually including the HPR Daily Wire. Call 317-254-1533 or 254-0535.

© 2003, The Howey Political Report. All rights reserved. Photocopying, Internet forwarding, faxing or reproducing in any form, in whole or in part, is a violation of federal law and is **strictly prohibited** without consent of the publisher.

"QUOTE" OF THE WEEK

"Mitch Mania is very much an elite Indianapolis thing. There's a group in Indianapolis who think they can annoint a governor." - Jason Beal, McIntosh campaign

manager

Bush towers over peace storm clouds

President thrills GOP at Fairgrounds

By BRIAN A. HOWEY in Indianapolis

Sen. Richard Lugar's soft but emphatically spoken words cut through the Pepsi Coliseum air like a sword: "His religious faith, his dogged determination, and his good judgment have led us to victory in Afghanistan. That victory was followed by a victory over the ruthless dictatorship of Saddam Hussein. I believe in his leadership and I am grateful he is president."

George W. Bush stood appreciatively at Lugar's side as the capacity crowd thundered its approval Tuesday morning, just as they did when House Minority Leader Brian Bosma, sans tie at White House request, called the president "one of the greatest leaders of the free world ... ever."

Few at the Indiana State Fairgrounds were ready to debate the Lugar and Bosma assertions as President Bush's political apex seems to continue soaring toward ... landslide.

But just as a Democrat might despair in the wash of rhetoric, the very headlines that morning in the *Washington Post*, largely unnoticed by the partisan Republicans seeking a way into the Coliseum, were ominous: "Baghdad anarchy spurs call for help." Another story told of the arrival of Ayatollah Mohammed Bakir Hakim, leader of the Iranian-backed Supreme Council for the Islamic Revolution in Iraq. And another in the *New York Times Magazine* reported the emergence of Moqtadah al-Sadr, the 30-year-old "backroom theocrat" who seeks an Iraq ruled by "God's laws" while he speaks in contradictions about the potential for violence.

This morning, the *Post* quoted Army Lt. Gen. David D. McKiernan as saying Baath "regime elements" are creating the chaos, all playing in the backdrop of retired Gen. Jay

INSIDE FEATURES

Ticker: Bush at 67 percent in poll p. 2 Governor: McIntosh, Andrew next p. 3 Horse Race 03: Fort Wayne, Terre Haute Indy, Mishawaka forecasts p. 6

Columnists: Leonard, Krull p. 8

Page 2 of 8

TICKER

BUSH APPROVAL AT 67 PERCENT: A CBS/New York Times poll of 910 adults, conducted over May 9-12 (+/- 3%), shows: 67% approve "of the way George W. Bush is handling his job as President"; 26% disapprove; 7% don't know. 74% approve "of the way George W. Bush is handling the situation with Iraq"; 21% disapprove; 5% don't know. 54% approve "of the way George W. Bush is handling other foreign policy issues": 25% disapprove; 21% don't know. 43% approve "of the way George W. Bush is handling the economy"; 48% disapprove; 9% don't know.

ELITE BUSINESS LEADERS MEET WITH BUSH: For 90 minutes at the Westin Hotel Monday night, Indiana's business elite aot up close and personal with President Bush. Neither Daniels nor Kittle would identify those who attended, but Kittle called them "a who's who of Indiana business leadership." Among those known to have attended are Al Hubbard, an Indianapolis businessman and longtime friend of Bush's: former Indianapolis Mayor Stephen Goldsmith: Indianapolis **Motor Speedway President** Tony George; Indianapolis businessmen P.E. MacAllister and Hart Hasten: Muncie businessman Van Smith: former Eli Lilly and Co. President Randall Tobias;

Continued on page 3

Garner's sudden replacement by L. Paul Bremer III, the Bush administration's new administrator. With the possible exception of Garner, these names and events were mostly unknown to Hoosiers gathered at the Coliseum. Silent ... as bombs, not unlike the explosions that rocked Saudi Arabia just hours before Bush took the stage in Indianapolis. The War on Terror had been a perceived receding element until Bush's eve in Indiana.

Instead, the nation saw the Bush swagger as he emerged in a pilot's jump-suit on the USS Abraham Lincoln the week before. The message was "the war is over" and the world saw the leader of the free world in perhaps the most distinctive valedictory since Hitler's victory jig of June 1940 at Compiegne. Envious Democrats complained of Bush becoming the first commander-in-chief since President Zachary Taylor to don military garb while in office.

The irony is that Lugar for much of 2003 has warned Americans of a lack of an end game by the Bush administration in Iraq and the lack of nation-building resources in Afghanistan. "It does no good to pretend that military victories alone in Afghanistan or Iraq will protect us from this threat," Lugar wrote in an Indianapolis Eye essay April 28. "It is a problem that will require a very substantial commitment of our country's resources intellectual, physical and monetary. I don't think most people yet appreciate that. Even in Iraq, the administration has not been completely forthcoming with either the Congress or the public about what it's going to take to turn that country into a stable democracy."

In his commencement address at Indiana University-Bloomington on Saturday, Lugar described brutal enemies. "The bottom line is this: for the foreseeable future, the United States and its allies will face an existential threat from the intersection of terrorism and weapons of mass destruction," Lugar said. "Terrorist organizations have demonstrated suicidal

tendencies and are beyond deterrence. We must anticipate that they will use weapons of mass destruction if allowed the opportunity."

Thus, on a crystal clear day not unlike Sept. 11, 2001, President George W. Bush essentially restated the State of the Union and issued his resolve in the wake of people "whose only faith is hate."

"I'm here to discuss the challenges that our nation faces," Bush told the Hoosiers, many subjected to little news coverage other than Bush's own arrival in the city. The local network affiliates even cut into the initial reports of the terrorist assault in Saudi Arabia on the network newscasts to report the landing of Air Force One Monday evening.

"I'm optimistic we can overcome anything in our path," Bush resolutely said. Would that path include terror in the American heartland?

One Democrat later succinctly outlined the policy and political hurdles for the President by November 2004. What if Saddam Hussein and Osama bin Laden are unaccounted for, Iraq is in continued turmoil, no weapons of mass destruction have been found, the homeland takes a Sept. 11 style terror hit that the analysts now seem to be suggesting is possible, and, as a result, the American economy still sags? In that scenario, the President Bush Hoosiers saw on Tuesday would find a distinctly different political climate than he did Tuesday in Indianapolis.

Within 48 hours of the Saudi attacks, Democrats were training their verbal assaults on Bush, though none was from Indiana.

U.S. Sen. Bob Graham, a
Democratic presidential candidate from
Florida, said on CNN Wednesday afternoon, "This administration has failed to
give adequate security to the American
people. The war in Iraq, while against an
evil person, was clearly a diversion. We
should have been dealing with the Saudis
a long time ago. They have been an
uneven ally."

Communicator Redux

Despite the gathering storm clouds of peace, Bush has steadily become the third "great communicator" of this political generation. President Ronald Reagan brought an ideological tunnel vision to the White House, albeit the right vision for the time, and surrounded himself with talented message-shapers and distillers of vision over word, though the Gipper eloquently provided the prose. President Bill Clinton was a poll-driven triangulator who could sound the right tones at the right time, keeping a majority of Americans focused on his essential themes.

Bush has adroitly consolidated his power in Washington, both in Congress and within his MO. He has proven to be as decisive as the Roosevelts and as bold as Lincoln or Jefferson. While history has yet to confirm Bosma's "greatest leader ... ever" characterization, the president Hoosiers saw on Tuesday displayed optimum acumen on a range of issues and concerns; *a man on top of his game*.

Speaking under a huge banner that read "Tax Relief for Seniors," Bush spent the last half of his speech pressing for his tax cut while U.S. Sen. Evan Bayh watched from the stands to Bush's right. The president went through a litany of events that have obstructed the American economy: A recession he said began in March 2000, the corporate CEO scandals (a reason the event was held at the Fairgrounds, not Conseco Fieldhouse), the Sept. 11 attacks, and then the wars in Afghanistan and Iraq. He said the economic duress "is not about politics, it's helping people find jobs."

Bush renewed his resolve on the war on terror. He articulated the need for volunteerism and stewardship to the common man and woman. He renewed his call for corporate responsibility, with CEOs, executive compensation and in the boardroom. With his controversial and complicated tax cut proposal, Bush wove the concepts into the mainstream.

The president noted the 6 percent unemployment rate and called it a "clear signal" for an "aggressive approach" for the American economy. With the rest of the adoring crowd, Sen. Bayh, a critical undecided vote in the U.S. Senate, stood and applauded. "The best way is to let people keep more of their own money," Bush said to another standing ovation.

His solution is an end to the marriage penalty, increasing the child credit from \$600 to \$1,000, raising the tax credits for small businesses buying equipment from \$25,000 to \$75,000, and ending the taxation on dividends. He had been pushing for a \$700 billion tax cut, while moderates prefer a cut about half that.

President Bush said he talked to Janet Murphy, an Indianapolis grandmother contributing \$100 a month for her six grandchildren's college accounts. Under his plan, Bush said, Mrs. Murphy would save \$1,800 a year. "You tell Janet that ending taxes on dividends is only for rich people," he said.

The average American family of four, Bush explained, would see their federal taxes fall from \$1.178 to \$45.

Bush said with his aggressive plan, the tax cuts would inject billions of dollars of capital into the 497,000 small businesses in Indiana and create one million new American jobs by 2004.

Bayh gets the message

Sen. Bayh said, "I agree with him that we need to take strong action to get the economy moving and create jobs. I will also work across party lines to enact tax cuts that promote growth and job creation, but we must limit raids on the Social Security Trust Fund. Fiscal responsibility is important to job creation and long-term growth."

But will Bush get his vote, which was the underlying reason for the trip? That, along with the President's fortune in an uncertain world, remain to be seen. ❖

TICKER T A P E

ATA Chairman George Mickelsons; and former City-County Council President Beurt SerVaas. MacAllister, who has met Bush before, and SerVaas, who has hosted several presidents in his career, called the meeting extraordinary. It was both unusually long -- at least an hour and a half -- and personal. SerVaas said Bush gave a virtual tour of world affairs, impressing this group of globe-trotting businessmen. It was, MacAllister said, "absolutely galvanic." Kittle said Bush spoke only briefly about Daniels, repeating his public statement that Washington's loss is Indiana's gain.

BAYH RAISES \$4.7 MIL-LION: Although no strong Republican has emerged to challenge Sen. Evan Bayh's claim for a second Senate term, Bayh has been raising money as if he'll have the fight of his life next year when he runs for re-election (Sylvia Smith, Fort Wayne Journal Gazette). Bayh has has raised \$3.7 million since his 1998 election (which ended with \$1.8 million in unspent donations) and has \$4.7 million on hand to bankroll the 2004 race. His 1998 campaign, against a poorly financed opponent. cost \$4 million. For every \$1 Bavh has raised from Hoosiers for his 2004 reelection campaign, he

continued on page 4

TICKER

received \$1.50 from someone living in another state. Bayh hosted a fundraiser last week at the Columbia Club, once a bastion of the GOP (HPR). It occurred simultaneously with a black tie event for Indianapolis Mayoral candidate Greg Jordan. "Every-one was wearing tuxedos," an observer told HPR.

BAYH SAYS HE'S NOT INTERESTED IN VICE PRES-IDENCY: It looks like one of those coffee-table books that politicians write when they are positioning themselves for higher office. But Evan Bayh's "From Father to Son, a Private Life in the Public Eye" is more, a charming look inside the family life of the former Indiana governor, now U.S. senator, and a statement of family values that, however overused that phrase may be, seems genuine (James Wensits, South Bend Tribune). Bayh has already taken himself out of the 2004 presidential race, saying he did not want to miss the childhood events of his 7-year-old twin sons, Beau and Nick. Bayh said in a recent telephone interview that he is not particularly interested in being vice president, either, conceding only that he would consider such an offer only if it were to "fall out of the sky. That's nothing I'm interested in, nothing I desire, nothing I seek," said Bayh, who said his only political goal "is to

continued on page 5

Gubernatorial Roundup: Mitch Week

By BRIAN A. HOWEY

INDIANAPOLIS -- Mitch Mania during Mitch Week had barely subsided when a number of his Republican primary opponents resurfaced, none of them indicating the early exit GOP Chairman Jim Kittle dreams of.

David McIntosh expects "several hundred" supporters to help kick off his gubernatorial campaign in downtown Muncie on Friday.

Eric Miller was about to launch his "Bumper Sticker Brigades" to take advantage of the legislative successes he says are energizing his base of social/religious conservatives.

State Sen. Murray Clark will be the co-keynote speaker with White House Budget Director Mitch Daniels in Sullivan County this week.

And on the Democratic side, Joe Andrew was preparing to ignite his campaign with a three-day fly-around, beginning Monday at his family farm at Poe in Allen County.

Mitch Daniels

But for the week, Daniels was the man of the hour when President Bush came to town. In the most overt political moment of the speech, Bush lauded Daniels, who was seated near Bayh, Gov. Frank O'Bannon, Mayor Bart Peterson, and U.S. Reps. Mike Pence, Steve Buyer, Dan Burton, Chris Chocola and Julia Carson. Bush noted that "my man Mitch" was in the audience. "Mitch Daniels has been a good friend, a close adviser and I'm going to miss him. Washington's loss will be the gain of the people of Indiana. He's a fine man," Bush said.

That was nearly identical verbiage that Bush used when Daniels announced his retirement early this month. A few days later, when the Bush visit to Indiana was announced, there was immediate speculation that there would be a tacit endorsement.

Daniels downplayed the "endorsement," telling the *Fort Wayne Journal Gazette*, "It wouldn't be right,. I've never run for political office, but I think that people really ought to stand on their own feet."

There were reports that White House advance people were asking people to take off their "Mitch" buttons and stickers. Some thought the President's remarks about Daniels were tepid and unoriginal.

But the presidential nod was an unprecedented precursor to a much-awaited campaign and clearly energized the Daniels collaboration. The OMB director was heartened to be greeted at the airport by more than 100 supporters. While the Washington Whispers column in U.S. News & World Report cited White House sources as saying the Daniels candidacy is not a sure thing, all signs from those close to him are signalling otherwise.

That's prompted some of his detractors and opponents to note some of the storm clouds gathering around Daniels:
The IPALCO subpoena and the federal deficit.

President Bush addressed the second, saying the "cause of the deficit" has been a result of security issues. Turning to a contingent of servicemen in the crowd, Bush said, "If we put you in harm's way, we'll spend whatever is necessary to make sure we win." That was followed by a standing ovation.

David McIntosh

He will kick off his campaign at 1:30 p.m.Friday in downtown Muncie. McIntosh became the first gubernatorial candidate to hit the airwaves with ads on radio stations in Anderson, Muncie, New Castle and Richmond. "We're working on our base," said McIntosh campaign manager Jason Beal. "We'll start there and work out in concentric circles. We're gearing the kick off to our philosophical

base, remind people he's a social and fiscal conservative."

The McIntosh campaign will announce that co-chairs will include U.S. Rep. Mike Pence, Biomet CEO Dane Miller, Golden Rule CEO Pat Rooney and Vic and Jeannie Unruh of New Albany. Muncie Mayor Dan Canan will emcee the kickoff.

As for Daniels, McIntosh told HPR, "When he's back here in Indiana, we can start the process of debating the issues -balancing our budget, creating jobs, 2nd amendment issues, right to life. People have an idea of where I stand. We promised an unconventional campaign. Hitting the airwaves this early is the first step of many in that direction. Like me, my campaign team members are from small towns. In small towns like Kendallville, where I grew up, you learn to overcome and improvise. We are embracing that mindset in our campaign and plan to embrace it as we work to put Indiana on a path to good jobs and lower taxes."

Beal said McIntosh is on his way to raising \$1 million by the end of the year and another \$1 million by the primary. "He's got 80 percent name ID," Beal said. "Mitch will have to build his name ID and then espouse a message."

Beal also characterized the excitement surrounding Daniels as a largely Indianapolis phenomena. "Mitch Mania is very much an elite Indianapolis thing," Beal said. "There's a group in Indianapolis who think they can anoint a governor. They were in David's camp last time, Goldsmith before that, John Mutz before that. All they are doing is setting the bar higher. Once the Indianapolis media decides to write about IPALCO, the money he lost Lilly, the deficit, I think it will change. Let's talk in September and see where Mitch Mania is."

Beal added, "There will probably only be 400,000 voters. We'll take our message to those folks. There's a lot that can happen between now and next May."

Eric Miller

Miller said the passage of HB 2005 protecting churches and charities from taxation "has absolutely energized our base. They saw we could pass our bill in the Democratic House, they saw it become law and that has energized them even more. That was a huge win for churches and charities and it has had a huge positive impact on our campaign for governor."

Miller told HPR that beginning today, his "Bumper Sticker Brigade" campaign will begin with his 20,000 volunteers donning Miller stickers. "It will give people something tangible to do rather than write a check," Miller said. "There may not be 400,000 votes in the primary. If we have 20,000 volunteers who get friends, co-workers and neighbors to vote for me, that could be 220,000 votes. That may be more than enough to win a two-way primary."

Murray Clark

Sen. Clark talked about the "marathon, not the sprint" in the aftermath of Mitch Week. "You're going to have good weeks and bad weeks," Clark said. "You can't get too high on the great stuff and too down on the other. It was great the president was here. Taken as a whole, that helps the party."

Joe Andrew

Next week is Joe Week as he kicks off his campaign on Monday in Poe, then follows with stops in Jeffersonville, Evansville, the Statehouse, South Bend and Gary on Tuesday, and Bloomington, Terre Haute, Lafayette, Kokomo, Muncie and Richmond on Wednesday.

Andrew hopes to unveil endorsements from East Chicago Mayor Robert Pastrick and Gary Mayor Scott King soon.

Vi Simpson

State Sen. Vi Simpson will stump Thursday and Friday in Fort Wayne. ❖

TICKER T A P E

be the best senator possible" for as long as the people of Indiana are willing to elect him.

GREGG SAYS DEMOCRAT-IC PRIMARY WILL BE GOOD FOR PARTY: Former House Speaker John Gregg relishes the idea of multiple gubernatorial candidates. "I think right now we need to focus on the municipal elections, but this is the first time we've had a primary since 1988, and that's good for the party," Gregg said at the Knox County Jefferson-Jackson Day Dinner (Vincennes Sun-Commercial). "It's an exciting time for Democrats." Gubernatorial candidate Vi Simpson and Anne Slaughter-Andrew, wife of Joe Andrew, who is also seeking the Democratic Party gubernatorial nomination both spoke of the importance of experience, new ideas and vision. "I have spent 19 years working for hard-working Hoosier families on issues like health care, jobs with a living wage and funding the public schools," Simpson said. "When you hear that experience doesn't matter. ask Hoosiers who are benefiting from programs because of good Democrats who wrote the legislation in the Indiana State Legislature." As the evening's keynote speaker, Simpson said the next governor "has to have a vision

continued on page 6

Page 6 of 8

Thursday, May 15, 2003

for the future, the ability to articulate that vision and the experience to implement it."

BUSH PLAN WOULD FLAT-LINE INDIANA HIGHWAY FUNDS: Federal transportation funding for Indiana would drop by as much as \$16 million next year under a six-year funding plan unveiled Wednesday by the **Bush administration** (Maureen Groppe, Lafayette Journal & Courier). Total road and transit funding for the entire six years would increase about 5 percent for Indiana, an amount that state transportation officials said would require "creative thinking" to be able to fund pending construction projects. "It's certainly flatlining our budget, more or less," said Laurie Maudlin, chief of the fiscal policy and federal affairs division of the **Indiana Department of** Transportation.

BRILLSON TO RESIGN JULY 1: Michigan City Mayor Sheila Brillson is leaving office early out of a desire to start over from scratch 3,000 miles away. Brillson, a former teacher at Aylesworth Elementary School in Portage, choked back tears while announcing her resignation Wednesday, effective July 1, six months before her second term in office expires. She and her husband, Michael, have purchased a

TICKER | 2003 Racing Form

East Chicago Mayoral: Republican: None. Democrat: Mayor Robert Pastrick. 1999 Primary Results: Pastrick 5,772, Stephen Stiglich 3,790. 1999 General Results: Pastrick (D) 3,027, Acost (R) 629. 2003 Forecast: Pabey's first lawsuit attempting to impound 2,800 absentee ballot applications for the East Chicago Democratic mayoral primary election failed (Post-Tribune). But that's not stopping the primary runner-up from trying again to get 1,800 absentee votes cast in the primary thrown out so he is declared the winner based on ballots cast at the polls. He filed suit on Monday. Just by sheer dollars, George Pabey shouldn't have come close to beating Mayor Pastrick in last Tuesday's primary. According to campaign finance

reports on file with the Lake County Election Board, Pastrick had three times the amount of money to spend on his re-election bid as did Pabey going into the last month of the campaign (Michael Puente, Post-Tribune). Pastrick's cam-

HORSE RACE

paign had \$42,958 as of Jan. 1. That amount grew by \$106,650, thanks to hefty contributions by some of Pastrick's top department heads and well-connected attorneys as well as well-attended fund-raisers both in Northwest Indiana and Chicago. The committee eventually spent \$137,000 of that money, leaving a total of \$3,159, but still with several weeks of fund-raising and spending left to go for the May 6 Democratic primary. The largest single expenditure for Pastrick's campaign during the reporting period was an \$18,000 payment to Sautter Communications of Washington, D.C. The firm, headed by Chris Sautter, was used as a campaign consultant for the Pastrick campaign. Records show Pabey's camp with a starting balance of \$20,500, which increased to \$43,000 through donations. General Status: Solid Pastrick.

Fort Wayne Mayoral: Republican: Linda Buskirk. Democrat: Mayor Graham Richard. 1995 Results: Helmke 21,909, Essex (D) 11,033, Kempf (L) 1,029. 1999 Results: Richard (D) 21,607, Buskirk (R) 21,531. 2003 Forecast: Those expecting the Nov. 4 showdown between incumbent Mayor Graham Richard and challenger Linda Buskirk to be a replay of the race four years ago should think again, both candidates say (Dan Stockman, Fort Wayne Journal Gazette). "That campaign and this one is like night and day," Richard said. "Running against an incumbent is a challenge, and it requires me to be out and about more," Buskirk said. "That's the main reason I'm doing it full time." Republican Party Chairman Steve Shine said this year is different because the GOP faithful will not cross party lines as some did after the bruising 1999 primary between Buskirk and former Sheriff Joe Squadrito. "This year, more than any year before, we have unity, we have support for one candidate for mayor," Shine said. Richard, however, said those in the middle will back him. "Independents will vote heavily toward me, because they want to continue the track record of no tax increases and increasing public services," the mayor said. "I don't believe people want a monopoly of one party. I don't believe Chairman Shine's going to get his wish to control all offices in this city." But Republicans warn that Buskirk will be running on Richard's record, as well. General Status: TOSSUP.

Indianapolis Mayoral: Republican: Treasurer Greg Jordan. **Democrat:** Mayor Bart Peterson. 1995 Results: Goldsmith (R) 64,209, Jimison (D) 39,539, Dillon (L) 7,175. 1999 Results: Peterson (D) 102,870, Gilroy (R) 83,044, Horning (L) 7,772, Gibson (OP) 2,145. 2003 Forecast: Applause when Peterson was introduced, and none of the catcalls Gov. O'Bannon and Rep. Julia Carson received at the Pepsi Coliseum Tuesday at President Bush's speech, had to make Jordan swallow hard. Could Mayor Peterson's Bartocracy be creeping toward the endangered species list in light of all the Democratic mayoral primary upsets? The short answer is, probably not (Brian A. Howey, Indianapolis Eye). As far as things mayoral, Peterson appears to be in as good a shape as anyone can be. He has several huge attributes going into November. The biggest is that he is generally perceived as a nice guy. He's earnest, sweet, diligent and a straight shooter. I don't hear many Republicans speaking derisively about Peterson. Obviously the cops and the water company employees would beg to differ, but that appears to be localized disgruntlement thus far. The second thing about Mayor Peterson is that he has largely followed through on his 1999 theme that sort of came about by accident — The Peterson Plan. There's

575

392

178

)7

another reason why the Bartocracy looks to prevail. Jordan, is a nice guy; an earnest public steward. But <u>he hasn't even begun to make the case for why Mayor Peterson should be turned out.</u> **General Status:** *Likely Peterson*.

Mishawaka Mayoral: Republican: Jeff Rae. Democrat: St. Joseph County Commissioner Cynthia Bodle. 1999 Results: Buetter (R) 5,391, VanBruaene (D) 2,286. 2003 Forecast: Mishawaka will have a new mayor. And the mayoral race to determine the replacement for Bob Beutter looks now like a toss-up (Jack Colwell, South Bend Tribune). Mayor Beutter, who has led the city for two decades, remains popular. That is the main reason why Jeff Rea, economic development director in the Beutter administration, won the Republican mayoral nomination on Tuesday by a landslide over a formidable opponent, Bill Pemberton, a well-known city council member. Rea was perceived as Beutter's choice. The perception was correct, even though Beutter made no formal endorsement. He didn't have to. Most of the Republican voters figured from all they heard that Rea had been groomed by Beutter as a replacement and that Rea would carry on the Beutter programs and policies. By winning so big in what had been expected to be a close contest, Rea gained momentum for the fall and diminished chances of there being a divided Republican Party. Pemberton's challenge enabled Rea also to gain name recognition -- most importantly, recognition as Beutter's choice. Bodle won the Democratic mayoral nomination unopposed -- a mixed blessing. Despite its long history of voting for Republicans for mayor -- Maggie Prickett and then Beutter -- Mishawaka is regarded as tending to be more Democratic in other election contests. To win, Bodle must tap that Democratic potential. Since she won unopposed, Bodle appears to face none of the party-split feuds that have been legendary among Democrats in the past in Mishawaka. General status: Tossup.

South Bend Mayoral: Republican: Thomas Schmidt. **Democrat:** Mayor Steve Luecke. **1995 Results:** Kernan (D) 14,309, Waite (R) 3,106. **1999 Results:** Luecke (D) 13,678, Bradley (R) 6,321. **2003 Forecast:** It appears that Mayor Luecke is <u>virtually certain to win</u> over Republican Thomas R. Schmidt, a political newcomer (Jack Colwell, South Bend Tribune). **General status:** *Solid Luecke*.

Terre Haute Mayoral: Republican: Duke Bennett. Democrat: Kevin Burke. 1999 **Results:** Anderson (D) 6,791, Hooper (R) 2,608, Cronk (I) 1,178 Brour (I) 174. **2003** Forecast: Whatever happens in November, next year we'll see Terre Haute with a different mayor -- against the best effort of the incumbent -- for the third consecutive term. What makes the "out with the old" trend in the Democratic Party primary so remarkable is that none of the elections have been squeakers. Pete Chalos, Jim Jenkins and now Judy Anderson all have lost by margins that nobody expects an incumbent to suffer (Pete Ciancone, Terre Haute Tribune-Star). We're talking convincing votes of no confidence here. It ought to give Kevin Burke, the Democrat and favorite to win this fall, and Duke Bennett, his Republican opponent, a serious case of the worries. The winner better hit the ground running and make an impact or Terre Haute voters may just show the same impatience with the new mayor. Some points to ponder: Everybody wants to ask why this happened. Some people said Burke didn't win, Anderson lost. His message that it's time for a change, has been used by other candidates in the past few races and the result has been the same. Big win, followed by big loss. This gets back to the point at the end of the first section -- get it done or get gone, which might reinforce the idea that Anderson didn't get enough done to make her administration look like a good bet for the next four years. She lost because she hadn't done enough to make Burke's case look like the same old promise with a goatee. That's not to say Burke didn't make his case. Some people even complained near the end that it was getting monotonous. Still, it's one thing to say one will work tirelessly to bring Terre Haute's economy back, restore a sense of promise and erase stagnation. It's quite another to find a way to do it. Either Burke and Bennett will have a lot of consensus to build. One thing seems certain, Anderson's campaign platform didn't resonate well in Terre Haute. The one big question now is whether Bennett has a chance of winning in November. The odds seem stacked against him. It's a Democrat-dominated town with only a handful of Republicans in elected office county-wide. In a sense, the results Tuesday were a worst-case scenario for Bennett. General Status: LIKELY BURKE.

TICKER T A P E

home in Bellingham, Wash., and want to relocate in time to allow her two youngest children to start school there in the fall, Brillson said. They have family, including a new grandchild, in Bellingham, and enjoyed vacationing there enough to make the move permanent. Brillson said she has no specific plans except to prepare her new home and take some time off before exploring career possibilities in either the public or private sector. In bidding farewell, Brillson urged the local **Democratic Party to elect** City Controller Chuck Oberlie to serve the balance of her term. Oberlie, a former executive director of the Northwest Indiana Forum. gained the Democratic nomination for mayor in the May 6 primary.

JUDGE ASKS GARTON TO INTERVENE IN JAIL CROWD-ING CRISIS: A Bartholomew County judge has asked **Senate President Pro** Tempore Robert Garton, R-Columbus, for help easing overcrowding at the jail (Columbus Republic). **Superior Court 1 Judge Chris** Monroe asked Garton to attend Thursday¹s meeting of county officials who were trying to find a solution to the problem. The jail situation affects so many people in the county that they need a guiding hand to solve it, Monroe said. "We1ve got to

TICKER

have somebody who holds us accountable, who we all respect," Monroe said. "We need to put some structure in place or else it1s just going to be chaos." After the meeting, Garton was noncommittal when asked if he¹d take the position. "I don1t know," said Garton, who sat quietly in the back with his lunch during the meeting. "Chris (Monroe) just asked me if I1d come here." The courthouse meeting, called by Superior Court 2 Judge Roderick McGillivray, attracted several elected county officials. The jail again has come to the forefront with last week1s decision to suspend indefinitely the county's work-release program at the overcrowded facility. The average daily inmate count in April was 173. The capacity is 120, and the iail is staffed for 95.

HOWEY NEWSPAPER COL-UMN EXPANDS TO KOKO-MO, VINCENNES: HPR Publisher Brian A. Howey's weekly newspaper column will be running in two new cities. It has been picked up by the Kokomo Tribune and the Vincennes Sun-Commercial. The column is now running in 24 Indiana newspapers and The Indianapolis Eye On-Line Magazine, reaching more than 250,000 readers weekly.

*

COLUMNISTS ON INDIANA

Mike Leonard, Bloomington Herald-Times - Let's just say that the president talks a better game than he delivers. For example, during his Indianapolis speech, he said, "Some CEOs around our country forgot what it meant to be responsible in their jobs. They didn't tell the truth to employees and shareholders alike. They will learn a lesson, that we expect people to be responsible in positions of authority. They will be held to account." He said this with a great appearance of earnestness, minutes after praising his outgoing cabinet member, Mitch Daniels, who recently announced that he will give up his post as budget director to return to Indiana, ostensibly to run for governor. Just last week, the *Indianapolis Star* reported that Daniels was one of 32 prominent Indianapolis businessmen subpoenaed by the Indiana Securities Division in a major insider trading investigation involving the sale of IPALCO Enterprises, the former Indianapolis Power and Light, to AES Corp. Daniels was a member of the IPAL-CO board of directors at the time of the transaction in early 2001. Just before the sale was completed, Daniels sold his shares in IPALCO for \$1.45 million. Over the course of the next year, IPALCO shares plummeted from nearly \$50 a share to under \$1. Employees lost an estimated \$179 million in the devaluation of the 401(k)-styled "Thrift Plan" that the employees were encouraged to invest in. Attorney John R. Price went on to explain that the IPALCO board turned down a cash offer from AES and negotiated a stock swap that enabled them to dump their shares at a significant profit. "Everybody unloaded," Price said. "It was like a stampede to the door. I think there are a lot of parallels to Enron." Price was a contender for the 2000 GOP nomination for governor and came within a whisker of becoming the Republican nominee for U.S. Senate in a tight, three-way race in

1998. He said he has no problem going after the former IPALCO board, which includes such prominent Republicans as Daniels, former CEO John Hodowal, former Speaker of the Indiana House Paul Mannweiler and former state GOP chairman Rex Early. "I am a conservative Republican and I'm a big believer in the free market, and if a person believes in the free market, he also has to believe the free market only works when it's an honest free market and the people deal honestly with their employees, their shareholders, their suppliers and creditors," he explained. "Any time you have a perversion or permutation of ethical standards it warps the outcome of the free market." Daniels has offered the explanation that he needed to do so because he was joining President Bush's cabinet. This is not true. If he had ethical concerns over what interests might intersect with his, as budget director, he simply could have established a blind trust to manage his money. �

John Krull, *Indianapolis Eye* - The sound bites and retorts accompanying Mitch Daniels' apparent decision to run for governor left me with one overwhelming feeling. Tiredness. Even as the news of Daniels' resignation as the Bush administration's budget director floated out, the stories of his "Reaganesque" philosophy resurfaced. Once again, we heard his jibe about Congress' approach to fiscal restraint: "Don't just stand there. Spend something." Democratic candidates for governor, Vi Simpson and Joe Andrew, taking shots at Daniels for being a bureaucrat and for tanking the economy. Sigh. The distressing thing about all this is that this debate just as easily could have taken place in 1986. The leading contenders to be Indiana's next governor, like so many politicians, seem to be frozen in time. �