



# HOWEY

## *Political Report*

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### Gov. Daniels preparing to take his appeal back out on the road

#### *Imagine the legislature as a big, baloney sandwich*

By BRIAN A. HOWEY in Indianapolis

Over the weekend, the news was unrelenting and unforgiving. The *Indianapolis Star* reported that House Speaker Brian Bosma had “apologized” to Gov. Mitch Daniels for the “tone” of remarks he had made after the governor pulled school deficiency payments. “I think it’s too early to say the deficiency won’t be made up, and that decision won’t be made by the budget director. It will be made by the legislature,” Bosma said. The tone was wrong, but not the substance. The *Evansville Courier & Press* reported legislators “chafing” about the new governor’s “power grab” over commission resignations.



Gov. Daniels chats with Indiana Chamber of Commerce members just before he made an appeal for his legislative program on Wednesday. (HPR Photo by Brian A. Howey)

The governor received only a third of the board and commission resignations he had sought, and some of those who didn’t were indignant that he had even asked.

Several news reports revealed an erosion of support for Daylight-Saving Time, as the four Vincennes area legislators (including freshman Republican State Reps. Troy Woodruff and Bruce Borders), State Rep. Steve Heim, State Sen. Vic Heinold and Democrat State Rep. Phil Pflum all said they wouldn’t vote for the change. Senate President Pro Tempore Robert D. Garton said constituent survey responses were tied -- literally -- over whether to adopt DST. Garton gave Gov. Daniels a tad bit of good news, telling the *Columbus Republic* he wouldn’t block DST, one of the governor’s top legislative priorities.

And the tax hike, the one-year, 1 percent increase on wealthy Hoosiers, appeared to be in big trouble. Daniels was chastised for that by the *Wall Street Journal* on Monday. The *Times of Northwest Indiana* editorialized, “Immediately he was abandoned by many in his own party” on the tax hike and added, “Once the gov-



**“I ask you to help us do this. You have the most credible voices with our colleagues in the legislature.”**

— Gov. Mitch Daniels, to the Chamber of Commerce’s small businessmen and women Thursday.

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Brian A. Howey, Publisher  
Mark Schoeff Jr., Washington Writer  
Jack E. Howey, Editor

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Call 254-0535.

The Howey Political Report  
PO Box 40265  
Indianapolis, IN 46240-0265.

www.howeypolitics.com  
BrianHowey@howeypolitics.com

Indianapolis Office: 317-506-0883.  
Indianapolis Fax: 317-254-0535.  
Washington Office: 202-775-3242.  
Business Office: 317-254-0535.

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error clarifies how the tax is to be calculated, that is, who will bear how much burden, the people of Indiana will probably respond favorably to his appeal.”

In the movie “*Animal House*,” when the Delta fraternity was put on “double secret probation” by Dean Wormer, how did the yearning Sen. Bluntz respond?

“Road trip.”

That is how the new administration is going to have to deal with the primitive culture of the Indiana General Assembly. There, leadership is defined by simplistic dogma (no new taxes) instead of assessing the dilemma, informing constituents and helping them develop a consensus. In the Indiana General Assembly, to be a “conservative” is to boil the concept of leadership down to no new taxes, pro-life on abortion and damn the gays.

The view of the world by House Republican leadership is this: We’ve been here for 16 years suffering. We’re glad Mitch Daniels won because now we can do what we want.”

A balanced budget means cash to cover spending, as opposed to revenue to cover spending.

### *A big, baloney sandwich and a road trip*

Imagining the Indiana General Assembly as a big baloney sandwich, with a new, progressive Republican governor as the top slice, and the masses as the bottom, the route to salvation of the new governor’s first agenda will be ... road trip.

Gubernatorial sources tell HPR that a new recreational vehicle has been ordered, meaning the governor will be hitting the road in the coming weeks, attempting to make his case to the people who elected him. “In a few weeks the new RV is delivered, and we are back on the road,” the source said. Gov. Evan Bayh used to call it stoking up the “white hot heat of public opinion” that he used to motivate legislators.

There were other ways Gov. Bayh did it. One story was that Bayh would sit a recalcitrant legislator down in his office and he would open a desk drawer, pulling out a photo of a road grader. “Do you know what this is?” the governor asked (we’re paraphrasing here). “Take a good look because

if you don’t vote with us, you’ll never see one of these in your district.”

Bayh used to do the traditional tarmac-to-tarmac fly-arounds. Gov. Daniels is preparing to rev up Son of RV1 and apply reason to the most conservative of Hoosiers living in the small towns, attending the Granges, possibly hitting selected Chamber of Commerce Third House sessions, to make his case.



Gov. Daniels with the Chamber’s Kevin Brinegar Wednesday. (HPR Photo)

### *Walking across the road*

On Wednesday, hitting the road meant walking across Washington Street from the Statehouse to the downtown Marriott where the Indiana Chamber of Commerce was having its small business conference. Many of the people gathered probably make over \$100,000 and stand to be taxed that extra 1 percent. They also stand to benefit from an aggressive revolution in the way economic development, tax abating and limiting the regulatory processes are conducted.

Daniels gave a preview of his reasoning. He told the small business men and women, along with a handful of legislators, that his fledgling administration has proposed “the most ambitious, progressive, pro-business program” to change the economic climate. “We’re going to do everything we can think of to make this the best sandbox in America,” Gov. Daniels said.

“With very modest changes, if everybody in every sector relents just a little; demands just a little less, we can set the pace for good things to come,” Daniels said in a very businesslike manner. It was not a pitched emotional appeal.

“There are other things I’d like your help on,” Daniels said. “We need Daylight-Saving Time so that every business elsewhere knows what the heck the time is here in Indiana.”

The room burst first into laughter, then applause with that line. “If we’re going to come out of this economic hole as deep as the one we are in, we have to do everything that might make a difference,” Daniels said. As for that balanced budget, again Daniels reiterated his line in the sand: no gimmicks, “We can spend no more than we take in.” There was more applause. “Now is the time to do it.”

### *I need your help*

Then came the direct appeal, one that Gov. Daniels



will be making across the state in the coming weeks and months.

"It's never mattered more than in the next two or three months and if everybody pitches in, you won't believe the difference it can make" Daniels said. "I ask you to help us do this. You have the most credible voices with our colleagues in the legislature."

As Daniels sat down with Chamber President Kevin Brinegar, the people at the front of the room, like Barnes & Thornberg's Tim Oaks and John Willey, stood up and applauded. That rippled across the room to the back, where the governor received about a minute's worth of a standing ovation.

How that translates into populist pressure back home at Third House meetings remains to be seen.

### Daniels and Bosma

Back in the summer of 2002, a *New York Times* reporter named David E. Rosenbaum found his way into the Indiana House chambers. It was during the crescendo to the tax restructuring special session and Rosenbaum was amazed he could just walk onto the House floor.

Then he observed, "I hear Mitch Daniels is thinking about coming back and running for governor." When that speculation was affirmed, Rosenbaum shook his head and sighed, "He'll piss everybody off."

That's the early dynamic that appears to be in play with with the new governor and the new speaker. Speaker Bosma and House Republicans advised Gov. Daniels not to seek a tax hike, but were not specifically told there would be one included in the biennial budget until just before the State of the State address on Jan. 18. Then on Jan. 27, the House GOP caucus was caught unaware of Daniels' decision to cut deficiency payments to school corporations. In Bosma's district, this amounted to a \$400,000 cut for schools.

Daniels saw the deficiency payments as a \$100 million liability on his path to a legacy of balanced budgets. Bosma saw it from the vantage point of a wounded constituency and lapsed back into the use of delays, suspensions, smoke and mirrors on budgeting.

The roots of this conflict came as the two attained power in completely different ways and from completely different spheres. Daniels came from the Lugar/Reagan/Bush sphere and worked in the White House. Bosma is a second generation legislator who has spent his whole career at the Indiana Statehouse. In 2004, Daniels repeatedly said he refused to "compromise a core principle" or "disparage anyone's character." Bosma was propelled to power when his caucus used the same-sex marriage issue to impugn the

character of five Democrats who went down to defeat.

Daniels is bound by what he sees as a "constitutional duty" to balance the books and to structurally reform a state government in extensive decay. Bosma appears to be prepared to do whatever it takes to defend the five freshman that brought him to power, thus the drama surrounding the tax hikes.

Gov. Daniels appears to be seeking some common ground. Asked about Bosma's intention to seek a constitutional amendment on marriage despite the recent Court of Appeals ruling that upheld Indiana's law, Daniels said, "I understand those who want to build a stronger protection than already exists around the statute and submit that to the will of the people of Indiana."



Speaker Bosma and Gov. Bowen (HPR Photos)

### A mixed history of governor/speaker dynamics

In modern Indiana history, a new governor and speaker have occurred simultaneously twice before: in 1973 with Gov. Doc Bowen and Speaker Kermit Burrous, and in 1981 with Gov. Robert Orr and Speaker J. Roberts Dailey.

Both Dailey and Bowen wrote books on their tenures and addressed the governor/speaker dynamic.

In 1973, Speaker Burrous helped Gov. Bowen develop the historic property tax reform package. The two were on the same page, having served together in the House, for most of Bowen's two terms as governor.

That was the opposite of the relationship Speaker Bowen had with Gov. Edgar Whitcomb, a Republican from Seymour. The two were rivals for the 1968 gubernatorial nomination. They did not forge a working relationship when Bowen was speaker and Whitcomb was secretary of state.

Despite the power play arranged by L. Keith Bulen that handed Whitcomb the 1968 nomination, Bowen thought the two could work together. But that all changed when Bowen gave a speech at the Columbia Club on Feb. 10, 1969, before the Indiana Economic Development Council. "I



did not throw the gauntlet of property tax reform at the feet of Gov. Whitcomb," Bowen wrote in his book "Doc."

"I made no adamant demand for property tax relief. I said that property taxes were out of hand, that we should consider some form of property tax relief. My only error may have been a closing question: If not now, when?"

When the Associated Press picked up the story and moved it statewide, Gov. Whitcomb and his people were enraged, calling Speaker Bowen a "liberal tax raiser." Bowen observed, "Until the General Assembly met, I didn't fully realize the depth of my disagreement with Gov. Whitcomb on property tax relief. All I ever heard was a kneejerk, "No, no, no."

With Speaker Dailey and Gov. Orr, it went smoothly despite rocky economic times. The two had served in the legislature together, though in different chambers.

In his book, "Mr. Speaker," Dailey remembered the 1982 campaign. "I was asked, as leader of the caucus, to implore the governor not to talk about raising taxes," he said of the looming fiscal crisis. "Bob Garton and I went to the governor, discussed the matter and he agreed to try and help. He then went through that entire campaign refusing to talk about a possible tax increase. Since he faced re-election in 1984, he was most courageous. I did not always agree with him or his people, but I tried to be loyal and helpful to move our caucus in directions the governor thought best for the state. I trusted him and knew that he could see the state's whole picture. Thus, I believe my relationship with the governor was superb." Today, such trust appears elusive.

And Dailey notes, "A speaker who projects himself into the limelight, takes credit for everything, and fails to rec-

ognize the contributions of other members may find his speakership brief. A good speaker will get his share of recognition without looking for it."

### Stop on down

Gov. Daniels says his individual dealing with legislators have been cordial and "bipartisan."

"There's a great spirit in general right now," Daniels said. "I hope ... I believe it extends on a bipartisan basis. I honestly believe the general attitude has been one of 'stop on down,' trying some new things and try to get on top of Indiana's problems."



The prevailing signals are all about change, and reporting to the people who put him in office. The legislative paradigm is completely different thanks to the gerrymandered districts that are mostly uncompetitive. Legislators are more

interested in reporting, not to the people, but to the lobbyists in the hallways. That is a constituency Daniels has little interest in pleasing.

Thus, the "stop on down" part appears to be heading out of the confines of the Governor's office, and into the districts of legislators uneasy, unready or unwilling to get with the program. It's a program people charged the new governor with instilling in a moribund state that the legislature was intricately involved in fostering. ❖

## Returning from the political desert a simmering topic for Democrats

By BRIAN A. HOWEY

INDIANAPOLIS -- U.S. Sen. Evan Bayh, with his long-time aide Dan Parker at the helm, is firmly in control of the Indiana Democratic Party.

But beneath the surface, there are Democrats concerned and alarmed at the state of their party. Their fears are that 2005 is just the first year of what could be a generation out of gubernatorial power. They see the entire Statehouse, with the lone exception of Clerk of Courts David Lewis, in the hands of the Republican Party. They control just two of nine Congressional seats. They fear the Indiana Democratic Party will simply be a front organization for the Bayh presidential run.

Sizeable remnants of Hoosier chapters of MoveOn.org are still meeting and sizing up potential roles. Others down the food chain have wondered whether a Democratic version of the Republican Phoenix Group is needed.

And in the legislature, there has been a fitful return to total minority status. To the point that Democrats are taking potshots at Gov. Mitch Daniels plan for a tax increase on the rich.

The last two major party wanderings in the political desert have been comparable in length. After Democratic Govs. Matthew Welsh and Roger Branigan eight years in power ended in 1969, it was 20 years before the party regained power. Then Bayh and Frank O'Bannon kept the GOP at bay for 16 years.

The two parties were able to leave the desert, but in completely different ways.



### *The messiah*

For Indiana Democrats, it was the emergence of a young messiah -- Evan Bayh -- who returned to the state in 1984, then launched his political career a year later, culminating with his victories for secretary of state in 1986 and governor in 1988.

The Democratic return to power was more based on a cult of personality rather than a sharply different agenda from the Republicans. Bayh was simply younger, more charismatic, and offered a sense of potential that created a generational paradigm when contrasted with the graying and departing Gov. Robert Orr and Lt. Gov. John Mutz. But the message wasn't much different than what could be expected from Republicans. No new taxes, personal responsibility, welfare reform, education accountability and government efficiencies. You could have taken the Democratic agenda during the Bayh-O'Bannon era, blindfolded the population and punditry, and imagined the very same words and deeds coming from Republicans. Then Republican Chairman Al Hubbard would repeatedly grouse about the Bayh Democrats "stealing our ideas."

Whereas Bayh was the bright young man next door, O'Bannon became the Hoosier grandpa. What he lacked in governing he made up by fostering a love and respect from the population (i.e. the classic 2000 campaign TV ad featuring O'Bannon swishing a blind over-the-head basketball shot ... boom baby).

### *Financier revolt*

For Indiana Republicans, it took a revolt from the financiers to set the stage for its desert terminus. It had to work through the candidate from hell (Linley Pearson in 1992), the churlish Stephen Goldsmith (every voter he met was a vote for Frank O'Bannon), and David McIntosh, who made the fatal error by mouthing the party's dogma on taxation (no new taxes; your property taxes have doubled).

After McIntosh's 2000 defeat, the financial wing of the GOP took into account the record windfalls raised by Goldsmith and McIntosh, along with Joe Andrew's cunning

running-the-table in the 1998 Indiana House races (remember: Clinton's second mid-term with impeachment in the wings) and said enough was enough. Jim Kittle, Randy Tobias and Bob Grand bolted, forming the Phoenix Group in 2001 that set the stage for Kittle's emergence as party chair in 2002. The GOP regime found itself cut off from the money. Once in power and the two GOP wings reconsolidated, that

set the stage for the Republican messiah -- Mitch Daniels -- to come back home and run. Even then, it took an extremely adroit and thematic campaign from Daniels and a poor one from Gov. Joe Kernan to return the party to power. Daniels' victory wasn't close, but it could have been had Kernan successfully defined Daniels early in the campaign.

Indiana Democrats are years away from the kind of exasperation that would be necessary to create their version of the Phoenix Group. There is no evidence that Democratic financiers are even thinking about bolting. In fact, the

Bayh operation has many of these backers not only stepping up for the party, but are ready to come on board his coming presidential campaign.

Indiana Democrats have some great personnel assets, though Larry Conrad was hardly a pretender. Conrad just had "his turn" come up against the popular Doc Bowen. Who emerges for 2008 is the critical question. The conventional wisdom is that Gov. Daniels will be a heavy favorite to win reelection. Even with a mediocre record, Gov. O'Bannon easily vanquished McIntosh in 2000 by 14 points.

That could change if Daniels is unable to bring his Republican legislature into his line of thought.

The key year will be 2012, when for the first time since 1988 there likely won't be an incumbent. The critical question is whether a groomed candidate will be able to execute a viable campaign. Remember, 1996 was considered an upset by Lt. Gov. O'Bannon over Goldsmith. Had Goldsmith run a credible campaign, the Republican pain would have been over eight years ago.



**Dynastic bookends: Gov. Evan Bayh (right) ended 20 years of GOP domination that began with Gov. Edgar Whitcomb in 1968. (HPR Photo)**



## Roemer stays in DNC race

*Toon: Dean "Far Short" of Numerical Majority*

By MARK SCHOEFF JR.  
The Howey Political Report

WASHINGTON--Although Howard Dean's momentum is driving other candidates out of the race, former Hoosier Rep. Tim Roemer will continue his campaign for chairman of the Democratic Party.

"We are still in the race, absolutely," Bernie Toon said in an HPR interview. Toon is managing Roemer's effort.

Earlier this week, Dean received the endorsement of the vast majority of state party leaders following a series of regional party meetings. Dean said that he has public commitments from 103 of the 447 members of the Democratic National Committee, who will select the next chairman. Dean's surge has driven all but three rivals out of the race. In addition to Roemer, Simon Rosenberg, founder of the New Democrat Network, and Donnie Fowler are running for the post. Former Indiana and national Democratic Chairman Joe Andrew endorsed



Tim Roemer is in the DNC race through the Feb. 12 conclusion. (9/11 Commission Photo)

Rosenberg.

But Toon said Dean, former Vermont governor and a former presidential candidate, does not have the race locked up. "He certainly has a number of votes to his credit, but they are far short of a numerical majority," he said.

**Toon said that the race** could go to a second or third ballot when the DNC votes on Feb. 12 during a national conference in Washington. "You work just as hard to be the number two choice of people as you do to be the number one choice. This is a finite universe. Tim's working the phones very hard." But Toon won't reveal Roemer's vote count. "It's sort of like telling people where you go fishing," he said. "There are still a lot of votes out there that are not committed."

As he tries to garner that support, Roemer has a chance to portray himself as the anti-Dean candidate. A member of the recent 9/11 Commission, Roemer is urging Democrats to develop a coherent national security strategy. He's also calling for the party to "broaden the Democratic tent" and welcome people with diverse views on social issues. Roemer's pro-life stance has drawn criticism from some Democrats. Dean is appealing to the party's more liberal base and focusing on domestic issues.

**But Roemer doesn't plan** to attack Dean. "It's not been Tim's philosophy to fire missiles at fellow Democrats," said Toon, who was Roemer's chief of staff during part of his tenure in the House. "The way we get this thing won is to (make) positive appeals." ❖

## MoveOn targets Chocola on Social Security reform

By MARK SCHOEFF JR.  
The Howey Political Report

WASHINGTON--For Rep. Chris Chocola (R-2nd CD), it must feel as if the campaign never ended. Three months after he won a second term, he's the target of a television commercial from an independent political organization urging him to oppose Social Security reform.

MoveOn.org, a Democratic-leaning group that claims three million members, bought \$37,624 of air time from Tuesday through Feb. 7 on South Bend network and cable television to run an ad criticizing President Bush's proposal to establish personal retirement accounts. Bush devoted a large part of Wednesday's State of the Union address to Social Security.

"First, someone thought up the working lunch," the MoveOn.org ad script states. "Then, we discovered the working vacation. And now, thanks to George Bush's planned Social Security benefit cuts of up to 46 percent to pay for private accounts, it won't be long before America introduces the world to...The working retirement. Call Congressman Chris Chocola today...and tell him: no, George Bush can't cut Social Security."



A spokesman for Fenton Communications, a Washington public relations firm working with MoveOn.org, said that the ad buy totaled 800 gross-rating points, meaning that the average South Bend viewer would see the commercial about three times. The group targeted Chocola, a new member of the House Ways and Means Committee, and two other Republican House members because they are "moveable on the issue in terms of demographics in their district," the Fenton spokesman said. The 2nd CD, running from South Bend to Kokomo, includes a mix of urban and rural areas.



Chocola criticized the ad. "Last election MoveOn.org and other extreme liberal groups spent more (than) \$100 million trying to scare voters across the country, and voters overwhelmingly rejected their negative campaign," Chocola said in a statement. "I am confident voters will once again reject their pathetic and desperate attacks. MoveOn.org is not focused on facts or solutions to real issues; instead they're engaged in underhanded political games while Congress and the President are working towards a bipartisan solution to the impending crisis facing Social Security."

In his speech, Bush called on Congress to "strengthen and save" the national retirement program. He said that in 13 years it would pay out more in benefits than it receives in revenue and that it would go bankrupt in 2042, drawing groans and catcalls from Democrats, many of whom say that Social Security doesn't require an overhaul. Bush said "all ideas are on the table," including limiting benefits for wealthy retirees, indexing benefits to inflation rather than wages, and raising the retirement age. He ruled out an increase in payroll taxes.

Bush also promoted personal retirement accounts that would be created by setting aside a portion of the payroll tax. He emphasized that the accounts would be "voluntary" and comprised of a "conservative mix" of stock and bond funds. The transition costs related to the accounts could amount to \$2 trillion. Government estimates indicate a Social Security funding gap of \$3.7 trillion over the next 75 years.

### *Democrats See an Opportunity on Social Security*

Indiana Democrats think Social Security may make Chocola vulnerable in two years. The issue "will be the most high profile, but there are a lot of things that fall under that category," said Indiana Democratic Chairman Dan Parker.

Chocola "severely outspent (Democratic candidate) Joe Donnelly in 2004 and still didn't crack 55 percent of the vote."

Chocola won 54-45 after raising \$1.6 million and spending \$1.4 million. Donnelly raised \$706,000 and spent \$700,000. Neither national party targeted the race. In 2006, Parker hopes Washington Democrats will put the district on their agenda. "It needs to be targeted from the git go," he said. "That will make all the difference in the world."

Like most Republicans, Chocola hasn't committed to a specific Social Security reform proposal. He has indicated support for personal retirement accounts as part of a potential plan. After Bush's speech on Tuesday, he called for Democrats and Republicans to work together.

"The president sincerely believes that you don't pass problems on to the next president or the next Congress," Chocola said in a conference call following Bush's speech. "He articulately explained that Social Security has to be fixed. He stated clearly that it needs to be a bipartisan effort...We cannot play politics."

### *Roemer, Bayh Oppose Bush's Proposals*

Former Rep. Tim Roemer, whose seat Chocola won in 2002 after Roemer retired, is running for national chairman of the Democratic Party and dismisses Bush's proposals. "He is opposed to privatization of Social Security," said Bernie Toon, Roemer's campaign manager. "The president is trying to attempt to manufacture a crisis." Roemer also is concerned about the burden Social Security reform would place on the federal deficit, which will reach a record \$427 billion this fiscal year. "He's a deficit hawk," said Toon.

Democratic Sen. Evan Bayh also opposes Bush's prescriptions. "[A]ny plan that increases our debt, diverts Social Security money into private accounts, or changes the very nature of Social Security is not a solution," Bayh said in a statement after Bush's speech. "[O]wnership and choice...are great concepts...but in addition to the current Social Security system, not as a replacement for it. Ownership and insurance have to go hand-in-hand."

Republican Sen. Richard Lugar said that increased life expectancy has placed a burden on Social Security that wasn't foreseen when the program was enacted

in the 1930's. "How you decide to solve that problem will be the debate we're about to have," he said in an interview with Indiana reporters last week. He is keeping an open mind about possible solutions. "You can make the argument that if you have foresight, a lot of people can be spared anxiety, if in an incremental, gradual way, some changes are made."



U.S. Rep. Chris Chocola talking to a voter in the 2002 campaign. (HPR Photo)



## A stunning week for freedom, but we needed more on energy

INDIANAPOLIS - Sunday was an emotional day. I was up at 1 in the morning watching CNN and MSNBC, both reporting a series of explosions in Baghdad as the Iraqi elections commenced.

By Sunday afternoon, when it appeared the turnout was in the millions, CNN was showing the kind of pictures that we saw with the Solidarity movement in Poland, or the fall of the Berlin Wall, or the Romanian flags with the center cutaway as the people cast off the dictator Nicolae Andruta Ceausescu. Iraqis were holding up an ink-stained forefinger as the new badge of honor for democracy. Knowing that on the way home, they could be killed by terrorists.

**President Bush** appeared after the always jarring "Special Report" came over the TV mid Sunday afternoon. "Today the people of Iraq have spoken to the world, and the world is hearing the voice of freedom from the center of the Middle East," Bush said. "In great numbers, and under great risk, Iraqis have shown their commitment to democracy. By participating in free elections, the Iraqi people have firmly rejected the anti-democratic ideology of the terrorists. They have refused to be intimidated by thugs and assassins. And they have demonstrated the kind of courage that is always the foundation of self-government."

It was a marvelous moment. Even more profound when ABC carried reports out of battle-torn Falluja, where far more people than expected made their way to vote.

**That was the dramatic** setup for President Bush's State of the Union address Wednesday night. It is a presidency literally teetering at the apex of what could eventually be seen as a great one, or a bust, depending on the outcome in Iraq. Of course, the moment we will always remember will be the embrace between Safia Taleb al-Suhail, holding up her vote-stained finger, then embracing Janet Norwood, the mother of Marine Sgt. Byron Norwood who was killed in Falluja. Janet Norwood had written President Bush, saying, "When Byron was home the last time, I said that I wanted to protect him like I had since he was born. He just hugged me and said: 'You've done your job, mom. Now it's my turn to protect you.'"

The nation - perhaps even part of the world, including President Bush - gulped with emotion at that moment.

All the while, the world was gulping something else in increasing volume: Oil.

Thus, in a speech with so much emotion, there was a

bit of an emptiness about it ... like an empty gas tank here in the era of \$2 a gallon gasoline. I'm convinced we are fighting in Iraq in good measure because of oil. The CIA estimates that most of the Persian Gulf oil will be destined for China by the year 2015. A few weeks ago, unstable Venezuela announced it would be diverting most of its oil exports from the United States to China. Combine the insatiable thirst for oil from developing China and India by more than two billion people in emerging technological economies, and we've got a big problem.



President Bush goes over the State of the Union text with speechwriter Michael Gerson. (White House Photo)

As U.S. Sen. Richard Lugar noted in December after a National Commission on Energy Policy report was released (with little fanfare), "The global appetite for oil and natural gas continues to grow while prospective supplies diminish. The geopolitical realities of the post-9/11 world increase the possibility of severe supply disruptions. Meanwhile environmental concerns restrict the list of traditional alternatives. I am especially pleased to see the Commission's call for a dramatic new commitment to the development of renewable fuels, especially those derived from biomass such as ethanol."

Last October, when *New York Times* columnist Thomas Friedman resumed his column, he imagined President Bush announcing a program with Chinese scientists to develop new energy resources. It would have to be a combination JFK going to the moon, Manhattan Project, Marshall Plan kind of thing so that our sons and grandsons aren't condemned to fighting future wars over dwindling oil reserves.

**On Wednesday night**, President Bush acknowledged the energy crisis ... but without the chemistry of crisis. He had talked about the hydrogen car a few years back. "My budget provides strong funding for leading-edge technology -- from hydrogen-fueled cars, to clean coal, to renewable sources such as ethanol," Bush said last night. "Four years of debate is enough -- I urge Congress to pass legislation that makes America more secure and less dependent on foreign energy."

Congress erupted in applause, but it wasn't the defining moment of the night. It should have been. ❖







**Robert Novak**, *Chicago Sun-Times* - Sen. Evan Bayh of Indiana, feared by Republicans as a dangerously moderate presidential candidate for the Democrats in 2008, surprised colleagues by joining 12 left-of-center senators in voting against confirmation of Condoleezza Rice as secretary of state. In declaring his opposition to Rice's confirmation, Bayh told the Senate on Tuesday: "I believe she has been a principal architect of policy errors that have tragically undermined our prospects for success in this endeavor [the military operation in Iraq]." Bayh's statement follows support for Bush's Iraq policy during his re-election campaign last year. While President Bush easily carried Indiana and the state returned to Republican control, Bayh won his second Senate term in a landslide. His appeal to Republican voters, however, makes him suspect to the left. Bayh's vote against Rice could help with the liberal Democrats, whose support is needed for the party's presidential nomination. ❖

**Jack Colwell**, *South Bend Tribune* - If Joe Donnelly runs again for Congress, he will do it differently in a second race with Congressman Chris Chocola. It's not certain that Donnelly will run again in 2006 as the Democratic challenger in Indiana's 2nd District. But if he does, Donnelly stresses, he will decide early, probably by this May. And he will not again make the mistake of spending too much of limited funding on a campaign staff, when it is vital instead to spend as much as possible for effective messages on television in the sprawling 12-county district. Nor will he count on help from the Democratic Congressional Campaign Committee until campaign funds actually arrive. The DCCC provided virtually no help in 2004 after a pragmatic decision that the 2nd District couldn't be won, that national efforts could be directed more effectively elsewhere. It was perhaps a self-fulfilling prophecy. Without heavy national support of the type Jill Long Thompson received in 2002 in a close race with Chocola, R-Bristol, Donnelly was underfunded and finally overwhelmed by Chocola's TV blitz and superior campaign. Donnelly says he understands the DCCC must make tough decisions on

where to target support. He would again seek national support, if he runs again, but wouldn't count on it in planning as money in the bank. ❖

**Rich James**, *Post-Tribune* - Say it ain't so, George. Lord. Less than a month into office and you've forgotten what you talked about on the campaign trail for more than two years. "Time for change." Isn't that what you promised the people of East Chicago, Mayor Pabey? No more shenanigans. No more corruption. No more sweetheart deals. Your administration was going to be about good government, not polluted politics. Isn't that what you told the people, George? Aren't you the guy who vowed to pull East Chicago government out of the sewer and run your beloved city just like it says in a high-school civics book? It all sounded so good and 6,500 people bought into it when you whipped Mayor Robert Pastrick in the special election. Weren't you supposed to be the knight in shining armor bent on returning a civility to your ravaged city? That's what a lot of people thought. But 24 days into office, you've apparently forgotten all that. You're not just speaking with a forked tongue; you're slobbering all over yourself. What possessed you, George, to name Rudy Byron as superintendent of the East Chicago Parks Department? The same Rudy Byron who pleaded guilty in federal court to working with then-County Commissioner Atterson Spann to extort bribes for cleaning contracts at the Lake County Government Center. Isn't that the same Atterson Spann who climbed on the Pastrick payroll immediately after being released from prison? Isn't that the very type of thing you said was wrong with the Pastrick administration? What were you thinking, George? Were you thinking at all? The timing is interesting, too. You hired Byron, George, just a couple of weeks after applauding county Democratic Chairman Stephen Stiglich's effort to have convicted felons Frank Kollintzas and Joe De La Cruz removed from the City Council. You didn't think it was right, George, for a convicted felon to serve the people. Well, apparently it's all right when it's your convicted felon, George. ❖

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## Agriculture community united behind new Dept.

INDIANAPOLIS - There is an old saying that where there are two Hoosier farmers there will be three opinions. That was not the case at the Indiana House Agriculture Committee hearing on Wednesday. Almost every aspect of Indiana agriculture testified in support of HB 1008 which established a State Department of Agriculture (*Brownfield Network*). Lt. Governor, Becky Skillman led off a long list of testimony in support of the bill authored by Representative Eric Gutwein of Rensselaer. "This is an important move as we work to elevate the status of Agriculture in Indiana," Lt. Governor Skillman said.



## Bayh, Lugar react to speech

WASHINGTON - Sen. Evan Bayh, D-Ind., reiterated his objections to Bush's proposal to restructure the Social Security system. Bayh said he doesn't object to creating private accounts, but as add-ons rather than as replacements for the current system (*Fort Wayne Journal Gazette*). "We need to work together to find solutions to help Social Security meet the financial challenges of the future. However, any plan that increases our debt, diverts Social Security money into private accounts, or changes the very nature of Social Security is not a solution," he said. "Ownership and insurance have to go hand in hand. Social Security is the insurance that senior citizens in our country can always rely on to make sure they're not desperately poor in their old age," Bayh said. Sen. Richard

Lugar, R-Ind., did not offer an opinion on any of the proposals Bush floated, including the idea of revamping Social Security to allow private accounts for some workers.

## Peterson warns of layoffs without Indy Works

INDIANAPOLIS - In a meeting that drew hundreds to the Statehouse on Wednesday, Indianapolis Mayor Bart Peterson pitched his controversial government merger plan to a panel of lawmakers who will determine its fate (*Indianapolis Star*). During the four-hour legislative hearing that pit Peterson against township officials -- including those who would lose their jobs under the proposal -- the mayor said his idea offers the only way for Indianapolis to avoid the hard times that have beset cities like Detroit and Cleveland. "We don't want the capital city in our state to be mentioned in the same breath" as those cities, Peterson, a Democrat, told the House Local Government Committee. "Indianapolis Works was born out of fiscal necessity."

## Manning to appear at the legislature

INDIANAPOLIS - Colts Quarterback Peyton Manning will be honored by the Indiana House at 1:30 p.m. today for a House Resolution, authored by State Representative Matt Whetstone (R) -- Brownsburg. Manning will then appear in the Indiana Senate.

## Execution decision looms for Gov. Daniels

INDIANAPOLIS - With less than five weeks left before the scheduled execution of an Indiana Death Row inmate, it likely will fall to Gov. Mitch Daniels to decide whether Donald Ray Wallace lives or dies (*Indianapolis Star*).

Wallace, convicted in the 1980 slayings of four people, has said he does not want to ask Daniels for clemency -- but he still could change his mind before his March 10 execution. Daniels, who has made few, if any, public comments about the death penalty, acknowledged mixed feelings about the issue. "If I said I had no reservations or conflicting sentiments, I wouldn't be honest," Daniels said Wednesday night through a spokeswoman. "I believe, and it's clear the people of Indiana believe, that in the most heinous cases, this penalty is appropriate."

## Senate committee passes 70 mph

INDIANAPOLIS - The Senate Commerce and Transportation Committee Wednesday, voted 6-2 to pass Senate Bill 217, which would raise speeds on rural portions of interstates (*Muncie Star Press*). The same bill did not even get a hearing in the Senate two years ago. It will be considered by the full Senate and later the House. Jane Jankowski, a spokeswoman for Gov. Mitch Daniels said he "hasn't advocated for (the bill), but he said he would sign it" (*Indianapolis Star*).

## Mayor King refuses casino funds for circuit breaker

GARY - Mayor Scott King has thrown down the gauntlet. After insisting for months that earmarking casino taxes to pay back the state property tax circuit breaker loan would unfairly burden the city of Gary while giving other taxing units a free ride, King has told county officials he will not agree to use gambling boat taxes to cover the full loan amount (*Post-Tribune*). "It's like I've been saying from day one, why should we be required to pick up for these other entities?" King said. ❖