



Hamilton, Bayh and Iraq disaster

'Grave & Deteriorating' war of gathering infamy

By **MARK CURRY** and **BRIAN A. HOWEY**

WASHINGTON - As Americans began to come to grips with a war in Iraq it is not winning, according to the incoming secretary of defense, two Hoosier Democrats, Lee Hamilton and U.S. Sen. Evan Bayh, were thrust into the national lens this week.

The blunt and bleak assessment of Hamilton and former Secretary of State James A. Baker III came in the week Sen. Bayh formed his presidential exploratory committee. The same day those papers were filed, Bayh questioned Robert M. Gates in a Senate confirmation hearing.

Gates rocked the nation when Sen. Carl Levin asked if the U.S. was "winning the war." Gates responded, "No we are not." Bayh asked Gates how he could be confident the president would heed his counsel. "Senator, because he asked me to take the job," Gates replied. As the New York Times described the scene: Bayh waited for



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Losing another American war

By **BRIAN A. HOWEY**

INDIANAPOLIS - Evan Bayh and I were juniors in high school - he at St. Albans' School for Boys, me at Peru High School - when Henry Kissinger said in 1973, "Peace is at hand." We were freshmen in college when American helicopters plucked off stragglers at the U.S. Embassy in Saigon in April 1975 when America essentially lost a war. We were still in college when Pol Pot perpetrated something our class of Jonathan Livingston Seagull, this is the first day of the rest of your life, played to Seals & Croft "We Will Never Pass This Way Again" passed



Brian Howey's Column

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"Our ship of state has hit rough waters. It must now chart a new way forward."

- Former Indiana Congressman Lee Hamilton, introducing the Iraq Study Group report on Wednesday



into adulthood. But here we are ... this way again.

Contrary to what President Bush, Vice President Cheney and U.S. Rep. Mike Pence have been saying, we are on the verge of losing a war. Or as former Indiana congressman Lee Hamilton put it, America's military adventure in Iraq is "grave and deteriorating."

Everything the Class of '74 thought it had learned from Bergen-Belsen, to Tet to Cambodia and Saigon has been lost in the dust and fog of Baghdad.

I went back and reread my columns from February 2003 when I finally bought into President Bush's war. He described Saddam's torture chambers where the thugs used electric shock, hot irons, dripping acid, mutilation with electric drills, severed tongues and rape. "If this is not evil, then evil has no meaning," Bush said.

I wrote: "Should I take Bush's word for it? Was that just another politician exaggerating his case?"

I turned to www.amnesty.org which featured Iraq (and Texas) on its homepage. There I met Um Haydar, a married 25-year-old mother of three who was charged by Uday Hussein with prostitution in 2000. She was taken to her home where she was held by two men while a third pulled her head off with his bare hands in front of her family. I learned that while Josef Stalin killed at least 20 million Soviet people, Saddam had liquidated a million Iraqis, according to the New York Times. Per capita, he was on par with Uncle Joe.

Having heard the fears of my Jewish classmate in Michigan City as a young child - the daughter of surviving holocaust victims - and then watching Cambodia unfold from my dorm room at Teter Quad, that is how I came to support this war.

I wrote in 2003, "President Bush has framed the coming Iraqi incursion as a pre-emptive strike to ensure our national security. Perhaps that is starting out on the wrong footing, even though we have no

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idea what Saddam has done with the 25,000 liters of anthrax, the 38,000 liters of botulinum, the 500 tons of VX, mustard and sarin gas, and 29,984 missiles capable of delivering a chemical payload that United Nations weapons inspectors had documented several years ago."

In my mind, we were about to attack a "viper regime that has committed vicious atrocities against the people."

Now?

I don't trust our government's ability to properly assess intelligence, put it into valid context, and tell the truth. I feel gullible for ever signing off on the Bush/neo-con theory of pre-emption. I feel drunk from our Kosovo/Serbia war and occupation where we didn't lose a single guy and we calmed Balkan genocide. On the day Hamilton issued his Iraq Study Group report, 10 American soldiers were killed in Iraq.

Sen. Bayh was asked on Tues-

day if he regretted his 2002 authorization vote and he responded, "Saddam had no weapons of mass destruction. That's why I voted like I did, I thought that leaving weapons like that in the hands of a man like him was a danger to the United States. Knowing what we know now, I would not cast the same vote."

Now, I wonder why so many people I respect - the Lugars, Bayhs, Buyers and Pences - could so readily sign off from the Powell Doctrine of going in with overwhelming force, to the Bush Doctrine that has produced a searing, ghastly American-Iraqi calamity, with the potential to spread across the Middle East. None of them have children in the war.

My sons are 16 and 17 years old, and they are watching this war the same way 1974 grads named Howey and Bayh were watching Vietnam. It ended before we were drafted or enlisted. We lost it before we graduated.



I asked my oldest son Thomas if he would be willing to fight as we gathered up for war in 2003. He told me, "Dad, I would if we have another Sept. 11." This week I asked my youngest son, Stephen Daniel, if he would be willing to fight to save Iraq.

He didn't dismiss it out of hand, understanding the basic concept that a failed Iraq state will breed more Sept.

11s, but said, "I don't know if I can trust our leaders." I must tell you, Stephen is not a cynical boy.

That is the price a middle-aged, over-reaching empire pays when its government lies and then can't execute a war we may be destined to lose, the consequences of which we cannot fully fathom or appreciate as this disaster begins to sink it. We will never pass this way again? ❖

Iraq: From page 1

a more elaborate answer, and, realizing one was not coming, said simply, "He asked the others to take the jobs as well."

"He impressed me as being candid and open minded, more realistic than what we've been seeing out of the administration these last six years," Bayh said on CNN, explaining that he would vote to confirm Gates. "That

said, simply changing the face at the Pentagon isn't enough. We need a new policy that depends on what's going on in the President's mind. I'm not convinced that the President quite yet understands what needs to be done in Iraq." Bayh referred to the leaked memo by National Security adviser Steven Hadley and said, "Ultimately, will he listen? Hadley leaked a memo with doubts about al-Maliki. Even (Donald) Rumsfeld was considering other options. Gates is a good man, but will he (President Bush) listen? Only time will tell."



President Bush meets with Sens. John Warner, Carl Levin and Richard Lugar on Wednesday to discuss the Iraq Study Group. Lugar called it "an exhaustive inquiry." (White House photo)

On Wednesday, it was Hamilton's turn and he and Baker issued a stunning report that, when taken into context of the political rhetoric Americans heard in the weeks before the Nov. 7 elections, was jarring.

"We no longer can afford to stay the course," Baker said in presenting the report at a news conference. "If we do what we recommend in this report, it will certainly improve our chances for success."

Hamilton echoed his colleague's sentiments, saying the Iraqi people are "suffering great hardship" and their lives must be improved. "The current approach is not working and the ability of the United States to influence events is diminishing," Hamilton said. "Our ship of state has hit rough waters. It must now chart a new way forward."

Hamilton called the situation "grave and deteriorating." The group's co-chair said, however, that "not all options have been exhausted."

The report suggests: "By the first quarter of 2008, subject to unexpected developments in the security situation on the ground, all combat brigades not necessary for force protection could be out of Iraq. At that time, U.S. combat forces in Iraq could be deployed only in units em-

bedded with Iraqi forces, in rapid-reaction and special operations teams and in training, equipping, advising, force protection and search and rescue."

Hamilton outlined three important points: "Our three recommendations are equally important and re-enforce each other. (1) A change in the primary mission of U.S. forces. (2) Prompt action by the Iraqi government to achieve

milestones and national reconciliation. And (3) A new and enhanced diplomatic effort in Iraq and within the region."

NBC analyst Tim Russert reacted to the press conference, saying, "I was so taken by the bluntness and how bleak this report is."

President Bush responded by saying, "This report gives a very tough assessment of the situation in Iraq. We will take every proposal seriously, and we will act in a timely fashion." He urged Congress to take the group's proposals seriously and work with the administration and find "common ground" on Iraq policy. "The country is tired of pure political bickering," Bush said. In this morning's presser with British Prime Minister Tony Blair, Bush referred to Iraq as "unsettled." When pressed, Bush said, "It's bad in Iraq. Did that help?"



U.S. Senate Foreign Relations Committee Chairman Dick Lugar reacted: "I welcome the contributions of Secretary James Baker, Congressman Lee Hamilton and the entire Iraq Study Group. They have undertaken an exhaustive inquiry into the current situation in Iraq. The recommendations of the Iraq Study Group should be absorbed and considered by policymakers who are grappling with the complexities of Iraq policy and issues involving the broader landscape of the Middle East. I also welcome the concurrent activity in the Bush administration to review present policies and consider new approaches. As this process moves forward, Congress must be a constructive partner to the administration. Senator Biden has indicated that beginning in January, the Foreign Relations Committee will hold a series of hearings to continue our examination of U.S. options in Iraq. Since the summer of 2002, the Foreign Relations Committee has held roughly 40 hearings on Iraq under the chairmanships of Senator Biden and myself. We look forward to welcoming administration officials, members of the Iraq Study Group and other outside experts as we seek their views about how the United States can achieve the best possible outcome in Iraq."

U.S. Sen. John McCain said this morning, "The one thing worse than an exhausted Army and Marine Corps is a defeated Army and Marine Corps." McCain called the ISG report a "recipe for disaster" as he met with Baker and Hamilton. "Withdraw the troops and still have American troops embedded with Iraq troops puts at risk a large number of advisers," he said.

Hamilton acknowledged, "You're absolutely right about that. Those men and women will be in a place of danger. We will have combat forces there to protect the embedded forces. It's a risky mission." But Hamilton pushed back, saying at one point that Congress had been much too "timid" in its oversight of the war.

Bayh on the talk shows

Sen. Bayh received a huge amount of national exposure this week, from his Sunday appearance on ABC's "This Week," to the Gates confirmation hearing on Tuesday, and appearances on CNN, MSNBC and Fox News.

On the war in Iraq, Bayh told ABC's George Stephanopoulos, "This problem is not going to be solved in Washington, not by the national security adviser and not by the president of the United States. It is going to be solved by Iraqis in Baghdad and across Iraq. If they don't reconcile themselves to a common future and a common country, we are only operating on the margins." Asked what he would

do about U.S. presence, Bayh said, "I'll tell you exactly what I'd do. I'd do the opposite of what the President did a month ago when he picked up the phone and called Prime Minister Al-Maliki and said, 'Don't worry; we're staying.' I'd pick up the phone and say, 'You know what? We're not staying forever.'"

Bayh said the central government must assert its authority. "If you do, we'll stand by you and make a go of it because we want you to be successful. But if you don't, there's nothing we can do for you." Asked if he would start to withdraw troops, Bayh said, "I'd like them to know we're going to begin the process now to bring our presence in Iraq to a close. To show that I meant business, I would bring out a small amount of troops ... in the next few months." Bayh said he would call a "Dayton-like conference" to "let them resolve their differences. Then I would time our departure in a way that gave them the best chance. If they can't get their act together, we can't do this for them."

Bayh criticized President Bush's statement in Amman, Jordan, last week that, "We're going to stay as long as the Iraqis want us." Bayh said, "That is not an acceptable standard for our troops. It's not the advice he's getting that matters, it's what's in his mind and I don't think he grasps the essential truth there yet."

On MSNBC, Bayh was asked by Nora O'Donnell, "Senator, let me ask you, you voted for the Iraq war, do you believe it was a mistake?"

Bayh responded, "Saddam had no weapons of mass destruction. That's why I voted like I did, I thought that leaving weapons like that in the hands of a man like him was a danger to the United States. Knowing what we know now, I would not cast the same vote."

Bayh stakes bid on national security

While Bayh spent much of 2006 building a \$10.7 million war chest and assembling a highly lauded campaign staff, he is hoping to use not only his red state political successes and executive experience in Indiana to his advantage, but as a pragmatic voice on national security. He has worked all year to cultivate and nurture that reputation. In a speech last February he said a "tough and smart" approach to Iraq would "establish benchmarks for success, a timeline for progress, accountability for results and candor about how we are doing."

He has repeatedly criticized Republicans for being "a lot better at national security politics than national security policy," and claimed the administration's "stunning





incompetence" has "undermined our security."

"Iraq is the foremost example," he said in a July speech. "They have turned it into a tragic, tragic mess." As a member of two key committees, Armed Services and Intelligence, Sen. Bayh will have an opportunity in the next Congress to help make good on his oft-repeated boast that "Democrats can do better." In order to do that, he will first have to face down those from his own party who seek to oppose him. Bayh was an early proponent for the war in Iraq, and his October 2002 vote to authorize an invasion disappointed even some Indiana Democratic activists who supported his governorship. He continues to try and rally Democrats to his cause.

"If people don't trust us with our lives, they're unlikely to trust us with anything else," Bayh told thousands of Democrats during his travels through two dozen states in the past year. Mike Glover of the Associated Press wrote that during a visit to Iowa on Monday Bayh urged Democrats to "seek practical answers to the daily challenges facing Americans. If not, the party's control of Congress could be brief."

Bayh's critical timing

The announcement last Sunday on ABC that he would form an exploratory committee, timed only two days before the Gates hearing, has helped to substantiate Bayh's security credentials. The resulting widespread media attention may also serve to bolster his standing in polls that consistently rank him in the bottom tier among potential 2008 contenders. Last week the Quinnipiac University Polling Institute released a likeability poll of 20 top American political figures and Bayh finished 16th, below George Bush but above John Kerry. A full three-quarters of respondents indicated they did not have enough information about Bayh to decide if they like him or not, suggesting support for a Bayh candidacy has the potential to grow if he can manage to get his message out to the voters.

This weekend the former governor will take his message directly to the people of New Hampshire, where dissatisfaction with President Bush and the war in Iraq looms so large that for the first time in more than 100 years Democrats captured both state houses in the mid-terms.

One Granite State voter who was very happy with that outcome is Frank Murphy, the retired social worker who for two years served as Democratic chair for the town of Keene. In an interview conducted yesterday by telephone, Murphy told HPR that he hasn't decided yet whether he will attend a Bayh event planned in his hometown this Sunday. He said he may be out drumming up support for the presidential candidate he endorses, former Alaskan Sen. Mike Gravel, who will also be in town. Murphy did say that he approved of Bayh's questioning during the Gates hearing.

"I think everybody did well," Murphy said of the hearing. "I don't think [Bayh] said anything that made him stand out above the crowd. I thought his remarks were useful and illuminating and I was glad he made them." But asked if he thought New Hampshire Democrats would be troubled by Bayh's initial support of the Iraq war, he said, "That's tough to say. There aren't that many people that are aware of the vote. Of course in the campaign they would be. I think if you voted for it at this point it's a negative, but then you have to look at the fact we voted for John Kerry in the last election, who voted for the Iraq war resolution. I don't think it's considered a good vote."

In fact, a substantial majority of Americans supported the invasion of Iraq, although a Pew analysis at the time noted "the level of public support depends upon several important contingencies: whether or not U.S. allies and the United Nations go along with the effort; the level of potential casualties; and the nature of the evidence discovered by the U.N. weapons inspectors." And, of the top Democrats considered possible presidential material at present, only U.S. Sen. Barack Obama can say he opposed the war from the beginning. Still, Bayh can expect concerns about Iraq to dominate just about wherever he goes, especially now that he's officially a potential candidate

looking for campaign funding. In the past week he's been to Ohio, Minnesota and Illinois. Next week he visits Florida and Texas. Like every other presidential candidate, Indiana's junior senator will be asked to answer important questions related to Iraq in the months ahead. Donors and voters



Sen. Bayh with ABC's George Stephanopoulos in last Sunday's "This Week."

will want to know why he supported the invasion, how he reacted as the situation evolved and what he thinks should be done next. He will also be judged on his ability to shape legislation and policy impacting our role in that country. His remarkable career has anticipated a guiding role in national politics, yet he has landed in the midst of a peculiar American trauma, a time calling for the strongest brand of leadership. As Murphy said at the end of our interview, "If you're in contact with the senator, tell him to keep working. America is in difficulty."

Evan Bayh has a year to make the case that he possesses the strength and intelligence to lead Democrats and the country through the difficult years that lay ahead.





Help formulate the 2007 Influence List

INDIANAPOLIS - Obviously, there will be major changes in the 2007 HPR 50 Most Influential List.

Senate President Pro Tempore Robert Garton, U.S. Reps. Mike Sodrel, John Hostettler and Chris Chocola were all defeated. Departing the Daniels administration is Chief of Staff Harry Gonso.

The 2006 list reflected the wave that developed around the Iraq War and congressional corruption, as well as the Daniels administration's Major Moves program.



In 2007, there will be the Evan Bayh presidential campaign, the biennial budget in the Indiana General Assembly, mayoral elections, and a huge decision for Indiana Democrats: who will be challenging Gov. Mitch Daniels?

HPR has been compiling the 50 Most Influential List since 1999. We ask our readers to suggest additions (or subtractions). Some of you compile your own 50 list. HPR encourages this exercise in power, clout and accountability. Send thoughts to HPR Publisher Brian A. Howey at: brianhowey@howeypolitics.com. The 2007 list will be published in the Jan. 11 edition of The Howey Political Report as well as Brian Howey's statewide newspaper column running in 24 papers and reaching more than 200,000 readers each week.

2006 HPR 50 Most Influential

1. Gov. Mitch Daniels
2. U.S. Sen. Richard Lugar
3. U.S. Sen. Evan Bayh
4. Commerce Secretary/IEDC Chairman Mickey Mauer
5. House Speaker Brian Bosma

6. Marion County Prosecutor Carl Brizzi
7. Indianapolis Mayor Bart Peterson
8. U.S. Rep. Pete Visclosky
9. U.S. Rep. Mike Pence
10. U.S. Rep. Mike Sodrel
11. U.S. Rep. John Hostettler
12. State Rep. Rep. B. Patrick Bauer
13. Senate President Pro Tempore Robert D. Garton
14. Ways & Means Chairman Jeff Espich
15. FSSA Director Mitch Roob
16. Lt. Gov. Becky Skillman
17. Marion County Sheriff Frank Anderson
18. U.S. Rep. Chris Chocola
19. State Sen. Luke Kenley
20. John R. Hammond III
21. Bob Grand
22. State Rep. Randy Borrer
23. Secretary of State Todd Rokita
24. Lee Hamilton
25. Fort Wayne Mayor Graham Richard
26. Alan B. Hubbard
27. Marty Morris
28. Tom Sugar
29. U.S. Rep. Steve Buyer
30. GOP Executive Director Jennifer Hallowell
31. Indiana Democratic Chairman Dan Parker
32. Indiana Republican Chairman Jim Kittle Jr.
33. State Sen. Vi Simpson
34. Farm Bureau President Don Villwock
35. Chamber President Kevin Brinegar
36. IMA President Pat Kiely
37. UAW President Terry Thurman
38. Mike O'Connor
39. Mike Gentry
40. Hamilton County Republican Chairman Charlie White
41. U.S. Rep. Mark Souder
42. U.S. Rep. Julia Carson
43. Baron Hill
44. Vanderburgh County Sheriff Brad Ellsworth
45. OMB Director Chuck Schalliol
46. Stadium Authority Chairman David Frick
47. State Sen. Mike Young and State Rep. Phil Hinkle
48. Tim Roemer
49. Dan Coats
50. IACT Executive Director Matt Greller





Reps. Harris, Elrod may have recount count wins; Bright drops petition, but fraud is alleged

By **BRIAN A. HOWEY**

INDIANAPOLIS - It's not quite a lock, but at this writing, it looks as if Indiana Democrats will maintain control of the Indiana House.

Democrat Ed Mahern appears to be an 8-vote loser to State Rep. Jon Elrod in HD97.

In HD31, Blackford County Commissioner Larry Hile picked up one vote in his recount and now trails State Rep. Tim Harris by 18 votes.

The Indiana Recount Commission will reconvene at 1:30 p.m. Sunday to consider the HD15 recount between State Rep. Don Lehe and Newton County Sheriff Myron Sutton, who trails by 24 votes.

Democrats are talking and the recount commission will consider at least four precincts where hundreds of votes are in question. In HD31, there are 300 votes are disputed. Hile maintains that Center Township precincts 22 and 24 should not be counted in Grant County. According to Hile, those precincts are not included in the Indiana Code, though they were created following the 2000 Census (**Marion Chronicle-Tribune**).

Hile and Rep. Harris joined Jennings County Clerk Janis L. Ramey to call for changes in the election process, particularly when it comes to absentee ballots.

"Quite honestly, we felt pretty good about the way it went," Harris said. Both candidates, though, said they felt the high number of disputed ballots shows the need for better training for poll workers. "Obviously, there were a lot of errors, or else there wouldn't be 300 some ballots that are being contested," Hile said.

In HD69, former State Rep. Billy Bright withdrew his recount petition on Monday in HD69. But he said the preliminary recount steps allowed him to view absentee ballots from Jennings County, where 25 percent of the vote was cast via that method. Bright has accused the Demo-

crats of "widespread fraud" in the election.

More than 2,500 ballots in Jennings County were cast absentee, leading Clerk Janis Ramey to call on Secretary of State Todd Rokita to reform absentee ballot voting that is not covered under the state's new voter ID law.

"We feel like this was important to give us a fair sample of absentee ballots," Bright told the Louisville Courier-Journal. "Now, we need a day or two to review the information and decide whether to go forward." Bright



State Reps. Jon Elrod and Tim Harris (left top) were seated and look as if they will win recounts. Former Rep. Billy Bright has dropped his recount, but alleges fraud. Commissioner Hile is above. (HPR Photo by Brian A. Howey)



may contest the election that had State Rep. Dave Cheatham winning by 1,600 votes. Ramey told HPR last week that she was expressed concern that despite the current voter ID law, people voting absentee "don't have

to show ID."

The recount in HD15 between State Rep. Don Lehe and Newton County Sheriff Myron Sutton is expected to begin later this week. Lehe had a 24-vote lead.

Over the weekend, auditors finished reviewing votes in Marion County's House District 97. The board's total would give an 8-vote victory to Republican Jon Elrod over incumbent Democrat Ed Mahern, a result similar to the original count. Elrod had a 7-vote margin going into the recount. But hundreds of votes -- even entire precincts -- have been disputed in that race. ❖



Dems: A Gregg-orian chant?

By DAVE KITCHELL
Logansport Pharos-Tribune

LOGANSFORT - At the end of the front row in the Logansport City Council chambers, a svelte figure with a clean-shaven head in a business suite sat smiling last week as Indianapolis attorneys reminisced about one of their own, Frank McHale.

Like McHale, a former national Democratic Party official known for bringing President Harry Truman to Indiana on a whistle-stop tour in 1948, that figure has some notoriety in the party represented by a donkey. John Gregg, the former speaker of the Indiana House, is not the man he once was, figuratively and literally. He is 75 pounds lighter than he was when he served as the mustachioed speaker of the House. He has survived cancer. His oratory in Indianapolis has moved from the chamber behind the statue of Oliver P. Morton at the State House to radio studios where he has a show every Saturday morning on WIBC.

Gregg, who works with McHale's old law firm, Bingham McHale, may some day reappear on the political scene as a candidate. He had been mentioned as a possible candidate for the seat Brad Ellsworth just won in southern Indiana.

During his visit to Logansport for the presentation of a portrait of Frank McHale to the community, Gregg did not rule out being a candidate for lieutenant governor in 2008. But much of that decision is predicated on another decision, one Indianapolis Mayor Bart Peterson alone can make. "I would say our best candidate would be Bart Peterson, the mayor of Indianapolis," Gregg said when asked about candidates the Democrats could field to run against Mitch Daniels in 2008.

"He's got name recognition in central Indiana where 40 percent of the voters live and see the Indianapolis Star every day. He can raise money. He's had success in Indianapolis dealing with some really major issues. I think Bart would be the one who could best do it."

When asked if there were any potential candidates for lieutenant governor in Sanborn, the Knox County community where he lives, Gregg smiled. "There would be good candidates probably in northern Knox County, that

would be my guess," he said. "I could make him look no further to be candid. That's Bart's decision."

As he turned more serious, Gregg said Democrats have to strike a balance with the ticket for governor. Although he did not say it, that balance with Peterson at the top could include a candidate like Gregg who comes from rural Indiana yet has one of the most recognizable names in Indiana politics. Gregg said Democrats have to do a good job of slating candidates with a pro-gun, pro-life and pro-death penalty background. He said the example of Sen. Joe Lieberman of Connecticut winning as an independent is a good lesson for Indiana Democrats to remember.

Gregg said far right and left factions pulled support away from Lieberman, who lost the Democratic Primary, but won another term last month.

Democrats such as Ellsworth, who succeeds John Hostetler, have signed no-tax increase pledges. "I think the Democratic Party is doing a little bit better than the Republican Party of moving back to the middle," he said.

Gregg has been a familiar face at Jefferson-Jackson Day dinners in the past year. He estimated he has made 35 to 40 political appearances. He's done it in part because Democrats have few recognizable statewide names. Other than himself and former Secretary of State Joe Hogsett, there are few with the exception of Reps.

Julia Carson and Pete Visclosky, he said.

At 52, Gregg has a political resume, but no clear sign that he has a political future that involves an election. "When I ran, I said I'd never run for anything again. My daughter told me when you leave office voluntarily, people assume you're running for something," he said. "Everybody just segues that to 'you're running.' It's a lot of fun and with the party faithful out there, there is a lot of concern over Gov. Daniels. We've just got to see how that plays out."

In Indianapolis, Peterson ally Mike O'Connor of Bose Associates said Tuesday the balance with any party ticket will have to be more than geographic to appeal to voters. He acknowledged there are many question marks that have to be answered before the party begins lining up behind a 2008 ticket. "I guess what I think my sense of this is a lot of what happens next hinges on what and when Bart Peterson makes a decision. It's sort of based on the basis of everybody being in a hold pattern until he makes



Former House Speaker John Gregg with Rex Early at a Vincennes University event in 2005. (HPR Photo by Brian A. Howey)



a decision," O'Connor said.

Peterson faces a run for a third term next year. If he wins in November, he would face a potential primary race for governor the following May. But Peterson is not the only name being talked about when conversations about 2008 roll around. State Sen. Richard Young of Milltown, the minority leader, is a possible, along with Evansville Mayor Jonathan Weinzapfel. Then there is the Kathy Davis factor. The Harvard-educated first female lieutenant governor in Indiana history could still be in the mix. There are wild cards to consider. Former Rep. Lee Hamilton is probably a better fit for Washington than Indianapolis, but retiring Purdue President Martin Jischke also has been mentioned. Jischke's commitment to Purdue ends next year.

O'Connor sees many strengths for a Gregg candidacy. "I love John Gregg. I think John is a mile-a-minute guy. John Gregg would certainly be a very active candidate and would be very entertaining at the same time. I've known John personally for a long time. He's got a good grasp of the issues. John's probably in the same boat as everyone else. He's playing the wait-and-see game of what Bart Peterson does."

Meanwhile, as Republicans prepare their chants of "Four more years" for Daniels, the question more Democrats have to be thinking is whether there will be a Gregg-orian chant at their Jefferson-Jackson Day Dinners in 2008.

Peterson decision in January

O'Connor told HPR on Tuesday that Mayor Peterson is expected to make his political decisions known in January.

O'Connor said that Peterson will assume the presidency of the National League of Cities on Saturday.

Whether Peterson would seek a third term, O'Connor's stock answer has been and continues to be that he is "doing everything that needs to be done with regards of '07." But, he added, "I don't have a firm answer."

Peterson has been mum on several key public policy aspects, such as whether he would support or oppose Gov. Mitch Daniels' Commerce Connector outer loop from Pendleton to the Indianapolis International Airport. Some have expressed concern about that highway sucking economic vitality out of the capital city. Peterson is also watching the recount involving Warren Township Trustee Tom Marendt, one of the major obstacles in his drive to

consolidate city and township fire departments. Democrats made serious inroads in three formerly GOP stronghold townships, providing policy openings for future fire consolidations.

As for speculation on other potential candidates, O'Connor was skeptical that U.S. Rep.-Elect Baron Hill would be interested. "I have talked with him and Baron is really focused on becoming the best congressman he can be."

O'Connor noted that former Lt. Gov. Kathy Davis has "stayed active" and has been "doing some fundraising."

National Journal's take

Lou Jacobson of the National Journal rates Indiana as the fourth most likely state where the governorship can change hands. He rates Louisiana Gov. Kathleen Blanco, indicted Kentucky Gov. Ernie Fletcher, and an open North Carolina seat as more vulnerable. Here's Jacobson's assessment on Indiana: Daniels is in the doghouse for his lease of state toll roads, his closure of local motor vehicles offices and for wading into the question of time zones. "Hoosiers are just very resistant to change, and Gov. Daniels is a change agent," said one Indiana political observer.



Evansville Mayor Jonathan Weinzapfel kicks off his re-election campaign earlier this week. (Evansville Courier & Press Photo)

But some say that Daniels could replicate the success of California Gov. Arnold Schwarzenegger (R), who looked like a loser just a year before his easy re-election bid

this year. Daniels' policies are designed to boost the rust belt state's long-term growth prospects, and by November 2008, many of his initiatives may have created a sizable number of jobs, said Brian Howey, who publishes the **Howey Political Report**, a newsletter based in Indianapolis.

Moreover, the Democrats lack an obvious challenger, though Indianapolis Mayor Bart Peterson could clear the field if he got in. Other possible Democrats include former House Speaker John Gregg, State Sen. Vi Simpson, Senate Minority Leader Richard Young, former Lt. Gov. Kathy Davis and Evansville Mayor Jonathan Weinzapfel.

"With a Democratic House and a Republican Senate, gridlock is very possible," said one Indiana politico. "This is probably good for the governor — he can blast Democrats for standing in the way of progress, while he also enjoys the benefits of them protecting him from himself." ❖



A Hoosier focal point for the globalization debate

Daniels touts foreign direct investment; Congressional Democrats question impact

By **MARK SCHOEFF JR.**

WASHINGTON - Indiana may become a focal point of tension about globalization. On one side are political leaders who seek to take advantage of a flat world. On the other are those concerned about Hoosiers who have been flattened by global competition.

Gov. Mitch Daniels stakes much of his economic development strategy on Indiana's ability to secure foreign direct investment. One of his major achievements was landing a new \$550 million Honda manufacturing facility near Greensburg earlier this year.

The plant is projected to produce 200,000 vehicles annually and employ 2000 people. Indiana pledged more than \$140 million in tax breaks and infrastructure improvements to help attract Honda.

"New investment can go anywhere, and it's a big win when Honda picks Indiana, when Toyota picks Indiana, when Rolls Royce picks Indiana, when British Petroleum picks Indiana," Daniels said during a November media availability in Washington.

When an international consortium chose to pay \$3.8 billion to lease the Indiana Toll Road, however, Daniels faced stiff resistance.

He contends that it is misguided to turn away foreign investment. "It would be very ironic at a time when we are winning as we have not in recent memory if we were to say, 'You're foreign. You're alien. Take your dollars and jobs with you.' That's a formula for poverty," he said. "We can't put up a wall. We shouldn't tell people we want the world to go away. We need to get out in the world and win. I think we are."

Democratic trade misgivings

But the member of Congress who now represents the area where Honda is locating its plant has reservations about another aspect of trade--the agreements that the U.S. establishes with other countries.

Baron Hill, who regained the 9th CD seat by defeating Republican Rep. Mike Sodrel, used to be an ardent free trader. He was among the first Democrats in 2000 to endorse normal trading relations with China. Now, he

looks skeptically at trade agreements because he believes that the United States has failed to enforce trade rules. Hill, who has patched up his relations with organized labor, wants to include strong labor and environmental provisions in future pacts.

"I believe I was overzealous with a lot of these trade deals that were made," he told reporters in Washington in November. "I'm not going to just be an automatic vote (for trade). There are too many people who are being left out. We've got to be engaged, but we have to do a better job of putting this together."

Hill's new Democratic colleagues in the Indiana delegation--Brad Ellsworth (8th CD) and Joe Donnelly (2nd CD)-- share his trade misgivings. "I'm okay with fair trade," Ellsworth said in Washington in November. "We've got to keep as many good-paying jobs here in America as we can."

Donnelly, who represents a district that is home to many blue-collar manufacturing jobs in South Bend, Elkhart and Kokomo, blames an uneven global playing field in part for the woes that have beset Delphi Corp. "Our district has been hurt very badly by unfair trade," Donnelly said while in Washington last month. "What I believe in is fair trade."

Another Hoosier Democrat who has weighed in on the trade debate is Sen. Evan Bayh. Bayh, who attended several union rallies with Donnelly to stoke turnout, is a proponent of expanding trade adjustment assistance for workers and companies.

But Bayh also was sharply criticized by Washington Post columnist Sebastian Mallaby in October for writing

to colleagues to urge them to support the continuation of a steel tariff that Bayh argues shields domestic producers against dumping by foreign firms.

"This is not a policy that protects workers, as Bayh's letter pretended," Mallaby wrote. "It's a sell-out to a self-serving lobby. Bayh stands out because centrists like him have traditionally been pro-trade and because his sights are set on the White House. Presidential aspirants are supposed to champion the national interest, not special interests."

Helping those left behind

Despite the seeming divergence between enthusiastic globalization advocates like Daniels and Sen. Richard Lugar and skeptical Hoosier Democrats may be bridged in the new Congress.

"We move forward on trade, but we do it in



Gov. Daniels with Honda CEO Kondo in Greensburg last summer. (Photo courtesy of Gov. Daniels)



conjunction with policies that help workers adjust to the insecurities, to the variability, that comes with freer trade," said Lori Kletzer, professor of economics at the University of California Santa Cruz.

As the Bush administration seeks renewal this summer of trade promotion authority (TPA), Democrats may demand an increase in assistance to workers who suffer trade-related job losses. The promotion rule allows Congress only to vote up or down on a trade pact, not amend it.

Congressional failure to approve TPA would "send a bad signal to the world," Kletzer said. But she emphasized that it's legitimate for

Congress to seek ways to help those who are left behind. "We've become so simple minded about it that we call it protectionist," she said.



Congressmen-elect Joe Donnelly, Brad Ellsworth and Baron Hill differ with Gov. Daniels on trade issues. (HPR Photo by Brian A. Howey)

Kletzer said Americans would embrace a balanced approach. "Constituents understand there are benefits to trade but also costs," she said.

Daniels will continue to highlight the gains of global engagement--and be the chief salesman for Indiana in the world marketplace. "Every day that I'm in this job, that's what we're going to do," he said. "Every one of those (foreign) dollars is

going to hire a Hoosier." ❖



Two ways to look at Indiana

"It's about explaining the vagaries of Indiana to outsiders who can't comprehend that all change is considered bad by Hoosiers,"

- Ed Feigenbaum
Indiana Legislative Insight

"Change is good in this business,"

- Brian A. Howey
The Howey Political Report





John B. Judis, The New Republic- It's a mistake to put too much stock in what presidential candidates say--whether it is Franklin Roosevelt promising in 1932 to balance the budget or George H.W. Bush pledging in 1988 not to raise taxes. It's often more important to look at what they actually do. A case in point may be Indiana Senator Evan Bayh, who has already signaled his intention to run for the presidency in 2008. He served as chairman of the Democratic Leadership Council; helped found the New Democrat Coalition in the Senate, a caucus of self-described moderates; and serves as an honorary chair of another centrist group, the Third Way. But, in the last two years, Bayh, with his eye on the Democratic primary electorate, has been taking decidedly liberal stands. Bayh voted against the confirmation of Supreme Court Justices John Roberts and Samuel Alito Jr. What to think? One gauge of Bayh's conviction and character might be what he did on March 13, 2001. That day, the Senate was debating so-called "Bankruptcy Reform," a bill promoted by the credit card companies that made it much harder for consumers to escape debt by declaring bankruptcy. Congress had passed a version of the bill in 2000, but Bill Clinton had vetoed it. Now, with George W. Bush backing the bill and Republicans in control of both houses, it was heading toward a vote. Some Senate Democrats tried to introduce amendments that would benefit consumers. Diane Feinstein of California and Chris Dodd of Connecticut proposed amendments that would protect minors--particularly college students--against inordinate pressure from credit card companies. In 2001, Nellie Mae, the college loan agency, found, 83 percent of undergraduates had at least one credit card (up from 67 percent in 1998), and 47 percent of these had four or more cards. More than one fifth left school with debts between \$3,000 and \$7,000--and were therefore less able to pay back their college loans. Feinstein offered a very mild amendment to the bankruptcy bill. It capped the debt limit on credit cards for minors at \$2,500. Dodd's amendment was somewhat tougher. Companies could only sign up minors if their parents co-signed the credit card agreement or if the minors could prove financial independence or agreed to take a financial management course. Both amendments lost--Feinstein's by 55 to 42 and Dodd's by 58 to 41. The great majority of Democrats voted for these amendments, but not Bayh. He joined the credit card companies and the Republicans in opposing both. Why did he do it? Bayh didn't say during the debate, and he didn't issue a statement afterwards. The fact is that they were minor votes and probably ones that Bayh expected the greater public (but not the credit companies) to ignore. And there is an obvious explanation for why Bayh would take the credit card companies' side. In states like Indiana, Georgia, Ar-



kansas, Nebraska, Florida, and Montana, where there is not a powerful labor movement or a plethora of pro-Democratic organizations, and in Delaware, where many of the credit companies are based, Democrats often look to the credit card companies for campaign contributions. And the companies and their executives often oblige. The bankruptcy bill was their payoff. ❖

Matthew Tully, Indianapolis Star - The Indiana Democratic Party demonstrated once again this week why it is barely worth listening to. For years now, the state party organization has stood for little more than trashing Gov. Mitch Daniels. Rather than adding even a shred of meaningful discussion to the day's debates, the party relies on talking points to scare, exaggerate and divide. The Democrats showed as much Wednesday, sending a pointless and mean-spirited news release minutes after Daniels announced his plan to privatize welfare services. "Greed is not a moral value," read the headline of the release, which made sure to highlight that word, "greed," because it fits into the party's longstanding effort to portray Daniels as a mean, corporate rich guy. The governor, the cliched news release added, is "helping his buddies make money" and doesn't care about "our neediest citizens." The release ignored previous welfare privatization steps taken by Democrats and once again made clear the party will add a dose of partisanship to any debate it can. Believe me, there are valid reasons to criticize Daniels. I spent a recent column, for instance, condemning his questionable suburban toll road plan, and rarely has a politician sold his policies so poorly or responded to fair criticism with more "I'm the smartest guy in the room" prickliness. And, yes, party organizations exist for one reason: to score political points. But after a long year of nasty campaign sniping, by both sides, couldn't the Democrats play nice for just a few weeks? Couldn't they try to be a serious player in policy debates? Apparently not. Day after day, the Indiana Democratic Party lobs knee-jerk personal attacks at Daniels. Democratic Party staffers, who are actually a likeable and bright crew, have such disdain for Daniels that he could propose a third weekend day and they'd say he was creating 24 more hours for his "corporate cronies" to count their cash. Continuing its attack this week, the party slammed Daniels for recently saying, "If we're going to have real economic progress . . . we're going to have to have America's strongest, most vibrant private sector making profits." Yes, the Democrats actually took time to criticize Daniels for daring to hope U.S. companies make a profit. Show of hands: How many people don't want their own employers -- or the companies in their 401(k) plans -- to make a profit? The Democratic Party has become a boy-who-cried-wolf organization, screaming about everything Daniels does. ❖



Tribune urges Obama to run for president

CHICAGO - An editorial in the **Chicago Tribune** argued that Illinois Sen. Barack Obama (D) should run for president in 2008. The Tribune related, "When a leader evokes the enthusiasm that Obama does, he should recognize that he has something special to offer, not in 2012 or 2016, but right now. ... No one else has shown a comparable talent for appealing to the centrist instincts of the American people -- instincts that often go unsatisfied as each party labors to rally its most uncompromising factions. His magnetic style and optimism would draw many disenchanted Americans back into the political process. He and the nation have little to lose and much to gain from his candidacy."



Bayh to travel to New Hampshire

MANCHESTER, N.H. – The Manchester (NH) Union Leader notes, Indiana Sen. Evan Bayh, the self-proclaimed "David" among Goliaths, will try to get a sliver of the spotlight this weekend with a reception for his All-America PAC in Manchester on Saturday, then Sunday receptions at the homes of Sens. Molly Kelly and Peter Burling."

Report targets more state jobs; 70 get pink slips

WOODBURN - Possibly privatizing license branches, consolidating National Guard armories and state police posts and eliminating some programs were among the sweeping recommendations in a report Gov. Mitch Daniels' administration issued this week (Corbin, **Evansville Courier & Press**). The 56-page report

includes some proposals the governor could order administratively, others that would require a change in state law by the Legislature, and still others that would need both. Entitled "PROBE" or "Program Results: An Outcome-Based Evaluation," the efficiency report was ordered by the Legislature almost two years ago. It was posted Tuesday on the Web site of the state Office of Management and Budget, or OMB. One of its dozens of recommendations already has become reality: About 70 state government employees who handle printing, copying and mail services for the Department of Administration and other agencies were notified Tuesday that their jobs are being eliminated. They can be offered jobs with a private vendor, or, in a process called "competitive sourcing," groups of employees can bid against a private vendor for the contract to provide the same services, the notification said. State Sen. Lindel Hume, D-Princeton, said some of the recommendations may make sense and the Legislature ought to look at them. But some such as consolidating National Guard armories could face strong public opposition, he predicted.

28 counties miss tax reporting deadline

INDIANAPOLIS -Nearly a third of Indiana's counties – including Allen – missed a deadline to supply property information to the state, which could delay next year's property tax bills (Fort Wayne Journal Gazette). To encourage compliance, the state has threatened to withhold tax revenues from the tardy counties. In northeast Indiana, Steuben, Noble and Kosciusko counties also received the letters about missing the deadline. Melissa Henson, commissioner of the Department of Local Government Finance, sent a letter last week to 28 county assessors saying she was concerned that the information has not been submitted from each of the counties despite the fact it was due in the summer.

Hoosier soldiers question Iraq pullout

FORT WAYNE - Local soldiers say they eventually want troops out of Iraq, but that pulling them out too fast won't work (**Fort Wayne Journal Gazette**). Their remarks were in reaction to a bluntly worded Washington report released Wednesday that, among other suggestions, urges a drastic realignment of troops in Iraq. The announcement came as Fort Wayne resident Army Sgt. Anthony Garcia was training at Hunter Army Airfield near Savannah, Ga., to be deployed overseas. The 22-year-old Snider High School graduate said he supports the idea of pulling troops out of Iraq but only at the right time. "It's good we finally have a timeline to get out of the Middle East, but I don't know if we should be leaving if they're not prepared to take care of themselves," he said by phone from Savannah. "I think we should be out of there, but to do it just because some people aren't happy is stupid." Garcia will deploy in February and expects to be gone for about a year. "How are you going to hand over the country?" asked Army Reserve Sgt. Zack Hakey, 21. "Are you going to say, 'Tough luck, have a good time?'"

Legislators warn Lake County about tax breaks

CROWN POINT - Lake County legislators are warning of layoffs of teachers, police, firefighters and other public servants if the state fails to withdraw tax breaks promised to area landlords and businesses (**Times of Northwest Indiana**). Lake County legislators are warning of layoffs of teachers, police, firefighters and other public servants if the state fails to withdraw tax breaks promised to area landlords and businesses. "Its just devastating, said Rep. Chet Dobis, D-Merrillville, the senior member of the Northwest Indiana legislative delegation. ❖