



Lugar moves Iraq center of gravity

Voinovich follows; Reid, Warner call it 'harbinger'

By BRIAN A. HOWEY in Indianapolis
Hours before socialite Paris Hilton was released from jail, U.S. Sen. Richard Lugar took to the U.S. Senate floor to "offer observations" on the Iraq War that would end up rocking Washington, if not America and the Middle East.

Lugar spent the next 45 minutes detailing his angst over the flagging surge and how it jeopardizes U.S. stature in the Middle East and the world. He rejected a total withdrawal from Iraq, but said it has become apparent that "Iraqis don't want to be Iraqis." He urged a "Plan B" that would provide a path toward maintaining U.S. interests in the region - including energy self-sufficiency at home - before the entire process is short-circuited by the 2008 elections.

While CNN congressional correspondent Dana Bush predicted it could open the way for wavering GOP senators too timid to break with President Bush, the story barely nudged the Hilton paparazzi orgy on the Tuesday network morning TV news



Sen. Lugar delivered a landmark speech on Iraq from the Senate Floor on Monday, the day after one Indiana soldier was killed in Iraq, and a second was buried in Hope, Ind. (Senate photo)

shows and was overtaken by them mid-day Tuesday. Even then, the coverage was more along the lines of Lugar crossing Bush, as opposed to the broader, thought-provoking perspective Lugar provided. All this occurred on the kind of bizarre day that in the future could be described as a turning point for an empire in consternation. Prior to Lugar's speech and Hilton's release, 50 high school students penned and delivered a letter to President Bush pleading with him to reject torture. It came during an intense debate in the White House over the future of Guantanamo Bay prison holding terrorists. And, there was the truly kooky story of Vice President Cheney asserting

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What are Bayh's veep odds?

By CHRIS SAUTTER

WASHINGTON - With Hillary Clinton running an almost flawless race, some advisors to Sen. Evan Bayh are urging him to endorse the New York Senator's campaign for President

now. Clinton is known to value and reward loyalty and the thinking is that Bayh will enhance his chances of landing in the number two spot with Clinton on the Democratic ticket with an early endorsement.

Bayh is almost certain to end up on the short-list of whichever candidate wins the Democratic nomination, whether it is Clinton, Obama, Edwards, or someone else. But the competition for making it to the



Chris Sautter Column



"I think he sees us careening off a cliff here."

- Senate Foreign Relations Chairman Joe Biden, saying Lugar's views on the Iraq surge have been "long held."



ticket is sure to be keen. In addition to Bayh, the names most often mentioned are Sen. Barack Obama (if he falls short in his bid to win the nomination), New Mexico Gov. Bill Richardson (also running for the top spot), former Iowa Gov. Tom Vilsack (who dropped out of the race), and former Virginia Gov. Mark Warner (who opted out before running). Other names mentioned less frequently include Sen. Bill Nelson of Florida, Gov. Ed Rendell of Pennsylvania, Gov. Janet Napolitano of Arizona, and Gov. Brian Schweitzer of Montana. Few believe that John Edwards, the 2004 Vice Presidential nominee, or Hillary Clinton will end up in the 2nd spot on the ticket.

As a former Governor and U.S. Senator with substantial foreign policy expertise, Bayh arguably has the strongest resume. The former chair of the Democratic Leadership Council is articulate, telegenic, and projects a soothing centrist image. It doesn't hurt his chances that he is sitting on a campaign war chest in excess of \$10 million which could be used in a presidential campaign. But realistically what are Bayh's chances to be chosen by the Democratic Party's standard bearer?

While over the course of American history the vice presidential selection process has produced some unpredictable, even unfortunate choices, basic unwritten rules have emerged. The primary rule, the Hippocratic Oath for choosing a running mate is "First do no harm." Undoubtedly the best way to avoid harm is to choose someone who is not only "presidential," but also someone who has already been vetted on the national stage. Tom Eagleton, the well-respected Missouri senator whom George McGovern initially chose in 1972 seemed like a safe choice. But the election was all but over when it became known that Eagleton had concealed the fact he had undergone electric-shock treatments. On the other hand, failing to avoid harm will not necessarily sink a presidential campaign. Neither Spiro Agnew nor Dan Quayle, both considered weak choices that created public relations problems for their campaigns, prevented their respective tickets from winning the election.

The second rule for picking a

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Vice President is to try to find a running mate who can help the ticket win. The overwhelming majority of voters do not vote on the basis of the Vice Presidential candidate. Yet, John F. Kennedy would not have been elected president had Lyndon Johnson not been on the ticket to help him barely carry Texas. John Kerry chose John Edwards, in part, with the hope that he might help the ticket carry North Carolina. In the end, however, Edwards was not able to help put North Carolina in play.

Third, the nominee should seek balance for the ticket—balance in geography, ideology, and experience. Thus, Ronald Reagan the California conservative without foreign policy experience chose George Bush the moderate from Texas by-way of Connecticut who had more foreign policy experience than any other Vice President in recent times.

Finally, the nominee should try to make a selection which creates a degree of excitement and interest in the ticket. The best example of this in recent times is Bill Clinton who signaled generational change by picking Al Gore. The ticket which was showcased immediately on a bus trip through America's heartland and generated excitement that literally lasted until Election Day. In 2000, Al Gore tapped Connecticut Sen. Joe Lieberman because he thought it was an "out-of-the-box" decision that might help him carry Florida, where there is a large Jewish population. But Lieberman's poor performances debating Dick Cheney and then during the Florida Presidential Recount make that

decision a questionable one in retrospect.

Evan Bayh clearly meets two of the four criteria. He is probably the most presidential, and maybe the most qualified of any of the possible VP candidates. His presidential run gives him considerable experience on the national stage. And, as a Midwestern moderate, he would provide a good balance to Clinton. But it is doubtful whether Bayh could deliver Indiana, a state which has not voted Democratic since the LBJ landslide of 1964. And, there are those who question whether Bayh would add excitement to the ticket, one of the reasons why his presidential campaign never took off.

Reportedly, Clinton and Bayh get along well and personal chemistry counts. But if Clinton is nominated, there will be considerable pressure to unite the party by nominating the runner-up, assuming Barack Obama continues his strong showing. The prospect of a Clinton-Obama "dream ticket" generates both enthusiasm and trepidation among party faithful. Bill Richardson also has an extremely strong resume, but his campaign so far has only served to reinforce his reputation for being undisciplined. Both Tom Vilsack and Mark Warner could probably help the ticket win their home states, but neither quite measure up to being presidential. All of which may make Evan Bayh both the strongest and safest choice for VP in 2008. ❖

Sautter is a Democratic political consultant based in Washington.



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that he was actually part of the legislative branch and not restrained by executive privilege.

Should America find itself a flagging, second rate power in 2050, after one disastrous decision (i.e. the Iraq War) followed by compounding poor ones, June 25, 2007, could be one of the red letter dates kicking off the cascade.

Lugar edges Warner for 'breaking news'?

CNN, MSNBC and Fox all gave Lugar's Senate floor speech "Breaking News" status. CNN compared it to Sen. Robert F. Kennedy breaking with President Johnson on the Vietnam War. Commentators like David Gergen said it could have disastrous implications for President Bush.

A Lugar aide told CNN that in January, during a meeting with Bush and Virginia Republican Sen. John Warner, Lugar privately expressed his doubts about the troop buildup, but he had not gone public with his misgivings until Monday. Senate Minority Leader Mitch McConnell appears to have urged Lugar to give this long-in-the-making speech. U.S. Sen. Joe Biden said on Tuesday that Lugar's views on the surge have been "long held."

Biden said, "I think he sees us careening off a cliff here." He called Lugar's speech "a watershed." Biden said Bush's surge strategy "is an absolute, abject failure." Senate Majority Leader Harry Reid said on the Senate floor, "I believe Sen. Lugar's words will be a turning point."

On Tuesday, Sen. George Voinovich sent a letter to Bush saying he would follow Lugar, calling for a "Plan E" for exit. U.S. Sen. Evan Bayh told the Fort Wayne Journal Gazette, "He is right. President Bush's strategy is not working. Democrats and Republicans need to come together to chart a course that treats what's happening on the ground with a far greater sense of urgency."

By Tuesday night, NBC Nightly News was describing the Lugar speech as a "turning point" and ABC called it "a tipping point."

Longtime Washington hand David Gergen noted that "the center of gravity has moved" and added, "this makes it all but inevitable we'll be moving to a Plan B."

Presidential historian Michael Beschloss told NBC, "This is big trouble for the president." He compared it to RFK splitting with LBJ. "Bobby Kennedy's speech was about divisions in the Democratic party. Richard Lugar's speech does essentially the same thing."

On Friday, Lt. Gen. Raymond Odierno, the second ranking American commander in Iraq, told the New York



HPR will cover Lugar-Nunn trip to Russia in August

INDIANAPOLIS - HPR Publisher Brian A. Howey will join U.S. Sen. Richard Lugar and former Sen. Sam Nunn on a week-long visit to Russia as they observe the 15th anniversary of the Nunn-Lugar Act.



The tour will include a Nunn, Lugar meeting with Russian President Putin; a tour of the Russian nuclear facility at Luch; Chemical Weapons Destruction

Facility at Shchuchye; Submarine Missile Dismantlement Facility at Miass; and the Fissile Material Storage Facility at Mayak. Mayak is described in the new book "The Atomic Bazaar: The Rise of the Nuclear Poor" by William Langewiesche.

HPR will be the only Indiana press traveling with the Nunn-Lugar delegation. It will arrive in Moscow on Aug. 27 and depart for London on Sept. 1. Exclusive coverage of the tour will be published in HPR and Indianapolis Monthly Magazine. ❖

Tmes, "Frankly, I think they knew an operation was coming in Baquba. They watched the news. They understood the surge. I think they were tipped off by us talking about the surge, the fact that we have a problem in Diyala Province."

With a September "snapshot" report from Gen. David Petraeus a little more than two months away, Odierno's statement on the squandered Baquba mission was stunning. The surge is fully staffed, but there is little time for loose lips to be compromising major operations against al Qaeda in Mesopotamia.

In Sunday's **New York Times**, columnist Frank Rich quoted Gen. William Odom, a senior fellow at the Hudson Institute, as saying "when a senior senator from the president's party says no" the endgame will start. Rich predicted that "eyes will turn to" Warner. On Tuesday, Warner called Lugar's remarks "a harbinger for change in Iraq."

Rich also predicted that the Bush administration would use the sixth anniversary of Sept. 11 attacks to propagate the extension of the surge, similar to how it used the first anniversary in 2002 to build the case for invading Iraq (i.e. Condi Rice: "We don't want the smoking gun to be a mushroom cloud").



The White House contacted Lugar on Tuesday. "We take seriously his point of view because he is a serious guy," spokesman Tony Snow said. "On the other hand, we also take seriously the efforts and the advice that the president has gotten from his commanders on the ground and also the continuing cooperation not only with the commanders on the ground but also Ambassador (Ryan) Crocker and working with our colleagues in the Iraqi government."

Lugar's 45-minute speech

Lugar may have pre-empted Warner on Monday. "In my judgment, our course in Iraq has lost contact with our vital national security interests in the Middle East and beyond," Lugar said. "Our continuing absorption with military activities in Iraq is limiting our diplomatic assertiveness there and elsewhere in the world. The prospects that the current 'surge' strategy will succeed in the way originally envisioned by the President are very limited within the short period framed by our own domestic political debate."

Lugar said the current political climate brings the U.S. to the risk of a poor withdrawal. "The strident, polarized nature of that debate increases the risk that our involvement in Iraq will end in a poorly planned withdrawal that undercuts our vital interests in the Middle East," Lugar said. "Unless we recalibrate our strategy in Iraq to fit our domestic political conditions and the broader needs of U.S. national security, we risk foreign policy failures that could greatly diminish our influence in the region and the world."

Lugar explained, "The current debate on Iraq in Washington has not been conducive to a thoughtful revision of our Iraq policy. Our debate is being driven by partisan political calculations and understandable fatigue with bad news -- including deaths and injuries to Americans. We have been debating and voting on whether to fund American troops in Iraq and whether to place conditions on such funding. We have contemplated in great detail whether Iraqi success in achieving certain benchmarks should determine whether funding is approved or whether a withdrawal should commence. I would observe that none of this debate addresses our vital interests any more than they are addressed by an unquestioned devotion to an ill-defined strategy of 'staying the course' in Iraq."

Speaking to "my fellow Senators," Lugar contended that the "President is not the only American leader who will have to make adjustments to his or her thinking. Each of us should take a step back from the sloganeering rhetoric and political opportunism that has sometimes characterized this debate. The task of securing U.S. interests in the Middle East will be extremely difficult if Iraq policy is formu-

lated on a partisan basis, with the protagonists on both sides ignoring the complexities at the core of our situation."

Lugar said that the U.S. still has "viable options that could strengthen our position in the Middle East." But he said that seizing those options "will require the President to downsize the U.S. military's role in Iraq and place much more emphasis on diplomatic and economic options. It will also require members of Congress to be receptive to overtures by the President to construct a new policy outside the binary choice of surge versus withdrawal. We don't owe the President our unquestioning agreement, but we do owe him and the American people our constructive engagement."

Three points on Iraq

Lugar laid out three perspectives on Iraq.

1. It is very doubtful that the leaders of Iraqi factions are capable of implementing a political settlement in the short run. He noted that the Iraqi Parliament can barely achieve a quorum and that Prime Minister Maliki and Vice President Tariq al-Hashimi, have feuded and did not speak to each other for the entire month of April.

"Even if U.S. negotiators found a way to forge a political settlement among selected representatives of the major sectarian factions, these leaders have not shown the ability to control their members at the local level," Lugar said. "As David Brooks recently observed in the New York Times, the fragmentation in Iraq has become so prevalent that Iraq may not even be able to carry out a traditional civil war among cohesive factions. Few Iraqis have demonstrated that they want to be Iraqis."

"American strategy must adjust to the reality that sectarian factionalism will not abate anytime soon and probably cannot be controlled from the top," Lugar said.

2. The fatigue of our military. Lugar said, "The window during which we can continue to employ American troops in Iraqi neighborhoods without damaging our military strength or our ability to respond to other national security priorities is closing."

Lugar talked of swearing in 66 recruits at the Indianapolis 500 on May 27. "I heard personal stories of the 70-hour work weeks put in by recruiters to meet recruiting goals," Lugar reported. "The swearing-in ceremony was preceded by a briefing from Army officials here in Washington who assured me that we are fielding the best equipped, best trained, and most capable force we have ever had. Yet, they also reported that the Army has exhausted its bench. Instead of resting and training for 3 to 12 months, brigades coming out of the field must now be ready almost immediately for redeployment."

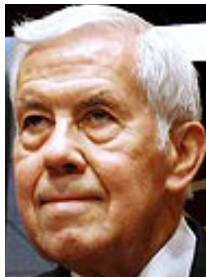
Lugar said that filling expanding ranks will be increasingly difficult given trends in attitudes toward military





service. This has been measured by the Joint Advertising Market Research and Studies Program, which produced a **Propensity Update** last September after extensive research. The study found that only 1 in 10 youths has a propensity to serve, the lowest percentage in the history of such surveys. Sixty-one percent of youth respondents report that they will "definitely not serve." This represents a 7 percent increase in less than a year. These numbers are directly attributable to policies in Iraq.

3. The 2008 elections will inhibit the ability to establish a stable, multi-sectarian government in Iraq. Lugar said, "The President and some of his advisers may be tempted to pursue the surge strategy to the end of his administration, but such a course contains extreme risks for U.S. national security. It would require the President to fight a political rear-guard holding action for more than a year and a half against Congressional attempts to limit, modify, or end military operations in Iraq. The resulting contentiousness would make cooperation on national security issues nearly impossible. It would greatly increase the chances for a poorly planned withdrawal from Iraq or possibly the broader Middle East region that could damage U.S. interests for decades."



Lugar continued: "We do not know whether the next president will be a Democrat or a Republican. But it is certain that domestic pressure for withdrawal will continue to be intense. A course change should happen now, while there is still some possibility of constructing a sustainable bipartisan strategy in Iraq. If the President waits until the presidential election campaign is in full swing, the intensity of confrontation on Iraq is likely to limit U.S. options. In short, our political timeline will not support a rational course adjustment in Iraq, unless such an adjustment is initiated very soon."

Middle East

Lugar attempted to cast a broader view of the Middle East region and its importance to U.S. security. "We have been heavily involved in the region because we have enduring vital interests at stake," Lugar explained. "We may make tactical decisions about the deployment or withdrawal of forces in Iraq, but we must plan for a strong strategic position in the region for years to come. The vitality of the U.S. economy and the economies of much of the world depend on the oil that comes from the Persian Gulf. The safety of the United States depends on how we react to nuclear proliferation in the region and how we combat terrorist cells and ideologies that reside there."

Lugar said that risk for decision makers is that "we begin to see Iraq as a set piece -- as an end in itself, distinct from the broader interests that we meant to protect.

We risk becoming fixated on artificial notions of achieving victory or avoiding defeat, when these ill-defined concepts have little relevance to our operations in Iraq. What is important is not the precise configuration of the Iraqi government or the achievement of specific benchmarks, but rather how Iraq impacts our geostrategic situation in the Middle East and beyond."

Lugar said that nations throughout the Middle East are scrambling to find their footing as regional power balances shift in unpredictable ways. "To determine our future course, we should separate our emotions and frustrations about Iraq from a sober assessment of our fundamental national security goals. In my judgment, we should be concerned with four primary objectives:

1. We have an interest in preventing Iraq or any piece of its territory from being used as a safe haven or training ground for terrorists or as a repository or assembly point for weapons of mass destruction.

2. We have an interest in preventing the disorder and sectarian violence in Iraq from upsetting wider regional stability.

The consequences of turmoil that draws neighboring states into a regional war could be grave. Such turmoil could topple friendly governments, expand destabilizing refugee flows, close the Persian Gulf to shipping, or destroy key oil production or transportation facilities, thus diminishing the flow of oil from the region with disastrous results for the world economy.

3. We have an interest in preventing Iranian domination of the region. An aggressive Iran would pose serious challenges for Saudi Arabia, Jordan, Egypt, and other Arab governments. Any course we adopt should consider how it would impact the regional influence of Iran.

4. We have an interest in limiting the loss of U.S. credibility in the region and throughout the world as a result of our Iraq mission. Some loss of confidence in the United States has already occurred, but our subsequent actions in Iraq may determine how we are viewed for a generation."

'The surge is not effective'

Lugar said, "The current surge strategy is not an effective means of protecting these interests. Its prospects for success are too dependent on the actions of others who do not share our agenda. It lacks domestic support that is necessary to sustain a policy of this type."

Lugar said that a "total withdrawal from Iraq also fails to meet our security interests. Such a withdrawal would compound the risks of a wider regional conflict stimulated by Sunni-Shia tensions. It would also be a severe blow to U.S. credibility that would make nations in



the region far less likely to cooperate with us on shared interests. It would increase the potential for armed conflict between Turkey and Kurdish forces in Iraq. It would expose Iraqis who have worked with us to retribution, increase the chances of destabilizing refugee flows, and undercut many economic and development projects currently underway in Iraq. It would also be a signal that the United States was abandoning efforts to prevent Iraqi territory from being used as a terrorist base."

Shifting military posture

Lugar said that during the Iraq War, "The United States has violated some basic national security precepts during our military engagement in Iraq. We have overestimated what the military can achieve, we have set goals that are unrealistic, and we have inadequately factored in the broader regional consequences of our actions. Perhaps most critically, our focus on Iraq has diverted us from opportunities to change the world in directions that strengthen our national security."

He said that while he did not agree with every recommendation of the Iraq Study Group, "the report provides a useful starting point for the development of a 'Plan B' and a template for bipartisan cooperation on our Iraq strategy. In 2003, we witnessed the costs that came with insufficient planning for the aftermath of the Iraq invasion. It is absolutely essential that we not repeat the same mistake. The longer we delay the planning for a re-deployment, the less likely it is to be successful."

Connecting the fuel dot

Lugar also made the connection to America's dependence on Persian Gulf oil, a situation unchanged during the "Oil Presidency" of Bush-Cheney.

"Many options exist for rapid progress in reducing our Persian Gulf oil dependence, but I would emphasize two," Lugar said. "President Bush or his successor could establish the national goal of making competitively priced biofuels available to every motorist in America. Such an accomplishment would transform our transportation sector and cut our oil import bill. It would require multiple elements, including ensuring that virtually every new car sold in America is a flexible fuel vehicle capable of running on an 85 percent ethanol fuel known as E-85; that at least a quarter of American filling stations have E-85 pumps; and that ethanol production from various sources is expanded to as much as 100 billion gallons a year within the next 15 to 20 years. Such a campaign could achieve the replacement of 6.5 million barrels of oil per day by volume -- the rough equivalent of one third of the oil used in America and one half of our current oil imports."

Lugar said the president could commit to a radi-

cal increase in the miles per gallon of America's auto fleet. "The federal government has numerous tools to make this happen, from direct federal support for research, to government fleet purchasing, to market regulations and incentives," Lugar said. "Incredibly, cars in America today get less mileage per gallon than they did 20 years ago. Meanwhile, hybrids, plug-in hybrids, and fully electric cars are at or nearly at commercialization, yet there is not enough incentive for consumers to buy them or producers to make them on the mass scale necessary. For fiscal year 2008, the administration requested just \$176 million for new vehicle technology research, an amount that was less than what was requested five years ago. "

Earlier this month, the Indianapolis Business Journal reported that Symphony Motors would begin producing an electric car in Carmel.

Lugar's position on CAFE standards found dissent in his own party, with U.S. Rep. Mark Souder, R-Fort Wayne, predicting that they could "devastate" the Northern Indiana auto, boat and RV manufacturing.

A quiet, tree-lined cemetery in Hope, Ind.

On Sunday, the day before Lugar's speech, Sgt. Michael A. Bechert, a U.S. soldier fatally wounded in Iraq, was laid to rest in a quiet, tree-lined spot in Hope Moravian Cemetery next to his mother's grave.



That same day, Army Spec. Carter A. Gamble Jr., 24, of Brownstown (pictured, left) died in Duraiya, Iraq, from wounds he suffered from enemy small-arms fire. He was the 87th Hoosier to die in Iraq since February 2003.

The truly amazing elements about this war is the detachment of the American people. They are frustrated by \$3 a gallon gas. They don't like the war. They will line the streets in small towns when the bodies return from Iraq to be buried. But you don't hear many complaints on conservative talk radio about losing a war.

We are losing this war due to incompetence. Hoosier Republicans still rally around Bush and Cheney, unwilling to learn the lessons of retribution in 2006 elections. In 2008, Republicans may be in for a devastating second lesson at the ballot box, even though there is little protest on the street.

Lugar appears to understand this, even though he is late in articulating the dangers that fly in the desert whirlwind. ❖



A property tax crisis calling for police protection

By **BRIAN A. HOWEY**

INDIANAPOLIS - By this time Monday, there will likely be a full-blown property tax meltdown in Marion County.

It is expected to be so bad that the Indianapolis Star reported that at least three township assessors have called for police protection next week after tax bills go out over the next several days.

Marion County Treasurer Mike Rodman told Indianapolis Star columnist Matt Tully, "I was dumbfounded," about his first look at the coming tax bills. He also used words such as "ugly" and "painful." Tully wrote that his taxes will be going up 68 percent.

That's before Indianapolis Mayor Bart Peterson will have a press conference at 12:30 p.m. today to announce an income tax increase. He hasn't hinted at how big that will be, but it will cover \$80 million in public safety costs.

But it isn't just Marion County.

Jefferson County Assessor Margaret Hoffman wants homeowners to understand their statement before taking their anger out on workers in the courthouse, according to the **Madison Courier**.

"I know the first reaction will be 'what the hell did you do to me?'" Hoffman said. "But homeowners need to be educated and know what (taxpayer's) assessed value is." To lessen the financial blow, taxpayers are being asked to research the value of their house. "They need to get a grip on what they can sell their house for. "

Allen County taxpayers will pay an average 12.4 percent more in taxes this year, but Aboite residents recently annexed into Fort Wayne can expect a larger bump with a 57 percent increase (**Fort Wayne Journal Gazette**). Auditor Lisa Blosser on Tuesday provided the 2007 tax rates to The Journal Gazette. Property owners will receive less property tax relief from the state this year, which was the chief culprit behind the higher tax bills for most residents, she said.

The Evansville Courier & Press reported that Warrick County was expecting increases.

The various county associations are currently working out how the \$300 million rebate the Indiana General Assembly passed last spring. Dan Novreske of the Senate Majority Staff told HPR this morning that it looks like the state will pay counties proportionate amounts, and then the counties will pay taxpayers proportionate amounts of their tax bills via a homestead tax.

Novreske said the payments will go to the taxpayer who received the bill, and not into mortgage escrow accounts. ❖

2008 Indiana Governor

Governor 2008: Republican: Gov. Mitch Daniels. Democrat: Senate Minority Leader Richard Young, Jim Schellinger, Jill Long Thompson. **1996 Results:** O'Bannon (D) 1,075,342, Goldsmith (R) 997,505, Dillon (L) 35,261. **2000 Results:** O'Bannon (D) 1,230,345,



McIntosh (R) 906,492, Horn- ing (L) 38,686. **2004 Results:** Daniels (R) 1,302,912, Ker- nan (D) 1,113,900, Gividen (L) 31,644. **2008 Forecast:** The three Democratic candidates will make a joint appearance at the

HPR Forum on Oct. 23 in Indianapolis. It appears to be the first such event outside of Democratic organizations on the schedule. Full details will be announced in July.

Schellinger (pictured) has earned the unanimous endorse- ment of the Executive Board of the American Federation of State, County, and Municipal Employees Council 62. The 14-member AFSCME board met with the three potential Demo- cratic candidates on Saturday before making their decision. "I am incredibly grateful for the trust and confidence of the hardworking men and women of AFSCME," Schellinger said.



"Public employees across Indiana

deserve leadership that will listen to their concerns and work with them to make state government responsive to the needs of all Hoosiers." Schellinger's campaign is beginning to list its \$10k supplements. The biggest include Bren Simon, \$200,000; UAW Region III, \$50,000; Wood- row Myers, \$25,000; George Buskirk, \$25,000; Michael Gouloff \$25,000; Brian Sullivan, \$25,000; Daniel Mori- arty, \$15,000; Alan R. Tucker, \$10,000, Richard Pflieger, \$10,000; Ralph Wagel, \$10,000. **Young's** campaign has received one \$10k supplemental, at \$20,000. **Gov. Dan- iels** begins a vacation to his West Virginia vacation home at the end of this week. Last week, Daniels was critical of a \$10 tax on motorcycle plates to pay for brain and spinal cord trauma research. He was blasted by State Rep. Car- olene Mays, who said he should "be embarrassed" when he said he didn't know it was in the budget bill. Mays outlined the process the bill took. It was a subject of both an HPR story last March and a Howey column. Sounds to us like the governor was trying to save face among his buddies in ABATE, who were sharply critical of the tax increase. **Democratic Primary Status:** TOSSUP. **General Status:** Leans Daniels. ❖



2007 Mayoral

Fort Wayne: Republican: Matthew Kelty. Democrat: Tom Henry. **2003 Results:** Richard (D) 27,251, Buskirk (R) 19,701. **2007 Forecast:**



Saying there was enough information to warrant a review, Allen County Prosecutor Karen Richards on Thursday appointed a special prosecutor to examine whether Republican mayoral nominee Matt Kelty properly reported \$158,000 in loans to his campaign

(Lanka, Fort Wayne Journal Gazette). The announcement of a special prosecutor came just 24 hours after Richards received a complaint from a statewide non-partisan group. The complaint came from Common Cause of Indiana, which says it tries to provide a way for people to be heard in the political process and to hold elected officials accountable. The complaint was e-mailed to Richards' office a day after the Allen County Election Board ruled 2-1 in a party-line vote Tuesday that Kelty's loans were properly recorded in his campaign reports. Thursday afternoon, Richards said Daniel Sigler was appointed a special prosecutor by the Allen Superior Court. Sigler, a Democrat, was the Adams County prosecutor for 20 years. He now is a senior prosecutor in Whitley County, where he also works for his private practice, Bloom Gates Sigler & Whiteleather. Richards said she asked Sigler to become involved because he is a great lawyer with integrity and has a background investigating campaign finance complaints. In July 1985, Sigler was special prosecutor to investigate then-Fort Wayne Mayor Win Moses Jr. for how he supported a Republican sheriff candidate. Kelty said he was pleased to hear Richards had appointed a special prosecutor to look at the issue because it will only further clear his name. "I'm confident the prosecutor will look at this and arrive at the same conclusion, and I hope they do so quickly," Kelty said. Nick Hess, the chairman of Indiana Common Cause, filed the complaint with the prosecutor because the election board ruling could allow candidates across Indiana to take campaign money without revealing its source. "We see this as a huge loophole that threatens the basics of campaign finance reporting in the state of Indiana," Hess said.

Status: LEANS HENRY

2008 Congressional

Congressional District 5: Republican: U.S. Rep. Dan Burton, Dr. John McGoff. Democrat: Open. **Geography:** Fort Wayne, Goshen; Kosciusko, Whitley, LaGrange, Steuben, DeKalb and parts of Elkhart and Allen

counties. **Media Market:** Indianapolis, South Bend, Fort Wayne. **2008 Forecast:** Rep. Burton is getting some terrible press for paying family members with campaign funds. The **Marion Chronicle-Tribune** editorialized: There is conflict of interest, and then there is the appearance of a conflict of interest. Paying your daughter for campaign work on a regular basis in the amounts documented is certainly an apparent conflict of interest and should be avoided. This is more disturbing coming on the heels of Burton's celebrated trek to Palm Springs, Calif., for a celebrity golf tournament instead of taking care of the people's business in Washington this past January. He missed 27 percent of House roll call votes that month. This revelation continues to paint a picture of arrogance in office. If the CREW group has a partisan agenda, it wasn't apparent in this report, which also found that 41 Democrats used their positions



to financially benefit family members. Burton has opposition in the Republican primary in 2008. GOP voters need to study that race seriously and avoid giving

Burton a free

pass back to the general election for the U.S. House." The **Indianapolis Star** editorialized: "Dan Burton hasn't exactly been the best public servant for his constituents in the 5th Congressional District, or for Indiana. Now there's more. A watchdog group -- Citizens for Responsibility and Ethics in Washington (CREW) -- shows the 12-term Republican apparently thinks that the purpose of politics is to provide jobs and income for his relatives. Burton's daughter, Danielle Sarkine, makes a living as one of her father's campaign staffers. She earned \$58,400 in salary (along with \$3,200 in reimbursed expenses) from her father's campaign committee last year. In fact, Sarkine has earned \$144,000 from the campaign over the past six years, ranking her among CREW's list of the 10 most well-compensated relatives on a congressional campaign. Burton's younger brother Woody already holds a powerful political seat in the Indiana House of Representatives. But he was paid \$5,600 from his brother's campaign committee between 2002 and 2006 for vehicle repairs, insurance and other services. The challenge offered by former Marion County coroner John McGoff in next year's Republican primary offers voters a good alternative -- and a chance to vote Burton out of office." **Status:** LEANS BURTON ❖



THE BOAR'S NEST

YDs headed to the Cove for baseball with Joe

By **BEVERLY PHILLIPS**

The Indiana Young Democrats are hosting a road trip on July 14th to catch a South Bend Silverhawks vs. Kane County Cougars game with special guests Silverhawks owner and former Gov. **Joe Kernan**, Speaker **Pat Bauer** and South Bend Mayor **Stephen Luecke**. Tickets are \$50.00 and include two-way bus transportation from Indianapolis to South Bend's Coveleski Stadium and picnic dinner with the VIP guests. Email: Indianayoungdemocrats@gmail.com.

Buncich eyes HD19

Former Lake County Sheriff **John Buncich** is one of several Crown Point/Merrillville Democrats angling for HD19, soon to be vacated by State Rep. **Bob Kuzman**. "I've received a lot of calls in the past few days from people urging me to consider it," Buncich told the Times of Northwest Indiana. On Friday, former Merrillville Town Councilman **Rick Bella** said he, too, is thinking about a run. "With 12 years on the Town Council and three years on the Plan Commission, I almost feel like I've taken the training class for the legislature," Bella said. Merrillville Town Councilman **Lance Huish** confirmed Thursday he is interested as did Crown Point City Councilman **Andrew Kyres**. Meanwhile, House Democrats will be awaiting word on whether State Rep. **Duane Cheney** will resign after he announced plans to move to Southern Indiana.

CJ Shepard Award Nominations

Nominations are being accepted until July 20th for the **Randall T. Shepard** Award for Excellence in Pro Bono Politico from the Indiana Pro Bono Commission. Nominees can be paid or volunteer and have demonstrated their dedication to providing pro bono legal services in one of

Indiana's 14 pro bono districts. Contact **Monica Fennell** at mfennell@inbar.org.

Poorest show slight college increase

While he's given hundreds of speeches, **Stan Jones**, Indiana Commission for Higher Education, says last Sunday was the first time he's given a presentation during an actual church service. Jones talked about the state of postsecondary education at All Souls Unitarian Church in Indianapolis. He says that after a decade of voluntary participation in Core 40 and Academic Honors diplomas, together they represent 68% of all Indiana high school diplomas. Gary has the lowest participation in Core 40, that, beginning this fall, will be required for all new high school students unless parents go through a formal opt-out process. Program statistics show the greatest influencing

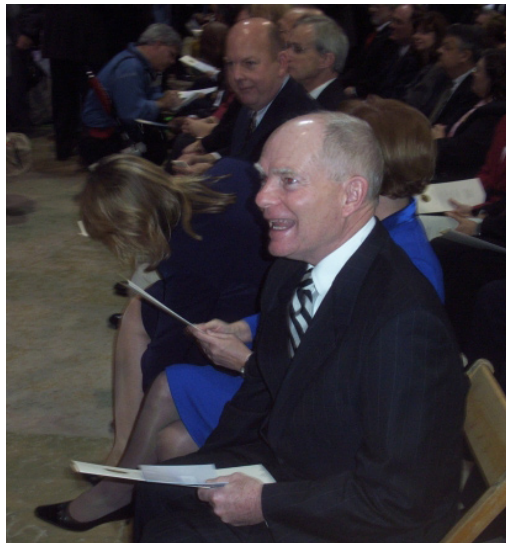
factor for completing college, especially for minorities or low income, is a strong high school curriculum.

Surprisingly, while programs such as 21st Century Scholars have made college more accessible for low and moderate income students, college enrollment by the poorest kids in Indiana has increased by a mere 2% after nearly 20 years. Only 9% of students from Hoosier families in the lowest 25% income bracket attend college, compared with 7% in 1990 when the "Scholars" program was created. Jones says that aspirations must be raised for lower income students who still do not see college as a realistic part of their futures, especially if their parents dropped out of high school or didn't go to college.

High schools must also do a better job of preparing all students for the academic requirements, social adjustments and the sudden responsibility thrust upon teens entering college. Only 1 out of 4 Indiana high school students will earn a Bachelor's degree and there's a persistent trend for all advanced degreed students -- Bachelor's, Associate, Graduate or Professional -- to leave the state.



Got a tip for the Boar's Nest? Send it to: phillipsgroup@comcast.net



Former Gov. Joe Kernan on inauguration day 2005 at the Indiana State Fairgrounds. Since leaving Indianapolis, the former governor and mayor has bought himself a baseball team and will be showing it off to Indiana Young Democrats. (HPR Photo by Brian A. Howey)



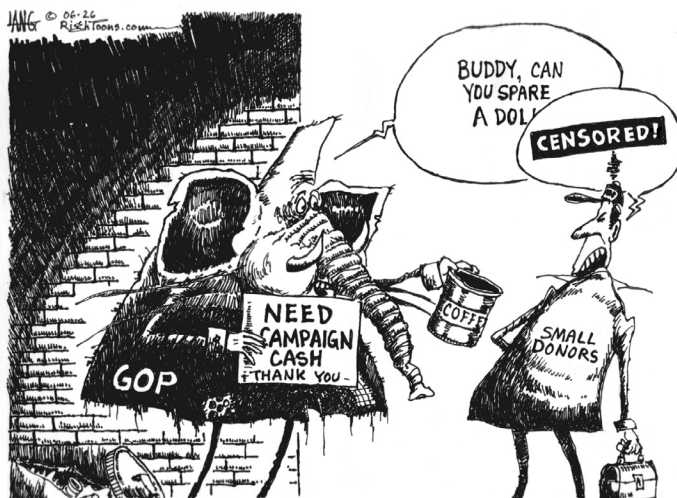
Obama coming to Indiana

INDIANAPOLIS - Here are some presidential election notes from Indiana.

U.S. Sen. Barack Obama is scheduled for a fundraiser in Indianapolis on July 29. We know of no conspicuous Democrats who are backing Obama in Indiana. State Rep. Carolene Mays told HPR she is weighing an endorsement. Obama is not expected to make any public comments.

Obama kicked off his Iowa TV ad campaign in Iowa this week.

Indiana Attorney General Steve Carter said he is supporting U.S. Rep. John McCain.



Washington Post blogger Chris Cillizza, who will keynote the HPR Forum on Oct. 23, reported that congressional Democrats have outraised congressional Republicans \$48 million to \$36 million. He called the difference "stunning."

President Bush's approval rating is at 32 percent in the latest CNN Poll, though that's 10 percent better than the lowest ever record: President Truman at 22 percent. President Nixon's low point was 24 percent; Jimmy Carter was at 28 percent and President G.H.W. Bush was at 29 percent.

On support for the Iraq War, it stands at 30 percent for, 67 percent against. Among Republicans, 38 percent oppose the war. ❖

2008 Presidential Polls

Republican	Date	Giuliani	McCain	Thompson	Romney	Comp. Spread
Zogby	05/17 - 05/20	26%	13%	10%	10%	Giuliani +13%
Gallup	06/11 - 06/14	28%	18%	19%	7%	Giuliani +9%
Rasmussen	06/11 - 06/14	27%	10%	28%	10%	Thomps +1%
CNN	05/04 - 05/06	25%	23%	13%	10%	Giuliani +2%
Cook/RT	05/11 - 05/13	26%	24%	9%	9%	Giuliani+2%
FOX News	06/05 - 06/06	22%	13%	15%	10%	Giuliani +7%
Pew Research	03/21 - 03/25	33%	23%	--%	8%	Giuliani +10
LA Times/Bloom	06/07 - 06/10	27%	12%	21%	10%	Giuliani +6%
NBC/WSJ	06/08 - 06/11	29%	20%	14%	14%	Giuliani +9%

Democrat	Date	Clinton	Obama	Edwards	Gore	Comp. Spread
Zogby	05/17 - 05/20	39%	24%	11%	--	Clinton +15%
Gallup	06/11 - 06/14	33%	21%	11%	18%	Clinton +12%
Rasmussen	06/11 - 06/14	38%	27%	16%	--	Clinton +11%
Time	04/05 - 04/09	33%	26%	25%	--%	Clinton +7%
CNN	05/04 - 05/06	38%	24%	12%	12%	Clinton+14%
Cook/RT	05/11 - 05/13	32%	24%	13%	10%	Clinton +8%
Pew Research	03/21 - 03/25	35%	26%	16%	12%	Clinton +9%
FOX News	06/05 - 06/06	36%	23%	12%	14%	Clinton +13%
LA Times/Bloom	06/07 - 06/10	33%	22%	8%	15%	Clinton +11%
NBC/WSJ	06/08 - 06/11	39%	25%	15%	--	Clinton +14%

Hoosier Support: Giuliani (\$172,450 raised in Indiana): Marion County Prosecutor Carl Brizzi, Stephen Goldsmith, Tim Durham, Beurt SerVaas, Steve Hilbert. **McCain:** Gov. Mitch Daniels; Attorney General Steve Carter. **Romney (\$83,750):** Secretary of State Todd Rokita, James Bopp Jr., Dan Dumezich, Bob Grand, Chris Chocola. **Thompson:** U.S. Rep. Steve Buyer, U.S. Rep. Dan Burton, David McIntosh, Mike McDaniel, Rex Early. **Clinton (\$71,000):** Mel Simon, Bren Simon. **Edwards:** Robin Winston, Ann & Ed DeLaney, 9th CD Chair Mike Jones, State Reps. Russ Stilwell, Dennie Oxley, Terri Austin, Terry Goodin, Sheila Klinker, Robert Kuzman, Linda Lawson and Scott Pelath; Greencastle Mayor Nancy Michael; Bill Moreau Jr., Shaw Friedman, Vanderburgh Co. Chairman Mark Owen, 8th CD Vice Chair Mary Lou Terrell, Greg Hahn, Bruce Kehoe. ❖



Mike Smith, Associated Press - Major change was a theme of (Gov. Mitch Daniels') last campaign, and he beat a formidable opponent in Democratic Gov. Joe Kernan. But big change could be a tougher sell in this next election. For one thing, Daniels now has a record of changes, and some of them turned off a lot of folks. And although Daniels said he took his instructions from the people during his first campaign, he has made changes he didn't run on. Much of the criticism has come from Democrats, and they are sure to make privatization a campaign issue by saying that Daniels is selling major public services and assets to companies that care more about profits than the taxpaying public. "Indiana is a very traditionally minded state," said James McCann, a political science professor at Purdue University. "Hoosier voters tend to be risk-averse." He said that likely played a part in the controversies over daylight saving time, the toll road lease and other privatization moves. "I think it's up to Daniels to point out the changes he has made are good and there is a payoff," McCann said. How change plays in the next campaign could very well depend on how the Democratic nominee plays it. Bill Blomquist, a political science professor at Indiana University-Purdue University at Indianapolis, said if the Democrat focuses mostly on criticizing the changes Daniels has made without offering substantive alternatives, then Daniels can succeed by portraying himself as a governor who at least did something. "If Democrats can nominate someone who, in addition to criticizing the controversial changes, (can) also be for some change, then the governor could be in trouble," Blomquist said. Regardless, Daniels clearly sees change on his side. He says in talking to Hoosiers during his monthslong RV tour during his first campaign, "I didn't hear one person say, 'When you get there, please, sit still, do nothing, make no change.'" He certainly has not done that. The election is more than 16 months away, but it will eventually be up to voters to decide if they like the changes Daniels has made, and the new ones he will promise to pursue. ❖

Gary Gerard, Warsaw Times-Union - The Democrats have the majority in both houses of Congress these days. When they took over - as either party is wont to do when they take over - they told us how they were going to change things. They were going to get things done. They were going to make Congress more accountable. They were going to bring the troops home. Remember the first 100 hours. Well, if you ask Americans how they've done so far the answer is pretty abysmal. The latest Congressional job approval rating is at 24 percent according to a Gallup Poll taken this month. That's the lowest since the Demos took over in January. In February, it was not stellar at 37 percent, but now the bottom seems to be dropping out. Interestingly, Democrats and Republicans polled are

almost equally disapproving of Congress. I think, generally, Americans are just fed up with politics and government. There is so much information out there these days, with all the blogging and podcasts and streaming videos, I think people are starting to get a pretty good sense of what goes on in Congress. It used to be only political junkies who watched C-SPAN were aware of how futile and petty the actions of Congress are. ❖



Rich James, Post-Tribune - When word leaked last week that Indiana Attorney General Steve Carter had beefed up his legal team for a civil lawsuit against former East Chicago Mayor Robert Pastrick and 28 others, Carter said, "We want to have the strongest team working on behalf of the public." Carter hired Patrick Collins, the former federal prosecutor, who won a conviction against former Illinois Gov. George Ryan. Hoosier taxpayers will pay him a tidy \$395 hourly. Although Collins may be good, Carter isn't being terribly upfront about his motives. Despite saying he wants the "strongest team working on behalf of the public," the fate of the people of East Chicago is window dressing. These prosecutorial politics need to be put in perspective. After the city of East Chicago spent \$25 million to pour sidewalks before the 1999 mayoral primary, U.S. Attorney Joseph Van Bokkelen and the feds took notice. It was clearly a sidewalks-for-votes deal aimed at getting Pastrick renominated in the face of a stiff challenge from Stephen Stiglich. Given the long history of shams and scams in East Chicago, I can't blame Van Bokkelen for acting. Lord knows what might be buried in those freshly paved sidewalks. For the most part, the rest of the county and the state has always looked the other way. But a \$25 million pile of concrete is pretty tough to ignore. So Van Bokkelen acted and won. Did the six defendants commit crimes? Sure, although the lengthy prison sentences of up to 11 years were too heavy. Were the sidewalks poured to "buy" votes? Sure. Although highly unethical, that's not necessarily illegal. So Carter filed a civil racketeering -- such a menacing word, isn't it? -- lawsuit against Pastrick and others to recover the money. Yet, none of those who went to jail or are named in the civil suit is accused of pocketing a penny. So, what Carter hopes to recover is beyond me, unless he plans to seize the sidewalks and move them to Indianapolis. Carter might win. Proving a civil suit is a whole lot easier to win than a criminal complaint. But Carter's quest isn't about getting the money back. No, he wants to be the guy to say he brought down East Chicago and Bob Pastrick -- a humbled man who turns 80 this year. It'll make for one heck of a headline and be a nice notch on Carter's belt, even if the taxpayers footed the bill to collect virtually nothing. ❖



Souder, House GOP to oppose immigration bill

WASHINGTON - In an uncommon move, House Republicans voted in a closed-door meeting Tuesday to oppose the immigration overhaul that the Senate is still debating and the Bush administration supports (Smith, Fort Wayne Journal Gazette). Rep. Mark Souder,

R-3rd, said the non-binding resolution was designed to tell the country that "it's not a Republican bill" despite White House efforts to cast it that way. With support from Sen. Richard Lugar, R-Ind., and opposition from Sen. Evan Bayh, D-Ind., the Senate voted Tuesday to revive the legislation and to start debating a series of amendments. The Senate bill would legalize millions of undocumented immigrants, create a temporary worker program, strengthen border security and institute a system for weeding out illegal immigrants from workplaces. Bush called the Senate bill "a good piece of legislation" and noted that in a "difficult piece of legislation like this, one side doesn't get everything they want." He said it is "a careful compromise" developed by Democrats and Republicans working together. "The bill recognizes that we've got to address the problem in a comprehensive fashion." Souder, however, said it is a fatally flawed bill because it deals with temporary workers, legalizing immigrants and other issues. He said those areas should be resolved but not before there are plans for making the borders with Mexico and Canada more secure. "The whole 'comprehensive' is a scheme to do something while this president is still there, for Hispanic votes. I don't even know why he's so invested in it at this point. Partly because Iraq's going so bad," Souder said.



Libertarians place council candidates

FORT WAYNE - This year's race for the Fort Wayne City Council has become even more contested with the Libertarian Party filling a nearly complete ballot of candidates (**Fort Wayne Journal Gazette**). The Allen County Libertarians on Monday nominated six more candidates to the ballot to go along with two existing council candidates. Jennifer Jeffrey, party chairwoman, said the Libertarian party is excited to be running so many candidates this year. She said many people are tired of the two-party system and are looking for change in government. "I have the utmost faith we will get elected," she said.

Pannos, Cappas got rich from foundation

EAST CHICAGO - East Chicago political insiders Thomas Cappas and Michael Pannos and their families reaped "enormous" salaries while at the helm of an embattled development firm accused of squandering millions in local casino cash, Indiana Attorney General Steve Carter states in a confidential report obtained by The Times. The for-profit firm, East Chicago Second Century Inc., was stripped of its more than \$2 million annual casino subsidy -- that was supposed to be earmarked for community development projects -- a year ago after Carter delivered his financial investigation to the Indiana Gaming Commission. The Times made a public records request for the report in June 2006 and received a partially redacted copy this week. The 896-page document provided by the Gaming Commission blacks out most the financial details Carter compiled using confidential state records. However, a source familiar with the case said the amount paid to Cappas, Pannos and family members of the two men from 2002 through 2004 is in the millions and represents the vast majority of Second Century's payroll for the three years that Carter examined. The compensa-

tion later paid to Cappas, Pannos and family members was "enormous" and was on the rise from 2002 to 2004, Carter says in an unredacted portion of his investigation. Other state officials who have seen Carter's full report also call the payouts excessive. "Excessive is a kind term," said Ernie Yelton, the gaming commission's executive director.

Porter County Chairman West moving to Texas

PORTAGE - Longtime Porter County Democratic Party Chairman Leon West will be resigning that post soon to move to Texas (Times). West and his wife, Beverly, have purchased a home in Fairview, near Dallas. He said he plans on resigning and moving as soon as his home in Portage sells. West, 72, said he and his wife are moving because they want to be closer to their two children and five grandchildren, who live in Texas.

Delaware County borrows to pay bills

MUNCIE - With spring property tax collection delayed until August, Delaware County Council has growing demands to borrow money (**Muncie Star Press**). On Tuesday, the council accepted the low bid from Old National Bank to borrow \$3.5 million to cover bills for institutional and foster care provided by Delaware County's Family and Children's Services. The Old National rate for a bank-qualified, tax-exempt loan was 3.9 percent.

Howard County lowers COIT

INDIANAPOLIS - Even before the special County Option Income Tax takes effect, the Howard County Council has voted to reduce it by 20 percent (**Kokomo Tribune**). Council members voted unanimously Tuesday to lower the special COIT from .25 percent to .20 percent, starting Oct. 1.

