

Politics Indiana

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Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

Call to prepare for epic challenge

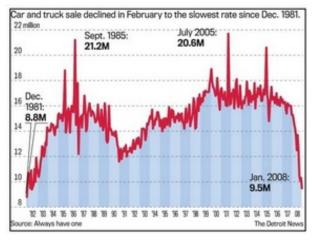
Sen. Waltz seeks 'Ex Com' as economic crisis turns into an 80 year event

By BRIAN A. HOWEY

INDIANAPOLIS - Every 80 years, from the American Revolution, to the Civil War, to the Great Depression, our nation has faced a crisis of epic proportion, with the outcome far from certain at the onset. It is at such a point in history that Indiana stands today, but only few seem to grasp the coming magnitude.

Around 1:45 p.m. today in the Indiana Senate, State Sen. Brent Waltz will use a point of personal privilege to call for an Indiana Executive Committee or "Ex Com" that would be headed by Lt. Gov. Becky Skillman and would include three academics, three business people, and three from government to work together over the next six weeks to develop a crisis plan.

"I view this as a perfect storm of almost mythical proportions," Waltz told HPI late Wednesday night after conferring with Senate President Pro Tempore David Long. "The Indiana economy is now at risk more than any other state, save Michigan or California."





Detroit News U.S. auto sales graph and Sen. Brent Waltz.

Waltz said that the state's "three economic pillars" - the auto industry, insurance and agriculture - are extremely vulnerable.

The automotive manufacturing base is in shambles with possibly 140,000 General Motors, Chrysler and related supplier jobs sitting on a tipping point. Toyota and Honda are also suffering from a huge drop in sales and Toyota is seeking loans from the Japanese government. The South Bend Tribune reported on Wednesday that despite the epic downturn in the recreational vehicle industry there are still

See Page 3

The greatest Speaker ever

By BRIAN A. HOWEY

INDIANAPOLIS - B. Patrick Bauer may just be the most powerful Indiana House speaker - ever.

Over the decades, whether it was Gov. Harold Handley and Speaker Birch Bayh, or Gov. Whitcomb and



Doc Bowen, or Doc and Kermit Burrous, Bob Orr and J. Roberts Dailey, Evan Bayh and Michael K. Phillips or Paul Mannweiler, or Frank O'Bannon and John Gregg, I'd never heard the words of last Friday:

"We all know nothing happens in the House of Representatives that Speaker Bauer doesn't permit," Gov. Mitch Daniels said. "He is never chal-





"We are simply entering into a new era. What is happening today is a wake-up call that we cannot continue on the same path as before."

- ELKHART MAYOR DICK MOORE



Page 2

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

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lenged and his authority is total."

As Gomer would say, "Gollll-lee."

I never heard Gov. O'Bannon say that about Speaker Gregg. I'm sure many governors have said similar things, muttering deep under breath in public settings or aloud while in seclusion in the tiny little john off the executive office at Aynes House.

Bauer has been speaker twice - briefly in 2003-04 before he and Gov. Joe Kernan were dispatched by the Daniels juggernaut, and now since 2006. He learned much since that stark November day in 1998 when he drove from South Bend to Indy, making calls to members after the Democrats unexpectedly retook the House in the Age of Monica, only to learn that Gregg had beaten him to the punch during the midnight hour. There would be no such lost opportunity in November 2002 when he finally consolidated his power after 32 years in the trenches and up through Ways & Means.

Daniels' fascinating
quote came in
the context of
the KernanShepard reforms
and whether
they would even
get a hearing.
"We will simply be asking,
of course, the
Speaker to be
open to reform
and we'll be ask-

ing citizens — as we have been — to express their support for it," Daniels said in a verbal kiss of the ring.

The most powerful Speaker had been circumspect before finally nodding, sending the county and township reform bills to freshman Chairman John Bartlett of the House Government and Regulatory Reform Committee. The South Bend Democrat seemed to be in a bargaining mode. "The House has made it clear that

reforms in government operations should start at the top by eliminating the duplicate fiscal services provided by the Office of Management and Budget, combining the offices of the state auditor and treasurer into a state controller and halting the administration's efforts to privatize Medicaid services," Bauer said in a statement released Thursday.

Does this mean the Speaker is willing to swap townships and county commissioners for auditor and treasurer - two offices Indiana Democrats rarely contest - along with Ryan Kitchell's bespectacled head?

It begged further questions. If Daniels wants his reforms so badly, what does the Speaker want? An extra two or three percent education funding?

Speaker Bauer explained, "Our three-part budget plan contains a 2 percent increase in state funding for schools and guarantees that no school district will lose money over

the next fiscal year (HB 1723), allocates more than \$650 million for child services and helps us oversee the transition from local to state funding for these programs (HB 1728), and provides additional funding for higher education and new funding for job creation while curbing other state spending (HB 1001)."



Speaker Bauer with Transportation Secretary Ray LaHood and State Rep. Craig Fry at a President Obama town hall in February. (HPI Photo by A Walker Shaw)

But this budgetary menage a trois will become a conferee maze, full of trap doors and fun house mirrors, with some fog thrown in for good measure, the very things a publicpolicy oriented governor like Daniels despises.

What does the speaker want? I've asked this question of those in the administration, of House Republicans and Democrats. The answer is consistent. All Bauer really



Page 3

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

wants is control of the House in November 2010, when he can forge the redistricting of 2011. Bauer can talk about "public policy" but he really is not only the most powerful speaker, but a complete political animal. He maneuvers deftly, consistently turning statewide legislative numbers on Election Night that always favor Republicans into 51, 52, 53 seats for a Democratic majority.

Beyond the election, he has turned his caucus into a monolith. There is no room for the mavericks from both caucuses of the past like Tom Alevizos, Dan Stephan or Jerry Bales. There is no mini-maverick caucus which can decide a critical issue beyond a speaker or minority leader.

In 2009, this is a fascinating dynamic when you look at the freshman class of the House Democratic caucus. There you find people like Harvard-educated Ed DeLaney, who was at the side of U.S. Rep. Frank McCloskey, redrawing Bosnian borders and literally saving tens of thousands of people from genocide while working on the Dayton Accords. Or earnest John Barnes, the Warren Township social studies teacher who as a candidate expressed the best of intentions of a public servant, vowing to bring "permanent and substantial property tax relief" while concentrating on "public safety issues." Or Mary Ann Sullivan, who made a name for herself as a community

activist and educator. Sullivan vows on her website that she will be "a champion to upgrade our neighborhoods to make them better places to live, consolidate government to lower taxes." There is former Greencastle mayor Nancy Michael, who played a key role in her city's evolution after massive IBM left her city.

Bauer's Democrats have made hash out of reforms, whether they be Democrat Mayor Peterson's vision of consolidated fire departments, or Republican Mayor Ballard's.

It will be fascinating to see the political speaker rein in people like DeLaney, who authored House versions of the Kernan-Shepard reforms. When it comes to the beleaguered townships which provide Hoosier taxpayers a maze of nepotism, double-dipping, clandestine offices and a lack of accountability, the Speaker says, "I really believe this downturn in the economy ... has given (the township trustees) a more visible role" while they have "increased their value."

What does the speaker want?

He isn't getting any younger. Might he want to burnish he astute political legacy with that of enduring statecraft? •

Challenge, from page 1

55,000 RV jobs currently at risk. That comes on the heels

of Monaco Coach laying off its final 2,600 workforce earlier this week. The state's financial and insurance industry appears to be teetering as well with news that Conseco is once again in jeopardy. Last week, reports out of the Indiana agriculture industry noted that 20 percent of the state's corn crop is to be used in the ethanol industry that is now at risk due to falling fuel prices.

GM and Chrysler face a federal deadline at the end of this month and the news this week was near catastrophic with GM suffering a 53 percent sales decline year over year. "These are obviously unsustainable levels that are causing almost every major auto manufacturer to look for government aid," said Mike DiGiovanni,

GM's executive director of global market analysis, to the Detroit News. GM auditors are not ruling out bankruptcy.

Last December in a conference hosted by Kokomo Mayor Greg Goodnight, Marion Mayor Wayne Seybold and Barnes & Thornburg in Indianapolis, Robert E. Scott

Financial Confidence

Dow Jones Industrial Average from Election Day, Nov. 4, 2008-March 3, 2009



Source: WSJ Market Data Group

arce. 1155 market bata Group

of the Economic Policy Institute said that Indiana would be devastated with even a partial collapse of the Detroit 3 automakers. "Indiana would lose between 41,000 and

147,000 jobs," Scott said. "That is nothing short of catastrophic. It would move Indiana well beyond recession and into depression conditions if there is an auto industry shutdown." He said it would not only impact blue collar workers but would have a huge impact in the American engineering and scientific industries.

Scott said that his very conservative model projects 70,000 jobs lost in transportation, 30,000 in finance and 76,000 in the sciences would be lost. "This is not going to affect just blue collar workers," Scott said. "It will affect more engineers and scientists. If we want to maintain our base in science and engineering, we have to hang on to this

sector."

Howard Wial of the Brookings Institute said that while Kokomo would be the hardest hit U.S. community, the entire state would be economically pounded. "A conservative estimate is that each job in auto/auto parts supports



Page 4

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

two additional jobs elsewhere," Wial said.

Kokomo has 22 percent involved in the auto industry, 6.5 percent in Columbus (where Cummins Engine has laid off almost 500 workers in the last few months), 5.5 percent in Anderson, 5.1 percent in Lafayette, 2.6 percent in South Bend/Mishawaka, 2.4 percent in Fort Wayne, 2.2 percent in Terre Haute, 1.5 percent in Indianapolis, and 3.5 percent in Muncie.

Berkshire-Hathaway CEO Warren Buffett warned of a prolonged downturn in a letter to shareholders over the weekend and his company is about to pull the plug on Elkhart-based Forest River. The economy has turned so bad in Elkhart that County Commissioner Mike Yoder was floating the idea of turning empty RV factories into tilapia fish farms, according to a Wednesday story in the Elkhart Truth.

Over the last week or so, the "depression" word has entered the lexicon of economists and the news media, an industry which itself is facing serious atrophy.

Waltz noticed something that HPI has: in the Statehouse, the larger economic picture has been virtually ignored. "It's like we're on automatic," Waltz said. "We show up. We pass a bill. We make the sugar cream pie the state pie. We pass a bad budget and hold our nose. But there have been only passing references to what's happening."

Gov. Daniels at his State of the State address surrounded by Senate President David Long, Lt. Gov. Becky Skillman and Speaker B. Patrick Bauer. (HPI Photo by Brian A. Howey)

All that will likely change in dramatic fashion in the next six weeks. With the fates of GM and Chrysler coming by March 31 and potential bankruptcies, and a new state revenue forecast coming in mid-April, the General Assembly will likely find itself on a crisis footing as sine die approaches. During the last severe economic downturn - in 1982 - Gov. Robert D. Orr convened a special session that December which resulted in record tax increases. During the Civil War, Gov. Oliver P. Morton actually suspended the legislature for years and secured loans from Wall Street to finance the war. Depression Gov. Paul McNutt had to resort to enactment of the gross income tax after property tax receipts precipitously declined. McNutt also forged government reforms and consolidations that resulted in \$2 million in savings in 1933.

During this period, humorist Will Rogers once noted that American was the "only country in the world where people would go to the poor house in an automobile." It is doubtful, however, that many will drive to a

Workone office in an RV.

Waltz said that in 2005, Gov. Mitch Daniels gave him a signed copy of President John F. Kennedy's "Profiles in Courage," a Pulitzer Prize-winning collection of stories of public officials who made critical decisions while enduring great personal risk.

The "Ex-Com" idea came from President Kennedy's October 1962 handling of the Cuban Missile Crisis, when he had his brother, Attorney General Robert F. Kennedy, preside over an executive committee to handle the crisis.

Gov. Daniels has been somewhat low-key in the face of the crisis. In December, he downplayed talk by New York Times columnist Paul Krugman that a depression was possible. He acknowledged the economic duress during his inaugural and State of the State addresses in January,

likening the current condi-

tions to the change of the seasons, forecasting a warm spring in the offing. When unemployment lines began to grow last month, Daniels visited WorkOne offices in Fort Wayne, Elkhart and Franklin and began directing additional resources while placing WorkOne computers and resources in neighborhood libraries and churches.

On Wednesday, he was in Anderson celebrating full production at Nestle that will result in 425 new jobs, one of the

economic gems he secured during the fairer days of his first term. "In a worldwide recession, this company's growing - growing sales, growing market share, is succeeding against all those odds," Daniels said.

Daniels occupies a unique position among American politicians. As a former White House budget director and now a sitting governor, any dire assessment of the state or U.S. economy could have impacted the markets.

But Sen. Waltz believes Indiana stands on the brink of economic disaster. Of the crises that have hit the U.S. every 80 years, he noted that when Valley Forge, Bull Run and Pearl Harbor occurred, "there was no foregone conclusion we wouldn't fail." He noted that ultimately the American spirit prevailed, creating 13 independent states, the Civil War forged a true nation and ended slavery, and the Great Depression and World War II created a social safety net and a global super power.

"America always reinvented itself through these reorderings," Waltz said. •



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

MILITARY ADVENTURE IN IRAQ, 2006-2008

Thursday, March 5, 2009

President Obama's fork in the Iraq War road

By BRIAN A. HOWEY

INDIANAPOLIS - Those who say the United State is "winning" in Iraq don't know what they're talking about.

There is no question that the "surge" implemented by Gen. David Petraeus and Gen. Ray Odierno with the

help of more than 5,000 Indiana National Guardsmen and women between 2007 and 2008 was a remarkable display of courage, patriotism and professionalism, unparalleled in American military history.

As Petraeus left
Iraq last Sept. 15 to head
Central Command, he wrote
to his troops: "Your great
work, sacrifice, courage and
skill have helped reverse a
downward spiral toward civil
war and wrest the initiative
from the enemies of the
new Iraq."

ч. But in Thomas E.

Ricks's new book: "The Gamble: Gen. David Petraeus and the American Military Adventure in Iraq, 2006-2008," the legacy of the surge is inconclusive and the U.S. will likely remain for years, not months. As Ricks explains, "The surge was the right step to take, or more precisely, the least wrong move in a misconceived war. The surge was effective in many ways, but the best grade it can be given is a solid incomplete. It succeeded tactically but fell short strategically." While violence against civilians and American soldiers declined dramatically after GIs left secluded bases and Humvees and began working out of smaller outposts among the population, "its larger purpose had been to create a breathing space that would then enable the Iraqi politicians to find a way forward and that hasn't happened."

Gen. Petraeus shifted the American military from door-busting, civilian assaulting cowboys of 2003-04 to those whose tactics of counter-insurgency came to protect the Iraqi population in a manual he wrote. He did so by buying off and arming former insurgents, flipping the Sunnis in al-Anbar province, essentially aiding and arming rival militias.

Ricks quotes Emma Sky, the British civilian who became an aide to Gen. Odierno, as playing off a Frederick

Remington painting - The Stampede - that Petraeus loved and used as a metaphor. "We've stopped the stallion from running off the cliff, but then it runs off in another direction," Sky said. "Right now it is frantically running around in circles."

Ricks also quotes Marine Col. Tom Greenwood,

Ricks also quotes Marine Col. Tom Greenwood, once part of a group of a "council of colonels" who pushed the Pentagon and Bush White House out of its denial in the bloody year of 2006, who assessed, "I still think that the Maliki government is riddled with sectarianism and is dysfunctional; that we have a de facto partition among the Kurds, Shia and Sunni; that Iraq is little more than an Iranian proxy; that we have destabilized the region worse than Saddam Hussein ever did; that the downward trend of U.S. casualties will be short-lived." On Feb. 23, Army Pfc. Zachary R. Nordmeyer, 21, of Indianapolis and two others died when their unit was attacked in Balad.

Retired Gen. Barry McCaffrey sees "the war waiting in the wings is the war of the Kurds and the Arabs." Another Petraeus aide, British Lt. Gen. John Cooper, said of the Sons of Iraq, "These guys will keep their AKs under the bed. They haven't come to a moral conclusion that violence is wrong."

Steven Simon, a Council of Foreign Relations expert on the Middle East, told Ricks that the surge "may have brought transitory successes" but "it has done so by stoking the three forces that have traditionally threatened the stability of the Middle Eastern states: tribalism, warlordism and sectarianism" that will eventually undermine the shaky central state "that suffers from the same instability and violence as Yemen and Pakistan."

Enter President Obama

Last Friday at Camp Lejeune, President Barack Obama issued his directive for the beginning of an Iraq drawdown, but it was a nuanced statement. "The United States will pursue a new strategy to end the war in Iraq through a transition to full Iraqi responsibility," Obama said. "As we carry out this drawdown, my highest priority will be the safety and security of our troops and civilians in Iraq.



Then Sen. Obama with Gen. Petraeus in July 2008 between Baghdad and Ramadi.

So we will proceed carefully, and I will consult closely with my military commanders on the ground and with the Iraqi government. There will surely be difficult periods and tactical adjustments. But our enemies should be left with no doubt: This plan gives our mili-



Page 6

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

tary the forces the flexibility they need to support our Iraqi partners, and to succeed."

Ricks described the July 2008 meeting between Obama and Petraeus in Baghdad. He noted in "The Gamble": Their vision of what Americans can and should do in Iraq is fundamentally fairly close, a polite way of rejecting the grandiose Bush vision and instead acknowledging that Iraq isn't going to be a stable, quiet, peace-loving democracy anytime soon.

As Obama and Sens. Jack Reed and Chuck Hagel talked of a timetable last July, Petraeus told them, "We are coming down, but I need the flexibility of not having a timetable." When Obama and the senators pressed, saying the Iraqis wanted a timetable, Petraeus just looked at them, Ricks reported. After the meeting, Obama would say, "My job is to think about the national security interests as a whole and to weigh and balance risks in Afghanistan and Iraq. Their job is to get the job done here."



President Obama announcing his draw down plan with U.S. Marines at Camp LeJeune.

But Obama was also circumspect on the campaign trail, saying in July 2008, "My 16-month time line, if you examine everything I've said, was always premised on making sure our troops were safe. And my guiding approach continues to be that we've got to make sure that our troops are safe and that Iraq is stable."

Adjusted timetable

Nine months ago, Obama campaigned in Indiana and across the nation talking about a 16-month drawdown timetable. During his victory speech at Chicago's Grant Park on Election Night, Obama issued a warning: "To those who would tear the world down, we will defeat you." Ricks would note that to abide by his own pledge, the new president "is going to take much longer than he likes and with more fighting than he wants."

In his Jan. 20 inaugural address, President Obama explained, "For those who seek to advance their aims by inducing terror and slaughtering innocents, we say to you now that our spirit is stronger and cannot be broken; you cannot outlast us, and we will defeat you. To those leaders around the globe who seek to sow conflict, or blame their society's ills on the West: Know that your people will judge you on what you can build, not what you destroy. To those

who cling to power through corruption and deceit and the silencing of dissent, know that you are on the wrong side of history; but that we will extend a hand if you are willing to unclench your fist."

Last Friday, Obama's 16-month campaign draw-down became 19 months - Aug. 31, 2010. when "our combat mission in Iraq will end and Iraqi Security Forces will have full responsibility," Obama said. "After that, American

forces - between 35,000 and 50,000 - will perform three tasks: train, equip and advise the Iraqis; conduct targeted counter terrorism; and provide force protection of military and civilian personnel."

U.S. Sen. Dick Lugar was part of the congressional leadership group that was briefed last Thursday night by the President on the plan. "He's part of the consensus who finds the plan reasonable," Lugar spokesman Andy Fisher told HPI.

The plan, while essentially backed by Sen. John McCain, left Obama open to criticism from the left. "I don't know what the justification is for

50,000," said House Speaker Nancy Pelosi, who obviously hasn't read or been debriefed on Ricks' book or talked with Gen. Odierno. "I do think that there's a need for some, and I don't know that all of them have to be in country. I would think a third of that, maybe 20,000, a little more than a third, 15,000 or 20,000."

Appearing on NBC's Meet the Press last Sunday, Defense Secretary Robert Gates explained the nuances. "I think that if the commanders had had complete say in this matter ... they would have preferred the combat mission not end until the end of 2010. And so having a somewhat larger residual or transition force mitigates the risk of having the combat units go out sooner."

Essentially, it appears that Obama and the field commanders all compromised and split the difference to get to the Aug. 31 date. Gates explained, "It was really a dialogue between the commanders in the field, the Joint Chiefs here, myself, the chairman and the President in terms of how you mitigate risk and how you structure this going forward. I think the important thing to point out, though, is that the President has said there will be a transition force of 35,000 to 50,000, and it's a way station. As he pointed out, in the absence of any new agreement with the Iraqis we have to be at zero by the end of 2011. So that 50,000 or 35,000 is a way station on the way to zero."



Page 7

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

MTP host David Gregory noted Ricks' concerns about the drawdown and the likely instability that will follow. "Has the President said that if things get worse, if things go bad, that all bets are off? That he would stop the withdrawal?" Gregory asked. Gates, the first holdover wartime secretary between rival party administrations,

responded, "What the President has said is that as commander in chief he always retains the flexibility and the authority to change a plan or adjust it if he thinks it's in the national security of the United States. The fact is, I don't think any of us believe that will be necessary. I would characterize the likelihood of significant adjustments to this plan as fairly remote."

The reason for that assessment is diplomacy. With Secretary of State Hillary Clinton in the region last weekend, the White House explained that, "The future of Iraq is inseparable from the future of the broader Middle East. It is time for Iraq

to be a full partner in a regional dialogue and for Iraq's neighbors to establish productive and normalized relations with Iraq. Going forward, the United States will pursue principled and sustained engagement with all nations in the region, including Iran and Syria." Throw in Obama's secret outreach with Russian President Medvedev suggesting trading the European missile shield for Russia's help in staving off an Iranian nuclear program and there you find telltales of the diplomatic vise.



Defense Secretary Robert Gates last Sunday on NBC's Meet the Press. Below, Remington's "The Stampede"

Crocker who said the final episode "is going to be determined much more by what happens from now on than what's happened up to now." The author reshaped the book's final sentence: "In other words, the events for which the Iraq war will be remembered probably have not yet happened."

And then there was Emma Sky, the pacifistic Brit who became an aide to Gen. Odierno, who said, "America doesn't deserve its military."

President Obama faces two forces from within - his political base to whom he vowed to end the war - and those who have served and those who have died. In his inaugural, Obama summed it up this way: "As we consider the road that unfolds before us, we remember with humble gratitude those brave Americans who, at this very hour, patrol far-off deserts and distant mountains. They have something to tell us today, just as the fallen heroes

who lie in Arlington whisper through the ages. We honor them not only because they are guardians of our liberty, but because they embody the spirit of service; a willingness to find meaning in something greater than themselves. And yet, at this moment -- a moment that will define a generation -- it is precisely this spirit that must inhabit us all."

In all probability, and with apologies to Secretary Gates, the road President Obama mentioned probably comes to a fork. ❖

How does this end?

It was a question that Gen. Petraeus asked of his staff years ago. The experts say that a counter-insurgency takes at least a decade to work. And that there's a 50 percent chance that a civil war will fall into relapse, more so in countries with abundant natural resources. Ricks quotes a Petraeus aide, Charlie Miller, who said, "I don't think it does end. We're thinking in terms of Reconstruction after the Civil War." To which Ricks notes that Reconstruction was a failure "that produced a terrorist organization" (Ku Klux Klan) which spent the next century violently intimidating blacks and sympathetic whites.

Two quotes bounce into your face off of Ricks' pages. One is the conclusion from the author, after this quote from Ambassador Ryan





HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

Carl Brizzi surveys his political future

By BRIAN A. HOWEY

INDIANAPOLIS - Politically, Marion County Prosecutor Carl Brizzi may have more options than just about any other Hoosier. A third term? A challenge to U.S. Rep. Dan Burton? Or a bid when Burton retires? A run for governor in

2012?



HPI and Brizzi sat down at noon Wednesday at Harry & Izzi's downtown to talk about his political future, the economic downturn and its impact on crime, legislation in the General Assembly he's working on, and government reform.

HPI: What are your political plans? Are you going to run for that third term as prosecutor or do something else?

Brizzi: I am definitely considering running for a third term right now. You were at our fundraiser yesterday when we talked about our accomplishments. It's more than just putting bad guys back in jail. It's proactive initiatives like the Mentoring Program, like the Internet Stings, like the Crosswalk Program which we implemented after a string of bus stop robberies. It's a partnership with the faith-based communities to actually be at the bus stops several days a week in some of these neighborhoods that have been terrorized. So we're doing more than just prosecuting. I say that with the caveat that our conviction rate has been 80 percent in jury trials, which is really an outstanding number. All of that credit goes to the men and women and our great staff. It takes a little

while for the office to become your office and have your people in place who are loyal to your idea and leadership. We're there now. That's what's compelling about me running again. If things are running well now, how much can things be improved over the next several years? So that's definitely under consideration.

HPI: I don't mean to put you at odds with Steve Goldsmith, Jeff Modisett or Scott Newman, but give us

some perspective as to where the conviction rates have been. Has this been a slow ramp up to the 80th percentile?

Brizzi: Much of what I learned from being prosecutor I learned from Scott. Scott was my mentor and where we can share credit we certainly will. We work very closely. We communicate weekly. We have a good team in place: the public safety director, the mayor and myself. That means that public safety is job No. 1. When we have that kind of partnership, when we have the resources we have with 175 lawyers, which happened when the COIT increase under Mayor Peterson allowed us to staff up, open additional courts, reduce trial lawyer caseloads, improve pay and morale. All of those heightened conviction rates.

HPI: At what point do you have to make a decision on a re-elect?

Brizzi: Sooner rather than later, sometime later this year. Obviously if I don't run I'll want to give my successor plenty of time to raise money.

HPI: You and Mayor Ballard are pretty much the last two Republicans standing in Marion County, which is trending Democratic. Mayor Ballard is in place almost due



Prosecutor Carl Brizzi with Olgen Williams at President Bush's speech to Indiana Black Expo in 2005 at the RCA Dome. (HPI Photo by Thomas Howey)

to an anti-Peterson vote than a pro-Ballard. You ran a fabulous campaign two years ago and yet you won by what, only 5,000 votes?

Brizzi: Not much.

HPI: So does the way the county is trending politically play into your decision? Or is it all about you, your family and your desire for public service?

Brizzi: That's a great question because up until



Page 9

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009



this conversation and any subsequent ones it's always been what's best for my family, what's best for the office. I haven't even thought about whether I could win.

HPI: I think an incumbent prosecutor could certainly win even if the county is trending Democratic. It makes it harder and it depends on who runs against you. Your name is coming up in other contexts such as the 5th CD and 2012 governor.

Brizzi: I used to work for Dan. I was one of the staff attorneys on one of the foreign money panels for the Clinton-Gore re-election. I was employed by the Committee on Government Reform and Oversight. I would not consider running against somebody I worked for, so I would not run against Dan. I have lots of friends who are thinking about running, including Luke (Messer), Brose (McVey), John McGoff, and we'll just have to see how that shakes out. As far as 2012, I'm obviously flattered to be mentioned with the lieutenant governor and others, but I haven't even made a decision about '10 yet, so that's a long way off.

HPI: But you've opened up a federal exploratory committee.

Brizzi: I had a conversation with Congressman Burton and we were talking about whether or not he was going to run. At that time he was unclear, but during the interim time we did form a committee to raise federal dollars. When you form a committee to raise federal dollars you actually have to declare what you are raising dollars for, so we said we were raising dollars for the 5th. I am not running in the 5th but I can use the federal money for state races.

HPI: When you were on Capitol Hill, did you take a look at what Members do and see yourself in that frame?

Brizzi: There are issues I could get fired up about. I think I'm more of an executive than a legislator. But there

are issues I could get fired up about; immigration is one. I wouldn't rule it out, but probably not.

HPI: Paul Helmke and I used to have this conversation about not many prosecutors mov-

Brizzi during his 2006 debate against Melina Kennedy during the Greater Indianapolis Chamber's Hobnob. WISH-TV's Jim Shella moderates. (HPI Photo by Brian A. Howey)

ing on to other offices because they tend to see things in black and white, good versus evil. And yet, before I started rolling the tape, you were laying out all sorts of gray areas, crime prevention and other programs. Is that a fair assessment?

Brizzi: I think that's very fair. I try to communicate to all the lawyers in my office. When I hire them during the interview process, I say, "You're young, fresh out of law school, you don't have much experience. In this office you have a tremendous amount of power. You can put someone in jail. You can influence the way victims view the criminal justice system. What you do can forever alter their sense of justice. Make sure you return phone calls. When it comes to defendants, just because you can do something doesn't always mean you should." They have the power to lock someone up when that isn't always the best decision.

HPI: Scott Newman once told me he sometimes had trouble moving about the county because of the haunting things he had seen at the hundreds of crime scenes he'd been at. Do you feel that kind of weight? You've probably seen it all.

Brizzi: Yeah. It's funny, whenever we do any kind of press availability after a horrific crime, I'm always asked by reporters, "Is this the worst thing you've seen?" I can never say yes because that paradigm is always shifting. You have multiple triple murders ...



Page 10

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

HPI: And then seven.

Brizzi: And then seven. Right. Or you have a baby who is put into scalding hot water and burned and then left unattended for a week. The level of depravity we encounter on a daily basis is shocking. It's numbing. Sometimes you look at it and sometimes you're not fazed until later in the day.

HPI: We are in, arguably, the worst economic downturn since the Great Depression. What are we looking at on the crime front in the next year or two? Will you be a lot busier?

Brizzi: We haven't seen it yet. We haven't seen an uptick in crime because of the economy, but I do anticipate that as people lose their jobs and people become more depressed that you will see a rise in crime not only as it relates to "yeah I've got to have this so I can eat" but an increase in despair, violence and drug use. All of that will

increase as people escape the reality of where we are.

HPI: Is it tough when you get somebody who may have been a law-abiding citizen and then they get busted for stealing Pampers for the baby or food when the family is hungry?

Brizzi: I'm not seeing that right now, but I think that if that time comes we're going to have to take a look at how we handle those cases. It's still a crime and we can't have lawlessness. We have to maintain order and security and at the same time be compassionate about situations.

HPI: Do the events in Mexico, the drug wars there and the fact that the U.S. military is predicting a potential "failed state" concern you here? We've even seen some Mexican musicians assassinated here.

Brizzi: We talked about the 5th CD. One of the key issues with me is illegal immigration. As a prosecutor it is frustrating to me that we have people in this country who commit crimes, we convict them, and they are not deported. Immigration and Customs are way understaffed for a city this size, and many times not responsive. We need to enforce the laws on the books, we need to build a fence. We need to deal with the illegal immigrants already here.

HPI: What are your top legislative priorities?

Brizzi: Feticide.

HPI: You helped write that bill?

Brizzi: I did. We've compromised a little on it but I think it's a good compromise and the (sentencing) range will be 6 to 20 if a baby is killed as the result of an intentional battery. I appreciate Sen. Merrit's and Rep. Murphy's work on this bill. Another thing I really want to tackle is

truth in sentencing. Indiana is way behind the times in sentencing and the time actually spent behind bars. Right now it's 50 percent good time credit, automatic. Automatic! You don't have to do anything except not act like an idiot in prison. Then if you do some remedial courses, get your GED or a bachelor's degree or job training, you get another couple of years off your sentence. You can be sentenced to 10 years and do actually less than four. For victims of crimes, trying to explain that prosecutors don't have control over that and so every time we've gone through the truth in sentencing ... I mean, I go back and say let's make it for certain crimes, where people tend to be more recidivist like child molesting, 85 percent of the sentence is served. I would like to use some kind of PAC and get around the state and really help citizens lobby their individual legislator. We talk about public safety being job No. 1 and often times it isn't. Many of the crimes are being committed are

repeated by the same types of people. We know who these people are and we ought to keep them locked up as long as we can,

HPI: We've seen this macro debate in the House where the Democrats want to put more in education and the Republicans want to build more prison cells. And this has been coming on for decades.

Brizzi: Someone asked me if I had an unlimited sum of money and I could spend it on whatever I wanted to curb

crime, what would it be? The easy thing to say would be to build more jail cells, but no, it's early intervention. First grade, second grade, early resources, mentoring. Partnership with faith-based communities. But that by itself is not enough. There are still people who want to hurt us, no matter how much you educate them. Those people ought to be locked up until they're so old they can't hurt anyone.

HPI: Do you have any positions on the Kernan-Shepard reforms?

Brizzi: We really ought to do everything we can to save taxpayer dollars. Consolidation of township government seems like a way to do that.

HPI: What do townships mean politically? To political parties? Do your campaigns rely on township foot soldiers?

Brizzi: That's the older model. Tom John, our chairman, has really divided it up into areas. But township political organizations are still very effective. Those are the folks who end up walking with you. •



Prosecutor Brizzi with HPI's Brian A. Howey.



Page 11

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

Sen. Buck flirts with the kiss of death

By BRIAN A. HOWEY

INDIANAPOLIS - The governor was "embarrassed" for them. After State Sens. Jim Buck and Sue Landske voted with the Senate Local Government Committee Democrats to gut SJR-7 and county government reforms, Dan-

iels said, "I'll make no comment about Democrats all voting against reform, but when it comes to two members of my party, I'm disappointed in them and embarrassed for them."

What did it mean? Was it a stinging observation or an idle threat? Was it as if Don Corleone was kissing his brother Fredo? Or Moe whupping Curly upside the head?

For Landske, it just brought bad press, when Post-Tribune columnist Rich James made her out to be the heir apparent to the Roger Chabai wing of the Lake County GOP. "You know that old saying about politics making strange



SEN. BUCK

bedfellows," James wrote on Wednesday. "It certainly is true, especially when you see state Sens. Lonnie Randolph and Sue Landske cuddling up with each other down at the Statehouse. The crazy thing is that Landske has had the chance to cast votes to dismantle a good bit of Lake County government -- the vast majority of which is controlled by Democrats -- as well as cripple the Democratic precinct organization."

For Buck, it will likely mean a very, very busy spring in 2010, leading up to the May Republican primary. Word is that former INDOT Commissioner Karl Browning of Boone County is pondering a primary challenge to Buck, who won SD21 by caucus after Sen. Jeff Drozda resigned in 2008. Buck has yet to run in an election in most of the district.

Another possible challenger is Indiana Family Institute President Curt Smith, who was reportedly dismayed when Sen. Buck dropped critical IFI legislation related to the definition of marriage, reliable Republican sources tell HPI. Smith did not return a phone call for comment.

Buck is taking heat from all sides. His opposition to not only the Kernan-Shepard reforms, but education makeovers advocated by Supt. Tony Bennett has placed him in hot water. He owed his caucus victory in part to local elected officials, who then pounded him to help derail the Kernan-Shepard reforms that would reshape county and township government. It didn't help that in his own city - Kokomo - during an appearance by Gov. Daniels and

former Gov. Joe Kernan, Liberty Township Trustee Linda Grove became the poster child of nepotism in the vanguard of some of the most searing reporting and commentary on a strata of government during the following two weeks.

In the Indiana General Assembly, members call it "courage" to make tough votes based on principle, though the concept is almost laughable in the context of Hoosier National Guardsmen in Iraq, a cop in a shootout or a firefighter learning that children haven't escaped a flame-engulfed home. Those who don't possess vote courage can be condemned to endless hours raising money, countless phone calls, going door-to-door, a half dozen debates, nosy reporters and righteous editorial writers, etc.

In just about every election cycle over the past decade, a senator who misread his standing, ticked someone off, or was oblivious to a shift in public opinion, lost in a primary battle. The names read like an honor roll of power and seniority: Larry Borst, Bob Garton, Steve Johnson.

That last name is most interesting in this context: the primary upset trend began with Johnson back in 2002 in ... SD21.

5th CD

As it stands today, a three-man race is shaping up in U.S. Rep. Dan Burton's 5th CD in May 2010.

Burton is in, unless he has a heart attack. Marion County Prosecutor Carl Brizzi is out, unless Burton's health becomes an issue. Former State Rep. Luke Messer is in and displayed some insider power as Jennifer Hallowell joined his campaign and he received endorsements from former Indiana Republican Chairman Jim Kittle Jr. and GOP financier P.E. MacAllister. Brose McVey is in, the first to form an exploratory committee. Dr. John McGoff is still a possibility. State Rep. Mike Murphy is in.

Here's how we assess the field:

Burton: GOP sources believe Burton starts off with 35 percent of the primary vote "locked in." In a two-way race we believe he's vulnerable. A three- to five-man race will mean he returns for a 15th term. Burton won't have money issues. His name ID is high. His greatest asset will be his solid conservative credentials and a strong approval rating in Hamilton County. His weakness would be an antiincumbent dynamic, a collapse of the Detroit 3 (he voted against the December auto bailout, though this could also play in his favor). That could hurt him in Grant, Howard and Tipton counties and Burton will have to defend missed votes and golf junkets. Howard County Republican Chairman Craig Dunn has already endorsed the congressman. The Indianapolis Star - if it's still around - will be an active foe as columnist Matt Tully and the editorial board are fervent Burton-haters.

McVey: He has a great pedigree coming out of the Dan-Dan orbit (Quayle & Coats). He has a Hamilton County



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

base. His Purdue degree and agriculture activism will play well in the cornbelt counties. He is the only one who has run a congressional campaign with his 2002 challenge to U.S. Rep. Julia Carson in the 7th CD. His 44 percent showing despite an extremely credible campaign basically has Republicans writing that district off. There is some name ID left from that run as well as within GOP circles. McVey has access to money, having out-raised Carson in 2002. We don't detect a particular issue vulnerability.

Murphy: Rep. Murphy told a struggling major metropolitan newspaper in the state's capital today that he will run, saying, "Criticizing (Burton) is not my purpose." He added that he will run on his own vision for the country. Murphy has a Marion County base and is the only potential challenger holding office. That's a dilemma for Murphy, the former Marion County Republican chairman, who would have to give up his legislative seat. Murphy has fended off recent primary challenges quite effectively with big pluralities. Some Republicans believe that Murphy would be vulnerable on the immigration issue, another ace Burton has in his pocket.

Messer: The former state representative and Indiana Republican Party executive got off to a good start with the Kittle and MacAllister endorsements. Having Hallowell on board brings his campaign instant cred.

Brizzi: As you read in this edition, Brizzi is not going to run less an act of God removes Burton from the scene. If that were to happen, we and other GOP sources believe Brizzi would probably become a frontrunner due to his high name ID in the dominant Indianapolis media market and Marion County power base.

Here's a history lesson: Three Hoosier Republican congressmen have been challenged in recent years. In 1994, U.S. Rep. John Myers was challenged by State Sen. Dick Thompson and county chairman Dan Pool. The two got a combined 40 percent of the vote and future oblivion. When Myers retired two years later, it was State Sen. Ed Pease who emerged out of a field of 15 (including a candidate named John Meyers). Pease won that primary with 30 percent and an endorsement from Rep. Myers).

The other challenges occurred in 2002, when former Fort Wayne Mayor Paul Helmke took on U.S. Rep. Mark Souder, who got an endorsement from President Bush and tied Helmke to Yale classmate Bill Clinton, at one point

calling Helmke a "Clinton clone." Final result: Souder 60 percent, Helmke 37 percent.

The other one was a restricting collision between U.S. Reps. Steve Buyer and Brian Kerns (State Sen. Michael Young was a third



Luke Messer with Jennifer Hallowell last summer at the Rathskeller. (HPI Photo by Brian A. Howey)

candidate) and Buyer easily won that one 55-30 percent over his colleague.

Indiana Governor

Yes, yes its more than three and a half years away, but the earliest gubernatorial sprouts of 2012 are peaking through the loam. U.S. Rep. Baron Hill paid a visit to the Indiana House earlier this week to urge Gov. Daniels to take the stimulus unemployment money. It's his third trip to the Statehouse in the last three months, having attended the Electoral College and Gov. Daniels' inaugural. A couple of days earlier, Lake County Sheriff Rogolio Dominguez met with supporters, led by former Elkhart Mayor Jim Perron, to map out an early strategy.

This weekend, Hammond Mayor Thomas McDermott Jr. could severely compromise his gubernatorial candidacy if he loses his Lake County Democratic chairman race to Gary Mayor Rudy Clay or Surveyor George Van Til. Then again, if he wins he could still severely compromise himself.

On the Republican side, U.S. Rep. Mike Pence made the inauguration day rounds at the Statehouse and addressed family groups seeking a constitutional amendment

> on marriage. Marion County Prosecutor Brizzi wouldn't rule out interest in the '12 race when he talked to HPI. There's the mum Lt. Gov. Skillman. We're hearing that Treasurer Richard Mourdock is also signalling his interest.

Your most comprehensive source of Indiana General Assembly news



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Page 13

Weekly Briefing on Indiana Politics Thursday, March 5, 2009

GOP governors say 'Yes we can'

By JACK COLWELL

SOUTH BEND - While Republicans in Congress hail their political strategy to "just say 'no" to President Barack Obama's economic stimulus effort, many Republican governors say "yes!"

No mystery why.

Governors have to balance their budgets. Right now. In Congress, they don't ever have to. And whether



it's Republicans or Democrats in control, they usually don't.
Governors preside already over painful curtailments. If the downward economic spiral continues, they will face massive layoffs of state employees and painful, unpopular cuts in services. Members of Congress won't have to lay off any staff or curtail constituent services.

Governors have a very practical, personal stake in success of Obama's efforts to stimulate the

economy. Most governors would like to see more stimulus, especially with funds for long-neglected state infrastructure, not less.

Governors rise or fall on the economy in their states, even though they never deserve all the credit they claim when the economy is booming or all the blame they get when unemployment grows.

Sure, governors have some role, though limited, in the jobs situation in their states. They all try to attract new employers and sometimes actually have helped to bring the developments at which they proudly cut ribbons at campaign time.

But whether the nation's economy is robust or bust is the biggest factor in how any state is doing. In how important employment sectors fare. In how the governor rates in job performance polls.

In Indiana, Gov. Mitch Daniels boasted during his re-election campaign last year that the state's economy was improving and that Indiana at least had a lower unemployment rate than all of the surrounding states. Unemployment was less than in neighboring states and Indiana's automotive and auto-related sectors were doing well back when the nation's economy was booming.

Now, Indiana's unemployment rate, as of December, is eighth worst among the states and worse than any other state in the Midwest except for Michigan, with its disastrous automotive situation. This is not a sign that Dan-

iels suddenly has grown stupid and ineffective.

He didn't deserve special credit when the economy was doing well. He doesn't deserve special blame now as the economy collapses.

But when it comes to the economic climate, voters tend to give governors credit for the sunshine, blame for the rain.

No state is an island _ except in a geographical sense for Hawaii, which is a bunch of islands.

That's why most governors, whether Republicans or Democrats, want something done now to stimulate the national economy and, thus, their state economies. They are in no mood to "just say 'no" as a matter of principle.

If the nation's economy doesn't turn around, Republicans in Congress can run for re-election by saying "we told you so" and declaring the Obama plan a failure.

If the nation's economy doesn't turn around, governors up for re-election are likely to wind up known as "former governor." Others will see hopes for future political offices shattered.

Republican Gov. Charlie Crist of Florida actually campaigned with Obama in support of the economic stimulus package.

When some Republican governors in the South said they would reject additional unemployment compensation for their states out of principle, Crist responded that he had visited unemployment offices throughout Florida and looked into the eyes of folks dealing with loss of jobs. He will take practical principal over rhetoric about principle.

California Gov. Arnold Schwarzenegger is another Republican supporting the stimulus effort and calling Republican opponents of it "not in touch" with what the majority of people want to see done.

Gov. Daniels, though not a fan of the particulars of the stimulus package, has refrained from any threats of turning back help for his state and has the right approach on how to use the funds.

"Jobs and speed must be the goal," said Daniels. He wants spending on worthy projects that could bring jobs now and not for just propping up spending in the budget in a way to cause problems later when the stimulus money is gone.

Most governors, no matter their party, are concerned uppermost with what is happening now in their states and, yes, with doing something quickly to remedy it. They are less concerned with political strategy in Congress.

Colwell has covered Indiana politics over five decades for the South Bend Tribune.



HOWEY Politics Indiana

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

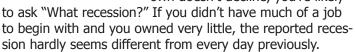
Data detail of Hoosier distress

By MORTON J. MARCUS

INDIANAPOLIS - In this space last week I wrote that the Great Depression ended in 1937. Several readers reminded me that for those who lived through it, the Great

Depression did not feel over until much later. For some hardship and denial did not end until well after World War Two. Others failed to see significant improvement until the Korean War had come to a conclusion in the mid-'50s.

How we feel individually about the economy is often at odds with how the economy is performing. If you don't lose your job and if the value of what you own doesn't decline, you're likely



The data tell us how the economy is performing, not how people feel. Most of us have difficulties relating

to data because our minds are not attuned to the realities shown by the numbers. We don't see check-out counters when we read retail statistics. Data on earnings in health care are not as stimulating as a siren and the imagined flow of blood.

Morton Marcus

Column

But I can see it now. New programs that dramatizes business news. Jim Cramer, the stock market screamer, is only a fore-runner of the times to come. The possibilities are great. A nightly report with Fozzie Bear and Billy

Bull reporting on Wall Street. They use computer assisted animation as we saw in the election reporting. Lou Dobbs hosts a show from an exercise studio while Fox News has a kiddle playground as its set.

Jon Stewart and Stephen Colbert will have features

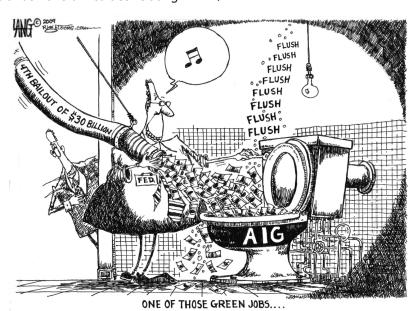
about the commodities markets, hedge funds, credit default swaps, and government regulation. Lots of great gags there. But I digress.

I wanted to use this space today to point out that Hoosiers know more about bad economic times than do most Americans. Since the start of 1970, the total earnings of Hoosiers, adjusted for inflation, have declined 32 percent of the time (49 of 154 quarters). Nationally, a decline in real earnings has occurred only 18 percent of the time.

From 1970 until 2008, real earnings in Indiana have risen 104 percent; that is they doubled over 38 years. In the U.S., real earnings have gone up by 185 percent; that is they have nearly tripled.

What does this mean in dollars? If Indiana had kept pace with the nation (comparable to saying if elephants could elevate), our total real earnings in 2008 would have been 40 percent higher than we actually received. That is, our total earnings would have been \$52.3 billion greater than the \$131.7 billion we realized.

Not only did our Hoosier economy fail to achieve national mediocrity, we had a much bumpier ride than did the U.S. The volatility of our earnings was twice that of the nation. Our swings up and down were more severe as we ranged from a 5.3 percent high of quarterly growth to a -4.9 percent of quarterly decline. For the nation, the high was just 3.2 percent and the low was -2.7 percent.



Just for the record, Hoosiers currently enjoy 1.77 percent of the earnings in the U.S. Our most recent peak was 2.53 percent at the end of 1973. It did not make a difference if Republicans or Democrats were in office; we lost regardless of the party in charge. Our problems are of our making, the failures of our firms and workers to compete in the marketplace. These failures are not the fault of our elected leaders for they too are our fault. Think only of continuing to live with

meaningless, expensive township governments to get the point ...

Mr. Marcus is an independent economist, speaker, and writer formerly with IU's Kelley School of Business.



Page 15

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

Doug Ross, Times of Northwest Indiana: Doug Ross, Times of Northwest Indiana: Perhaps the worst vote in U.S. Rep. Pete Visclosky's congressional career came on Wednesday. Visclosky, D-Ind., voted with all but two Democrats to delay a possible ethics investigation into congressional earmarks and campaign donations tied to PMA Group, a powerful lobbying firm. Visclosky, of all people, should be zealous about ethics investigations. Even if he has forgotten about the countless lapses in Northwest Indiana over the years, he couldn't forget about the troubles former Illinois Gov. Rod Blagojevich faces. And how can he forget about the controversy swirling around U.S. Sen. Roland Burris, one of the final ways Blagojevich thumbed his nose at the people of Illinois before being booted Indiana from the governor's office? Surely Visclosky feels the same disgust about ethical violations as we folks back home. Could it because this time the ethics investigation would examine Visclosky's own actions?

ethics investigation would examine Visclosky's own actions? That's all the more reason for Visclosky to have agreed with U.S. Rep. Jeff Flake, R-Ariz., who asked for a House Ethics Committee investigation into the relationship between earmark requests and campaign contributions. Visclosky ought to be eager to clear his name. Visclosky might not be the king of earmarks, but he's easily a crown prince. Last year the Taxpayers for Common Sense group ranked him as the sixth-biggest earmarker in the House. ❖

Sylvia Smith, Fort Wayne Journal Gazette: Over recent years, Congress has lurched this way and that on opening the door a bit to let us peek into the process of awarding earmarks, funding for pet projects that has come in for so much derision. Individual lawmakers have adopted policies of varying degrees of transparency (Rep. Mark Souder, R-Ind., is stellar in this regard), but the institution has been less than completely open. Even when they adopt rules that supposedly raise the curtain on the murky process of who gets what and how much, Congress' reluctance (and disdain) is apparent. For instance, one subcommittee followed the letter of the rule by listing the project, the agency that will fund it, the amount and the requester. But the amount is in one place in the bill, the other data are in another place, separated by perhaps hundreds of pages. This year, the chairmen of the House and Senate appropriations committees announced that lawmakers must put their earmark requests on their official Web pages. Otherwise, the requests won't be considered. This is a good step forward because it will give all taxpayers what Souder's constituents have long received: the full list of requests. .

Mark Bennett, Terre Haute Tribune-Star: Only the Batmobile could've topped the Bookmobile. Unfortunately, the Batmobile never drove up at Prairieton School.

But the Bookmobile did, every month. For a small-town kid, stepping into that library on wheels felt like a Lewis and Clark expedition. I discovered tales of my sports heroes' lives. I remember reading a thin young people's paperback about a rising tennis star named Arthur Ashe. I learned how he mastered the game as a kid, despite racist laws barring blacks from playing on whites-only courts in his Virginia hometown. The world, its grandeur and its injustice, opened up to me. Small-town libraries in Indiana should not close. Yes, they cost money — hard-earned tax money.

But they're worth those pennies spent per \$100 of assessed property valuation. This month's announcement that Vigo County Public Library would close three of its five facilities caught attention around Indiana. Property tax caps instituted last year reduced the library's funding, and forced the closures. While all library systems are re-evaluating services and costs, Vigo County's

reduction has been the deepest. "It surprised me, because it was so drastic," said Nancy Mattson, director of the Montezuma Public Library. •

Leslie Stedman Weidenbener, Louisville

Courier-Journal: Senate President Pro Tem David Long, R-Fort Wayne, surprised almost everyone last week when he predicted that a special session might be needed for lawmakers to figure out how to fix the state's unemployment insurance program. It's not that many lawmakers and Statehouse observers hadn't contemplated that possibility. There's always a threat that lawmakers -- particularly with the Senate controlled by Republicans and House by Democrats -- will need extra time to work through their differences. But with two months left to go, it was unusual for one of the legislature's leaders to mention it aloud. Long, though, was irked. Democrats in the House didn't send the Senate a bill dealing with the unemployment insurance situation, leaving Republicans to take on the difficult issue. That may not seem like a big deal. After all, the Senate didn't send the House a bill, either. But fixing the fund -- which is now broke and able to pay benefits thanks only to loans from the federal government -- will undoubtedly involve tax increases on employers. Bills with tax increases can only start in the House. Now, the Senate will have to find a House bill into which they can amend the program. So Long has reason to be frustrated. But it's not just a logistical issue. It's a political one as well. Just about everyone involved agrees that the unemployment fix will involve not just the aforementioned tax increases but also cuts in benefits and changes in who's eligible. That means almost no one will be happy with the result, which means lawmakers aren't looking forward to having to defend it come election time. That's essentially what sank the legislation in the House. .



Page 16

Weekly Briefing on Indiana Politics

Thursday, March 5, 2009

Bayh will vote against omnibus

WASHINGTON - A few Senate Democrats are voicing opposition to a pending \$410 billion catchall spending bill, unhappy

with its cost and changes to U.S. policy toward Cuba (Associated Press).



Most important, Sens.

Evan Bayh, D-Ind., and Russ Feingold, D-Wis., announced Wednesday that they would vote against the bill, and each urged President Barack Obama to veto it if it passes later this week. The White House has signaled that Obama will sign the bill -- even though it contains almost 8,000 pet projects sought by lawmakers -- calling the measure last year's business. "The omnibus debate is not merely a battle over last year's unfinished business, but the first indication of how we will shape our fiscal future," Bayh wrote in an op-ed in Wednesday's Wall Street Journal.

Clark responds

INDIANAPOLIS - Indiana Republican Chairman J. Murray Clark said watching U.S. Sen. Evan Bayh is confusing (Howey Politics Indiana). "It's becoming nearly impossible to know where Sen. Bayh stands on anything," Clark said. He votes for the socalled stimulus that spends hundreds of billions of dollars, but as quickly as humanly possible, he starts to backtrack on this recklessness by opining on the pages of The Wall Street Journal about the virtues of austerity. I guess by being consistently inconsistent he can claim to be on all sides of any given issue. What Hoosiers need is a leader who isn't using a finger-inthe-wind to determine whether or not their tax dollars are going to be spent wisely."

GM auditors eye bankruptcy

DETROIT - General Motors Corp.'s auditors have raised "substantial doubt" about the troubled automaker's ability to continue operations, and the company said it may have to seek bankruptcy protection if it can't execute a huge restructuring plan. The automaker revealed the concerns Thursday in an annual report filed with the U.S. Securities and Exchange Commission (Associated Press). "The corporation's recurring losses from operations, stockholders' deficit, and inability to generate sufficient cash flow to meet its obligations and sustain its operations raise substantial doubt about its ability to continue as a going concern," auditors for the accounting firm Deloitte & Touche LLP wrote in the report.

AFL-CIO doesn't like job trust fund proposals

INDIANAPOLIS - Lawmakers are considering increases in employer taxes, cuts in benefits and changes in who qualifies for the unemployment trust fund program to try to close the funding gap (Louisville Courier-Journal). The bill's author, Sen. Dennis Kruse, R-Auburn, said this week that another option is a tax on workers. But yesterday, Nancy Guyott, lobbyist for the Indiana AFL-CIO, said labor groups oppose that idea. "That is a fundamental change" in the structure of unemployment insurance, Guyott said. "We don't favor that, and I think it's a fundamental departure that would have a lot of unintended consequences."

Daniels to visit anti-township hotbed

GRIFFITH - Gov. Mitch Daniels is making a stop this week on the front line in the fight over whether to reform Indiana's tax system and its

local government structure: Griffith (**Post-Tribune**). When Daniels arrives at Griffith High School on Friday for a town hall meeting, he will find well-informed advocates of eliminating township government. The issue has been making headlines in the town since summer 2007, when a movement to secede from Calumet Township or abolish township government altogether started gathering momentum.

3 to challenge Curley

CROWN POINT - Lake County Republican Chairman John Curley announced Wednesday three people are challenging him for the party's leadership (**Times of Northwest Indiana**). Curley, Carl Dahlin Jr., Peter Thayer and Mark Leyva filed their candidacy for Lake County GOP chairman by the noon deadline Wednesday

Governor calls casino referendum pointless

FORT WAYNE - A referendum to gauge local public opinion on bringing a casino to Fort Wayne would be fairly pointless, Gov. Mitch Daniels said, noting he opposes any expansion of gambling in Indiana (Fort Wayne Journal Gazette). "It doesn't seem like a very fruitful pursuit to me," he said.

Cantrell sentencing scheduled for today

EAST CHICAGO - Political insider Robert J. Cantrell, friend, confidante and adviser to Lake County politicians for decades, will be sentenced to prison today (**Post-Tribune**). CCantrell, 66, faces a maximum sentence of 20 years on each fraud count and up to three years on each tax count. None of Cantrell's political allies have mailed letters to Judge Rudy Lozano asking for leniency.