



## Walkin' the walk with Baron

Rep. Hill has a tested campaign formula for media and votes

By **BRIAN A. HOWEY**

BLOOMINGTON - It was his seventh and final mile, heading down South Walnut Street toward the Bloomington Herald-Times when a motorcyclist preparing to saddle up in a parking lot saw U.S. Rep. Baron Hill walk by. "Thanks for all you do," Jason Evans-Groth called out from inside his helmet.

Hill smiled, walked over and shook the man's hand. The congressman is in a tough reelection battle in a hellish year for Democrats. The congressman had preached to his base all day that the pundits were spewing far too much gloom and doom and the salutation in this parking lot was more the rule than the exception. A few minutes later as Hill marched on with his



U.S. Rep. Baron Hill meets with volunteers mid-day Tuesday at the Monroe County Democratic Headquarters just off the IU campus. The volunteers make 1,000 calls a night. (HPI Photo by Brian A. Howey)

staff and this writer several yards behind, a man in an SUV drove by and yelled out, "You suck."

So even in this liberal nook in the sprawling 9th

**Continued on page 4**

## Lugar's '12 motivation

By **BRIAN A. HOWEY**

INDIANAPOLIS - The news out of South Bend last week that U.S. Sen. Dick Lugar is planning to seek a seventh term in 2012 surprised no one.

"I'm in great health and so is my wife. If that was not the case, it would be a different view," Lugar said. "So I thought there was no reason to be ambivalent or coy about it."

More noteworthy is the fact that some Republicans are talking about an alternative. State Sen. Mike Delph is flirting with the idea of a 2012 primary challenge (friends of Delph indicate it



**"The incumbent Democrat she's running against has already launched his first attack ad against her, so I hope you'll join me in standing with Jackie." - Sarah Palin endorsing Jackie Walorski**

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will likely happen) and such blogs as Hoosier Access are encouraging the challenge, pinning the "RINO" tag on Lugar. They cite the senator's age (78) and his support of President Obama's Supreme Court nominees as evidence that Lugar has lost touch with "Main Street."

**It's not the first time** Lugar has taken heat from the Republican right. When he served as President Reagan's monitor of elections in the Philippines, he concluded that President Marcos had won by fraud and encouraged Reagan to force Marcos out in favor of Corazon Aquino. The right in the Cold War viewed Marcos as a stalwart friend against communism and questioned Lugar's motives.

The reason Lugar wants to continue in the Senate comes with Main Street in mind. Or more like Broadway, or Michigan Avenue, or Pennsylvania Avenue, or even Meridian Street. It stems from the work he began with the collapse of the Soviet Union in the early 1990s, rising to a startling warning in late 1995 that we were likely to witness "the destruction of an American city in our lifetime." The warning came after the mostly failed 1993 bombing at the World Trade Center and was a precursor to the Sept. 11 attacks on New York and Washington. The hallmark work of his congressional career is the Nunn-Lugar Cooperative Threat Reduction program that has secured thousands of Soviet era nuclear warheads, has ridded Ukraine, Kazakhstan and Belarus of nuclear weapons and materials, set up monitoring stations in places like Georgia and Azerbaijan, and is about to address a new growing threat: biological weapons in terror-prone outposts such as Africa and the Middle East.

"I look at it in terms of my life commitment," Lugar said in an HPI

interview at the Marriott in Indianapolis last Friday. He couched it as his legislative station that has achieved international head-of-state security for tens of millions across the globe. His is an opportunity "I don't think will be given to many more Americans to have these contacts" beyond Russia and its neighboring countries. He noted that when foreign leaders come to Washington, they "ask their embassies to make an appointment with me."

"That would be difficult to replace," Lugar explained. "Now others would in due course, but it seems to me the Nunn-Lugar program has a very strong life that pertains not only to Russia but increasingly to the control of chemical and biological weap-

ons that doesn't require the same kind of capital situations that were a part of the Russian nuclear. For their own protection, African countries have tried to formulate their own antidotes to plagues and problems they may have. They might not always anticipate security problems.

Others do understand that: Terrorists. We brought back pictures of all these shells like they were in sporting goods stores. They could have been carted off at any time. They were filled with nerve gas. There was a horrible potential."

**For historical reference**, he points to Shchuch'ye, the western Siberian outpost where he and Sam Nunn discovered dilapidated, wooden buildings with flimsy fences, home to two million 85mm shells filled with 1.6 metric tons of nerve gas. There was no security. It was just a twist of fate that the shells didn't wind up in the hands of al Qaeda, Chechens or other terrorist groups. "All it would take is one of these small shells put in a backpack strapped with C4 plastic







explosives going into a stadium," said Paul McNelly, program manager for the Chemical Weapons Destruction Fund where the shells are now being drained and neutralized, to reporters in a briefing. "Depending on which way the plume went, you could kill 10,000 to 20,000 people. And there were 2 million of these things just sitting there."

**Lugar looks around the Senate**, which is becoming increasingly politically polarized and, within the Republican caucus, distrustful and bellicose. "There's a need to think through all these elements both in the war against terrorism and likewise the laboratories and all the materials involved in security," Lugar said. "These countries need friends. They need technicians in our country who understand what this is all about and can be aligned on that front. I'm attempting to coordinate all of these policies."

"People on both sides of the aisle look to me to at least to have some point of view," Lugar continued. "It might not be the only point of view. I think that's true of a lot of people in a lot of other countries. You could take the position that someone could carry this on in due course. But it's not really clear who and how long and when. In the meantime, extraordinary things might happen in the world which have not been thought about."

Nunn-Lugar was forged at a time when neocon elements in the GOP wanted to step on the throats of Russia just after the Soviet Union collapsed. They couldn't understand using U.S. tax dollars to track down, catalogue and defuse scores of nukes, chemicals and pathogens. The program has been met with periods of indifference from the two Bush administrations. It's tough for conservative bloggers sitting in Indianapolis to comprehend the magnitude of a nuke or an 85mm shell filled with sarin gas exploding on Broadway or Michigan Avenue or even a football stadium just off Meridian Street.

In fact, it's hard for anyone to fathom nukes beyond those in Hiroshima or Nagasaki, or those in a Tokyo subway or an Antelope, Ore., restaurant where nuclear or biological attacks actually took place. It's a horror we've been spared thanks to innovators like Lugar. And as Pulitzer Prize winning author David Hoffman noted in his book, "The Dead Hand," the Nunn-Lugar program was a fiscal bargain.

**The current START treaty stalled** in the U.S. Senate is another case in point. "It comes down to the fact that (Sen.) John Kyl and others are using a bargaining point here," Lugar explained. "He wants the refurbishment of Oak Ridge and Los Alamos. Now, in fairness to President Obama and Vice President Biden, they have promised to put things in their budget and they've now told Kyl about that. They want to see it in ink and in sequence. That group of per-

sons is probably prepared to support the START treaty."

"There's another group of Republicans who are generally not in favor of arms control treaties," Lugar continued. "That's been true of all the START treaties and the Nunn-Lugar program. They just say, 'You can't deal with the Russians, you can't trust the Russians. So forget it. Let's simply arm ourselves and go with missile defense. Arms control is not our bag.'"

**The irony there is that while** arms control is not in vogue with them, deficit reduction is. A case can be made that arms control and proactive anti-WMD programs are far more fiscally prudent given the current state of things than building a missile defense system and deploying it in former Soviet republics.

And there's another group of Republicans. "I don't



Sen. Lugar and Sam Nunn meet with Russian officials at Shchuch'ye August 2007 where 2 million shells are being disposed. (HPI Photo by Brian A. Howey)

want to overdo this," Lugar said, "but there are, I suspect, some Republicans who would say we do not want to give President Obama even a small victory. Because it was negotiated by him, that leaves them pretty cold to begin with. It's the same sort of feeling you have when you don't want anything to happen day by day. It's sort of the Party of No. Unfortunately that's some of their attitude toward the START treaty."

**Little wonder that Lugar is** in the crosshairs of the isolationist wing of the Indiana Republican Party. This is where much of the smoke is coming from when it comes to a potential 2012 Lugar reelection bid. They prefer red meat over bipartisanship. They were determined beginning in January 2009 to seek any political advantage to regain control of Congress this November and the White House two years hence.

Lugar is harshly critical of President Obama, who he believes was trapped by the economy and wars he inherited and the desires of his party and his campaign.

"He followed the designs of his own party, maybe they were his own feelings, that this is the opportunity for



universal health care," Lugar said. "He won't have 60 votes again. He thought it could be done. As it is, they have spent their capital, spent their time and produced now two huge bills that require hundreds of additional decisions by bureaucrats or Congress rewriting the law. The health bill is an example of that. Unless you rewrite this or that, you're taking health care away from the elderly. I have opposed all of these as grandiose and totally inappropriate. Not only is it budget busting but unbelievable in terms of debt implications and the future of this country. It is almost inconceivable to contemplate a deficit of \$1.4 trillion, twice, two years back to back. And there's still no plan really."

**So while Lugar has opposed** the stimulus and health reforms, the financial reforms and the jobless benefits extensions - all Republican positions - he has reached out to Obama on START and offered an alternative energy proposal to Cap-and-Trade. That's what has earned him, in some quarters, the "RINO" tag. "We were talking earlier about the Tea Party group," Lugar said. "They might not sense all of these steps intellectually but they do sense that this is all very bad news. Anybody who countenances or gets involved with Obama really has to be suspect at the beginning."

Here, Lugar is critical of House Minority Leader John Boehner and Senate Minority Leader Mitch McConnell,

who has led the GOP to become the "Party of No."

"I would say that I think this is why it is imperative for Republicans to have programs," Lugar said, suggesting that "maybe" U.S. Rep. Mike Pence might be the party's new idea guy.

**As for the top of the ticket in 2012,** Lugar huddled with Gov. Mitch Daniels last Thursday. "I spent an hour and a half with him in private conversations just trying to think through where everything is both for Indiana and for the country," Lugar said.

Now, this is worth pondering for those who think Lugar might be vulnerable to a Republican primary challenge. The nexus of Republican power roosts squarely between the Lugar and Daniels organizations. While some Republicans have even indicated that Lugar might be vulnerable, given the Daniels influence and national trajectory, it is hard to fathom a scenario of a primary defeat for Lugar. And Lugar is clearly hoping that Daniels challenges Obama. "He has remarkable qualifications," Lugar said of Daniels. "And so I have encouraged him. If he is going to be a candidate, I'd be very supportive of that. I believe Mitch Daniels has offered very constructive ideas for governance in this state and there are considerable applications to the federal government. That's been generally recognized. I'm hopeful that he will." ❖

## Baron Hill, from page 1

CD - a true 50/50 district that has seen several races since 1994 go down to the wire - the split in opinion seemed apt.

Hill is seeking a sixth term in seven elections, losing only once in the Bush-Daniels year of 2004. He faces a different foe than perennial opponent Mike Sodrel. Republican Todd Young is pressing Hill with a tailwind behind him, though he has yet to close ranks with the embittered Sodrel after edging him out with 35 percent of the vote in the three-way May primary.

On this day - Tuesday - the Republican National Committee targeted Hill as part of a 40-district, \$22 million assault. Hill is ardently defending what has been a tumultuous two years. He broke with many Democrats in his district in April 2008,

endorsing Barack Obama over Hillary Clinton in the Indiana primary. He staved off a fourth and final Sodrel challenge that November with 58 percent of the vote. As the Bush presidency waned, Hill supported the TARP bailout of Wall Street, and then the Obama stimulus in February 2009. The following fall, he voted for the Waxman-Markey Cap-and-

Trade legislation. And the capstone of controversy came with his March vote for the health reforms.

Republicans characterize Hill being catatonic and compliant over the Obama lunacy. Democrats see in Hill a gutsy, street-fighting, blue dog politician who made the hard votes to reposition a troubled America for the 21st Century.

And now on a campaign trail littered with briars, liars, fires and brimstone, Hill is battling back. He left an emphatic marker at the Indiana Democratic Convention in June when during a fiery speech, Hill boomed, "I'm glad we passed health care. They want to repeal the thing. Let's have that



Rep. Baron Hill talks with Jason Evans-Groth on a Bloomington street Tuesday. (HPI Photo by Brian A. Howey)



debate. Bring it on!"

At that point in June, Public Opinion Strategies had Hill leading Young 41-34 percent in a poll conducted on behalf of the Republican. But more troubling were a number of Rasmussen Reports polls that revealed close to 60 percent of Hoosiers favor repealing the health reforms and about 50 percent are very motivated. But Hill had \$1 million cash on hand as Young worked to replenish his primary-exhausted coffers. The DCCC is prepared to step in on his behalf. And while Republicans can feel a 1994-style wave developing, there are few willing to say that the Bloody 9th won't be anything but a dogfight until the end.

Hill is a fighter and a walker.

Back in 1990 when State Rep. Hill challenged newly appointed U.S. Sen. Dan Coats, Hill announced he would walk the entire state from the Ohio River to Lake Michigan. With great fanfare and a stuffed folder of earned media along the way, Hill jumped into Lake Michigan at the end of the journey.

"The polls showed I was down by 34 percent," Hill recalled. But soon after his plunge, Mason-Dixon released a poll showing him 8 percent down. He would lose to Coats by that same margin. Hill attributed the bounce to his walk.

In this campaign, he will walk 250 miles and when he reached the Herald-Times, he was at mile 100 with seven miles on this day. A normal day is more like 12 to 15 miles and last week he and his trailing staffers did it in 98-degree heat. He doesn't visibly sweat and he doesn't have a Forest Gump beard. When he reached the end of this walk, he chugged a bottle of Gatorade before sitting down with the print reporters and editors. He's getting a ton of clips. In addition to HPI on this day, he was followed by WFIU and WTIU-TV and would get a spread in the Herald-Times. In Columbus on a recent Friday, WTHR-TV's Kevin Radar along with the Columbus Republic and radio stations were there and carried his message. In Jeffersonville on Monday, three Louisville TV stations and the News & Tribune were on the trail. He's picked up local media from Madison to Scottsburg to Nashville.

They walked with Baron Hill and conveyed his message.

### **Baron's message**

So what is that message?

Hill walked into the Monroe County Democratic headquarters just off the Indiana University campus around 11:30 a.m. Waiting for him was Bloomington Mayor Mark

Kruzan and about 25 activists and campaign volunteers. "These people are making 1,000 calls a night," Hill beamed. "They are canvassing every weekend."

He thanked the volunteers and reminded his base that in the fall of 2008, he was called back to Washington and told by the Bush administration and respected economists that the economy stood on the brink. "They were telling us we could see 30 percent unemployment and a Great Depression similar to the one in the 1930s. That's their answer, not my answer."

Thus came his vote for the Wall Street bailout and then the stimulus, which he credits with saving hundreds of jobs at the General Electric plant in Bloomington. He noted the array of construction projects around Bloomington and IU and credited the stimulus, for which he is now under assault.

"This is going to be a tough election," Hill told the Democrats. "There's a whole lot of hurt out there. And here's the deal: all the polls are showing the Republicans are more energized by 20 percent. We've got to make a thousand calls a day," he said.

Hill told the story of showing up at Obama headquarters in Columbus in July 2008 at 2 on a Wednesday afternoon. He found 10 volunteers making calls, including a woman who had never before been part of a campaign.

"Where is she today?" Hill asked. "Is she going to vote? We need to find her and get her to the polls. If we do that, we'll be just fine."

Obama's political wing, Organizing for America, has identified 330,000 Hoosiers who fit Hill's description of this Columbus woman who helped elect President Obama and turn Indiana blue for the first time since 1964. OFA is working with Hill and Democrats Trent Van Haaften in the 8th CD and U.S.

Rep. Joe Donnelly in the 2nd to stoke up this post-virginal base. His political career hangs in the balance.

As he left headquarters, he chatted briefly with Kruzan and invited him for the final two miles of the walk. Kruzan declined. "You weeny," Hill joked before heading off to the Monroe County Democratic Women's Club.

### **Do you want to keep health reform?**

Rep. Hill knows his health care vote is controversial, but he told the Democratic women, "After that vote, I sleep well at night knowing that people with pre-existing conditions can be covered, that your insurance coverage will follow you, that the doughnut hole has been fixed, that small businesses will get a tax cut for hiring people."

"Does anyone want to get rid of that?" Hill asked.







"I can tell you who does: My opponent."

In Bloomington, many Democrats laud Hill for his vote on Waxman-Markey, Republicans and some independents see it as the end of the coal industry and just another new tax. Hill will defend that vote by saying he expected to become a conferee, and at that point he would have sought changes that would not have penalized the Midwestern coal states. And he warns, "The EPA is already beginning to write the rules if we don't act."

While there are many, many skeptics on this issue, the drought and wildfires in Russia and the catastrophic floods that have swamped much of Pakistan - both potentially seeding great political instability - along with a severe hurricane season here in the U.S. could give him cover.

And that was the essence of this walk through Bloomington. Hill was seeking to stoke the base to do the "grunt work," reconnect with the Obama voters and gut out a tough win in one of the most hostile environments for a Democrat since 1994.

When Hill reminds 9th CD voters that without TARP, the stimulus and the restructured General Motors and Chrysler, things would be much more dire, does that resonate?

"It's more like, 'OK. What's next?'" Hill said. "That's kind of what I'm running into with this walk. But I think they do recognize it wasn't us Democrats who caused all of this. They do know it came under Bush's presidency. It remains to be seen if this is carried through the election. Conditions need to improve a great deal."

This election comes down to jobs, jobs and jobs. What does he want to see from President Obama and Speaker Pelosi when he returns from the August break?

"When we get back from this break - I can hardly call it a break because I'm walking 250 miles - we're going to be taking a look at legislation that will incentivize manufacturing companies to hire people, give them tax incentives to help them along the way. Once the manufacturing base takes hold, I think the economy will start to expand. The business people I talk to say the banks have a lot of money, but they're not letting go of it because they are unsure of the economy. Once they know this economy is back on its feet and on solid grounds there will be more jobs. We've just got to keep pushing on. There's going to be a great expansion."

What Hill believes will happen is what occurred to President Reagan and the Republicans between the dark days of 1982 and the dismal results in that election and the Great Communicator's "Morning in America" that ushered in a 49-state landslide. "Exactly," Hill said. "I was talking to a real estate developer yesterday on the street and he told me, 'I don't know when it's gonna happen, but it's gonna happen.'"

Asked by a reporter if he would turn his back on a campaign visit from President Obama, Hill said no, citing "Southern Indiana values" when it comes to friendship.

### The state of Hill's campaign

Does Hill think he still has a lead over Young?

"We have done some polling and it looks pretty good," Hill said. The Hill campaign since 1998 has never released polling data and he didn't this day. "It's not as good as it has been, like 2008. I think I'm on solid ground in terms of the issues. I don't know Todd Young very well. I've only met him once. But what I know of him and his

political views, I don't think it's a good fit for the district. He wants to privatize Social Security. He wants to give our national parks back to the states. He wants to eliminate the Department of Education, Labor and Energy. So we're going to be contrasting what I believe in and what he believes in."

This week, Hill launched his first ad, showing a YouTube video clip of Young calling Social Security "a Ponzi scheme." The ad notes, "Every American has paid into it. Every Hoosier put their trust in it. Will Todd Young try and end it?"

And what is a campaign like without Sodrel? "It's a little weird," he answered with a laugh. "It's an adjustment. I don't know much about Todd Young but I do a lot about Mike Sodrel. So it's a learning curve, like all elections are. I've been so accustomed to having him as my opponent, so it's a new way. But we're going back to the fundamentals. We're raising money and we'll be up on television fairly soon and I'm doing the walk. The walk connects me with the people."

Yes, the walk. It didn't win him an election in 1990 but it closed the gap. This year, it might save his career. Hoosiers expect their politicians to walk the walk and talk the talk. ❖



Rep. Hill defended his position on health reforms before the Monroe County Democratic Women and implored them to get the vote out. (HPI Photo by Brian A. Howey)



## History shows that Ellsworth can close the gap, but can he win?

By **BRIAN A. HOWEY**

INDIANAPOLIS - There's been much speculation on whether U.S. Rep. Brad Ellsworth can close the 15-20 percent polling gap in his U.S. Senate race with Republican Dan Coats and win. Two Senate races in 1974 and 1990 prove that the gap can be closed, but pulling out a win will be difficult.



Exhibit A comes from 1974 when the Republican State Central Committee sought out and convinced Indianapolis Mayor Richard Lugar to challenge U.S. Sen. Birch Bayh. Lugar told HPI last week it had been his

intention to serve out the final year of his mayoral term, then take on U.S. Sen. Vance Hartke in 1976 which is when he won. But with the Watergate scandal closing in on President Nixon, Lugar became the good GOP soldier and challenged Bayh. He found himself trailing in double digits to Bayh throughout the summer. Then, on Aug. 9, Nixon resigned.

At this point, Lugar's polling showed a big bounce and he trailed Bayh by single digits.

But on Sept. 8, President Ford announced he would pardon Nixon, releasing a powerful backlash to Republicans across the land.

"I deeply believe in equal justice for all Americans, whatever their station or former station," Ford said. "The law, whether human or divine, is no respecter of persons; but the law is a respecter of reality. During this long period of delay and potential litigation, ugly passions would again be aroused. And our people would again be polarized in their opinions. And the credibility of our free institutions of gov-

ernment would again be challenged at home and abroad."

For Lugar, the polarization was immediate as the bottom dropped out of his numbers overnight. Lugar did inch back into the race and lost to Sen. Bayh by 50.7 to 46.4 percent. Just as Lugar was making a second comeback, Ford announced the ultimately unpopular WIN program (Whip Inflation Now) which ultimately tagged Lugar with his only loss at the polls. It would be Bayh's biggest Senate race plurality in his three victories.

In 1990, State Rep. Baron Hill challenged U.S. Sen. Dan Coats in his first election to fill out the term of Vice President Dan Quayle. "The polls showed me down by 34 percent," Hill told HPI on Tuesday. But as Hill finished his widely publicized walk from the Ohio River to Lake Michigan, a Mason-Dixon poll came showing Hill had closed the gap to 8 percent.

"We had just gone up on TV," Hill said, "and I had just finished my walk." Hill wasn't able to close the gap and lost to Coats 54-46 percent.

Ellsworth told reporters at a press conference at the Indiana State Fair Wednesday morning that he is unphased by Rasmussen Reports polling that showed him trailing Coats 50-29 percent earlier this month. "I feel good," Ellsworth said. "I'm glad to be home meeting people. We'll be off in October from Washington, so I'll make the rounds. I make no bones about it, I'm not known in Northern Indiana." Some Democrats have questioned Rasmussen Reports as slanted toward Republicans. "This year was the first I've even heard of Rasmussen," Ellsworth said. "I've been told their numbers are off 5 to 6 percent."

A Polling Company poll conducted for the Susan B. Anthony List at about the same time as the last Rasmussen Poll had Ellsworth trailing by 15 percent.

"We've got 70 days," Ellsworth said. "I feel like I'm getting a good response. I think we'll see good results."

HPI asked Ellsworth when his ads portraying Coats as a lobbyist will begin airing. "What ads?" he asked, smiling.

Asked if the Democratic Senatorial Committee will invest in his race, Ellsworth answered, "It's really going to be up to them. I can't control



With an old farm tractor chugging smoke in the background, Democratic Senate nominee Brad Ellsworth discussed Cap-and-Trade legislation at the Indiana State Fair on Wednesday. (HPI Photo by Brian A. Howey)





that. They'll make that decision. If they do, they do."

### **Ellsworth on cap-and-trade**

As an ancient farm tractor chugged out thick, brown smoke in the State Fairground's Pioneer Village, Ellsworth had a presser on Cap-and-Trade Wednesday morning. Ellsworth stood in front of a bright red Country Mark Co-op truck and noted that he was one of 44 Democrats to oppose the bill.

If the bill had passed, Ellsworth said, Country Mark would likely have been doomed. "The reason I chose the Country Mark truck as my backdrop is that the company had a large presence in my district," Ellsworth said. "Both Country Mark and I kept in close contact during the original Cap-and-Trade legislation and how it would effect them. I believe it would have in a negative way."

Ellsworth said that Indiana has "abundent energy and it comes with coal. My district has about 95 percent of the coal in this state and 96 percent of the electricity comes from coal in this state. It's inexpensive, it's as clean as it can be and there are things we can do to make it as clean as possible. As we move toward alternative sources, we are not going to eliminate coal."

Ellsworth added, "One of the things we have to talk about on any climate legislation that we do is that we ... can't spank or give a stick to some states and reward other states."

"When my opponent - Sen. Coats - comes home and talks about Cap-and-Trade and how many jobs it will cost Indiana, I think that will be determined that it will cost jobs. It will cost energy. The point is when you come home and tell people on the campaign trail why you oppose this and it's bad, the legislation he says he was against he lobbied for."

### **Coats' 'Contradictory' record**

The Ellsworth campaign released this documentation Wednesday:

On the campaign trail, Dan Coats has become a vocal critic of proposed Cap-and-Trade legislation, repeatedly claiming it would "devastate" Indiana. But as a Washington lobbyist, Coats and his firm made \$480,000 advocating for Cap-and-Trade on behalf of hedge fund mogul Julian Robertson - and Coats has offered up no less than three separate excuses for his work.

**Coats Claims to Oppose Cap-and-Trade.** On

the campaign trail, Coats has regularly claimed to be an outspoken opponent of cap-and-trade legislation - his campaign web site even claims it would "destroy nearly 30,000 Hoosiers jobs, force energy rates to skyrocket and hit businesses with... unprecedented tax hikes". [CoatsforIndiana.com, 6/16/10]

**Hedge-Fund Mogul Julian Robertson Hired Coats to Lobby for Cap-and-Trade.** "Julian Robertson, the legendary hedge-fund pioneer behind Tiger Management, wants Congress to adopt a Cap-and-Trade system to limit carbon emissions," Roll Call reported in August 2007. "To help convince lawmakers, Robertson is dipping into his personal fortune - estimated near \$1 billion - and assembling a boffo team of big-gun lobbyists. In June, Robertson inked deals with both Akin Gump Strauss Hauer & Feld and King & Spalding. Among the lobbyists on the contracts: former GOP Sens. Connie Mack III (Fla.) and Dan Coats (Ind.)... No word on the size of the contracts - but bet that kind of talent doesn't come cheap." [Roll Call, 8/1/07]

### **Robertson Has Spent Over**

**\$1.6 Million Lobbying for Cap-and-Trade.** A June 2010 article in USA Today reported that Julian Robertson "has spent nearly \$1.6 million since 2007 on lobbying to push climate-change legislation. Robertson declined to be interviewed, but his spokesman Fraser Seitel said Robertson thinks 'it's critically important for the U.S. to adopt a Cap-and-Trade system.'" [USA Today, 6/1/10]

Coats Lobbied for Robertson From June 2007 - September 2008. Coats and several other lobbyists at King & Spalding first registered to represent Julian H. Robertson in June 2007 on "climate change legislation." They continued to lobby on behalf of Robertson through 2008, bringing in a total of \$480,000 for their work. [US Senate Lobbying Reports, 6/22/07, 8/8/07, 2/8/08, 4/21/08, 7/20/08, 10/17/08, 1/17/09]

### **Coats' Firm Lauds Their Work for Robertson on Cap-and-Trade.**

"Philanthropist Julian Robertson retained King & Spalding in spring 2007

to lobby Congress in support of centrist 'cap-and-trade' climate change legislation," the King & Spalding 2007 Annual Review states. "During the first session of the 110th Congress, we were involved at every level with efforts that resulted in Senate introduction of a broad cap-and-trade bill, which was approved by the Senate Committee on Environment and Public Works in late 2007." [King & Spalding Annual Review, 2007]



Rep. Ellsworth checks his Blackberry Wednesday at the Indiana State Fair while awaiting his presser. (HPI Photo by Brian A. Howey)



**Coats Acknowledges His Work for Robertson.**

In Coats' 815-page "disclosure" of his lobbying activity, Julian Robertson is listed as one of his clients on pages 229 – 230. The record names "climate change issues," "climate change legislation" and the "Lieberman-Warner Climate Security Act of 2008" as Coats' specific lobbying issues. [Coats Release, 6/5/10]

**Coats campaign responds**

Pete Seat of the Coats campaign responded to the Ellsworth presser and news release by saying, "First, the release put out today by incumbent Congressman Ellsworth's campaign is verbatim what they put out in Fort Wayne on July 20. So again, in the absence of talking about the real issues of this campaign – jobs, the economy, health care and national security – they are trying the same false attack on a different day." He added, "Dan opposes attempts to Cap-and-Tax energy, which would have a devastating effect on Hoosier businesses and cost thousands of jobs. He has never advocated for these liberal job-killing policies and would vote against them as a United States Senator."

**Coats, Ellsworth spar on stimulus**

Ellsworth and Coats agree that jobs are the top issue in their race to succeed Evan Bayh. They disagree sharply, however, on how to create new jobs (Shella, WISH-TV). The biggest difference is over the federal stimulus. Democrat Brad Ellsworth voted for it. Republican Dan Coats says it was a mistake.

Ellsworth test drove an electric car to highlight his position in favor of the federal stimulus. The car is powered by EnerDel, the local manufacturer of lithium batteries and owner of a plant Ellsworth toured prior to the test drive. EnerDel is also the recipient of more than a \$100 million in stimulus funds, money that allowed it to move from a research and development phase into manufacturing.

Shella asked Ellsworth, "Do you feel like you need to convince voters that the stimulus was a good idea and that the votes that you cast in favor of the stimulus were the right move?" "Well, you know, certainly I'll talk about that anytime," responded the Congressman. "Because again this is living proof that in this (EnerDel) case it worked and we've seen examples of that around the state."

It's a contrast to Republican Dan Coats who thinks less government spending and lower taxes are a better ways to encourage private investment. "This is not between Dan Coats and Brad Ellsworth," said Coats on Monday. "This is between a philosophy of how we get this economy moving again. What kind of conservative principles work as opposed to the principles that I think are liberal principles coming out of Washington don't work." Coats points to the high unemployment rate to make his case. Ellsworth says it's too soon to know the effects of the stimulus and points

to the EnerDel story is an example. "They're located here," he said. "That's gonna bring other businesses here and I think it's the ancillary things that first initial investment does that's so important and so many times forgotten."

**Coats Supports Tax Cuts**

With Indiana's unemployment rate still topping 10 percent, Coats on Wednesday said tax cuts and business incentives are needed to jump-start job creation (Indianapolis Star). Coats said his proposals include continuing the tax cuts enacted under President George W. Bush; simplifying the tax code to two brackets with fewer exemptions; offering incentives for business research, development and innovation; cutting the corporate tax rate; and cutting regulations. Straining to be heard over the constant loud buzz of equipment as he campaigned at Paragon Medical, a medical parts manufacturer in northern Marion County, Coats said that one key point of his plan calls for a do-over of the recent health-care reforms. That bill, he said, contained tax increases that affect businesses such as Paragon and discourage businesses from hiring new employees. "The current path that we're on is not working. The stimulus has not stimulated. It is not (one of the) tried and true and tested ways of getting our economy back on track and getting people back to work," he said. Coats could not estimate what fiscal impact his proposals would have on the nation's deficit, saying it would need more analysis. But, he said, "I believe the effectiveness will far outweigh the costs. Our hope is that we can come back with a budget-neutral (plan) or savings." **Horse Race Status:** Leans Coats

**Obama's polling at new low on economy**

President Barack Obama earned his lowest marks ever on his handling of the economy in a new Associated Press-GfK poll, which also found that an overwhelming majority of Americans now describe the nation's financial outlook as poor. A frustrated electorate could take it out on the party in power - Obama's Democrats - in the November elections. Eleven weeks before the Nov. 2 balloting, just 41 percent of those surveyed approve of the president's performance on the economy, down from 44 percent in April, while 56 percent disapprove. And 61 percent say the economy has gotten worse or stayed the same on Obama's watch. Still, three-quarters also say it's unrealistic to expect noticeable economic improvements in the first 18 months of the president's term. And Obama's overall approval rating was unaffected; it remained at 49 percent, in part because most Americans still like him personally. In this week's Gallup generic ballot test, Republicans pulled ahead of Democrats by a full 7 points in their widest lead so far this year. Republicans took 50 percent of the vote, compared with 43 percent for Democrats (Politico). The data is based on Gallup daily tracking poll data from Aug. 9 to



Aug. 15, which surveyed 1,662 registered voters.

## 2nd CD: Kaine denounces Donnelly ad

A campaign ad for U.S. Rep. Joe Donnelly generated a strong response from a top Democrat in a Fox News appearance Friday (Weinhold, Elkhart Truth). During a televised interview, Tim Kaine, chairman of the Democratic National Committee, was played a 30-second spot recently released by Donnelly's campaign. In the ad, the two-term 2nd District incumbent highlights votes he's made in favor of tougher immigration laws. "That may not be what the Washington crowd wants," Donnelly, D-Granger, says in the commercial, as a picture of President Barack Obama and House Speaker Nancy Pelosi appears. "But I don't work for them. I work for you." In response, Kaine said it's not wise for congressional Democrats to distance themselves from the president. "Democrats who are kind of afraid to be who they are, or who are pushing back on the leaders -- I think they're crazy," said Kaine, who served as governor of Virginia from 2006 to 2010. "Except in a few very, very gerrymandered districts where you can kind of understand what they're up to." Kaine's quotes were reported by Politico.com.

The Indiana Republican Party criticized Donnelly Tuesday after an article in Human Events magazine pointed out that even as Donnelly tries to distance himself from President Obama and Nancy Pelosi in his latest TV ad, he is still a direct beneficiary of their campaign cash (Howey Politics Indiana). "This is par for the course for Rep. Donnelly," said Indiana GOP Chairman Murray Clark. "While he tells his constituents he isn't part of the 'Washington crowd' he relies on the 'Washington crowd' to help fund his campaign." **Horse Race Status:** Leans Donnelly

## 8th CD: Van Haaften jobs plan

Eighth District Congressional candidate Trent Van Haaften was in Terre Haute on Monday to talk about the future of Indiana and of the nation (Greninger, Terre Haute Tribune-Star). Job creation was a key topic Van Haaften discussed during a roundtable luncheon at the Terre Haute Chamber of Commerce. Van Haaften outlined a five-point plan: closing corporate tax loopholes that encourage companies to move jobs overseas; rewarding small businesses that hire local workers and encourage economic development in Indiana with tax credits; reducing the federal deficit by cutting wasteful government spending; reducing

government bureaucracy; and fixing free trade agreements. "Free trade has only meant that out jobs are free for the taking by China and Mexico," he said. As example, Van Haaften said tax loopholes contributed to Whirlpool closing a manufacturing plant in Evansville and moving 1,100 jobs to Mexico. "I am tired of the we-versus-them partisan bickering in Congress. We need leaders who will focus on us, the U.S., to keep jobs here at home," he said. **Horse Race Status:** Tossup

## 9th CD: Hill TV ad

U.S. Rep. Baron Hill began airing his first TV ad this week. It shows a YouTube video clip of Republican Todd Young calling Social Security "a Ponzi scheme." The ad notes, "Every American has paid into it. Every Hoosier put their trust in it. Will Todd Young try and end it?"

Young told HPI last week that the emphasis of his campaign over the next four or five weeks will be about votes Hill has cast in Congress. "Washington is not doing a good job on jobs and the economy," Young said. He will also push a repeal to the health reforms, but added that Republicans must "offer an alternative." Young said that a Republican Congressional majority will offer "a check on Obama." **Horse Race Status:** Tossup



Rep. Baron Hill's first TV ad of the campaign shows a YouTube clip of Todd Young calling Social Security a "Ponzi scheme."

## HD37: Hupfer begins TV

Republican Kyle Hupfer began his TV ad campaign today. "Growing up in Pendleton, it never crossed my mind my friends and family would find it hard to find a job in Madison County," Hupfer says as photos show him on the high school basketball team. He notes that the jobless rate is 11 percent. "I know we can do better. I will work every day to bring jobs." Hupfer is challenging State Rep. Scott Reske. **Horse Race Status:** Tossup

## Marion Prosecutor: Massa TV begins

Marion County Republican prosecutor nominee Mark Massa launched the first TV ad in his race against Democrat Terry Curry on Tuesday. "For 13 years as a state and federal prosecutor in a courtroom just like this, Mark Massa took on violent criminals, child predators and corrupt officials, winning conviction after conviction," the ad begins. "Mark Massa made Indianapolis a safer place to live. When you think about it, Isn't that just the kind of experience you need in our next prosecutor?" **Horse Race Status:** Tossup







## Democrats Republicans

52 48

### Republican Pickup

HD46: (Open, Tincher) Bionca Gambill (D) vs. Bob Heaton (R)

**HD30: Rep. Ron Herrell (D) vs. Mike Karickhoff (R) \***

### Tossup

HD15: Timothy Downs (D) vs. Rep. Don Lehe (R)

HD17: Rep. Nancy Dembowski (D) vs. Frances Elert(R)

HD31: Rep. Joe Pearson (D) vs. Kevin Mahan(R)

HD37: Rep. Scott Reske (D) vs. Kyle Hupfer (R)

HD44: Rep. Nancy Michael (D) vs. Jim Baird (R)

HD68: Rep. Bob Bischoff (D) vs. Jud McMillin(R)

HD72: Shane Gibson (D) vs. Rep. Ed Clere (R)

HD76: Sen. Bob Dieg (D) vs. Wendy McNamara (R)

HD77: Rep. Gail Riecken (D) vs. Cheryl Musgrave

HD89: Rep. John Barnes (D) vs. Cindy Kirchhofer (R)

### Leans D

HD19: Dan Klein v. State Rep. Shelli VanDensBurgh

HD36: State Rep. Terri Austin vs. Kim Builta

HD62: Rep. Sandra Blanton v. Matt Ubelhoer

HD70: Rep. Paul Robertson vs. Rhonda Rhoads

HD73: (Open, Oxley) Ryan Bowers v. Steve Davisson (R)

HD75: (Open, Avery) Mike Goebel (D) vs. Warrick Coroner Ron Bacon (R)

### Leans R

HD4: Judge Thomas Webber vs. State Rep. Ed Soliday

HD26: Paul Roales (D) vs. Rep. Larry Truitt (R)

HD51: Cody Ross (D) vs. Rep. Dick Dodge (R)

HD92: Brett Voorhies (D) vs. Rep. Phil Hinkle (R)

### Likely D

HD42: Rep. Dale Grubb vs. Clerk Sharon Negele

HD43: Rep. Clyde Kersey (D) vs. Al Morrison (R)

HD66: Rep. Terry Goodin vs. Jim Lucas

HD74: Rep. Russ Stilwell vs. Susan Ellspermann

HD86: Rep. Ed DeLaney vs. Kurt Webber

HD97: Rep. Mary Ann Sullivan vs. Wes Robinson

### Likely R

HD21: (Open, Walorski) Dwight Fish (D) vs. Timothy Wesco (R)

### Safe

**Democrats:** Fry, Lawson, Harris, C. Brown, Bauer, Cheatham, Niezgodski, Dvorak, Pelath, Stevenson, Rardon, Dobis, V. Smith, Bardon, Klinker, Tyler, Moseley, Pflum, Pierce, Welch, Battles, Stemler, Stilwell, Gi-Quinta, Moses, Pryor, Bartlett, Porter, Crawford, Summers, Day.

**Republicans:** **Open-Borrer (Morris)**, Open-Bell (Heuer), Open-Ruppel (Kubacki), Open-Clements (Van Natter), Open-Duncan (Frye), Open-Murphy (Speedy), Yarde, Dermody, Messmer, Neese, Gutwein, Wolkins, Friend, McClain, J. Thompson, Richardson, Turner, Davis, Lutz, Torr, Steuerwald, T. Brown, Borders, Foley, Culver, Leonard, Cherry, Saunders, Knollman, Eberhart, Burton, M. Smith, Koch, Crouch, Lehman, Espich, Pond, Noe, Bosma, Behning, Frizzell. ❖

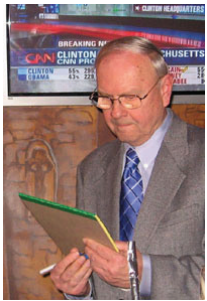
\* Status Changes are bold faced



## Mitch Daniels for president

By JACK COLWELL

SOUTH BEND - Mitch Daniels is going for president. How far he intends to go and whether he could go all the way are other questions. But Indiana's governor gave the "go" signal in his Fox News interview with Chris Wallace.



And why not?

Daniels' credentials are better than those of some now hyped as top contenders for the 2012 Republican nomination for president. Heck, Mitch didn't bail out on the governor's job in the midst of his first term. Also, he knows Washington, a plus for a president, despite what anybody thinks of Washington. He was political adviser to

President Ronald Reagan and budget director for President George W. Bush.

"Going for president" doesn't mean that Daniels will officially announce candidacy and file for the Iowa caucuses and New Hampshire primary. It means that he could. He could if the "go" signal brings sufficient attention and support for a candidacy to make sense.

Daniels told Wallace that he will keep an open mind about running for president, a step far beyond the past approach of scoffing modestly about any such possibility.

Nor does "going for president" mean that the Oval Office is the only goal.

Signaling "go" rather a "no," even if Daniels doesn't go on to enter all the presidential primaries, gives him an amplified voice in national politics, a strengthened role in advocating his views on the direction of the Republican Party and the nation.

**That enhanced role in the GOP** could lead, if not to the presidency, to a vice presidential nomination, if he were seen as providing the right balance for the right presidential nominee at the right time. A big "if." Sure. But there's no "if" at all for him in never giving a "go" signal.

Daniels signaled "go" in the Fox interview in a number of ways.

First, though he talked of retaining focus on his job

as governor, as he must do, Daniels made clear he has an open mind about a presidential candidacy.

"Many people have asked that I at least keep an open mind, and I've said all right," Daniels said.

He added that if those people later still want him to run, presumably when the timing is right, "they can ask me then."

Another "go" sign was the fact that Daniels agreed to be spotlighted in the Fox News series on "prime contenders for the 2012 GOP presidential nomination."

**Daniels noted that before** he had turned down requests to be on the program, just as he has turned down requests for appearances in Iowa and New Hampshire. Reluctance rather than pushing to be spotlighted has been wise for Daniels. And in character. But too much refusal to stand in the spotlight could mean that the spotlight won't be there when he wants it.

Also, Daniels, who earlier in the year signed a letter calling for more federal stimulus money for states for Medicaid, changed course in the interview, criticizing the congressional action to do just that.

The Indianapolis Star, a newspaper that has been kind to the governor in editorials and coverage, and other state and national publications questioned whether this was a flip-flop.

Flip he did, from the letter he signed along with 41 other governors. But this was no flop in terms of any future quest for support from Republican presidential voters. They will include those most vehemently anti-Obama and in no mood to vote for anybody seen as supporting stimulus efforts or any other Obama efforts.

In "going for president," even if just splashing a bit in the stormy waters of national politics, Daniels ran into the intense scrutiny that comes with any "go" signal.

Daniels claimed he never wanted more stimulus money for Indiana and signed a letter that only "says don't add to the debt."

That's not what the letter said.

And Hoosier Democrats, long stymied by Daniels, pounced on him for talking to Fox about a state "surplus" of \$830 million but not acknowledging the role of \$1.2 in federal stimulus money.

Wallace even brought up Daniels' role as Bush budget director as a big federal surplus became a bigger deficit.

Welcome, governor, to what goes with "going for president." It's tough. But so is Daniels. ❖



Gov. Daniels poses with Kokomo cookie-baker Lisa Downs during a campaign event for legislative candidate Mike Karickhoff last week. (HPI Photo by Brian A. Howey)





## Obama in a bind over Elizabeth Warren

By **CHRIS SAUTTER**

WASHINGTON - Elizabeth Warren, the native Oklahoman Harvard law professor who came up with the idea for a Consumer Financial Protection Bureau (CFPB) and then fought to make it happen, has become a coveted prize in a tug-of-war over the future of the new agency. Liberal Democrats on Capitol Hill and progressive reform advocacy groups have been pushing hard for President Obama to nominate Warren to run it. Republicans and conservative special interest groups, unhappy with the passage in Congress of any financial reform law, have targeted her for defeat even before the President has made his choice.



Chris Sautter  
Column

Objections to Warren's nomination range from claims that she is bias against bankers to that she lacks management experience. Neither holds water. Her ability and intellect are beyond question. She is not only qualified, but given her expertise, she is undoubtedly the most qualified candidate for the job. The vast majority of Senate Republicans who will vote on her confirmation will oppose anyone for the job except a patsy for the banking industry. Republicans want to scale back the authority given to the CFPB in the new law and will vote against anyone who takes the job seriously.

Warren has earned her reputation as an aggressive public watchdog. As chair of the Congressional Oversight Panel of TARP—created to investigate the bank bailout, Warren has been tough and independent. Even her Republican colleagues on the panel have praised her effusively for demanding accountability from both the government and the banking industry, and for being equally tough on both Democrats and Republicans. Undoubtedly, as head of CFPB Warren will be a staunch advocate for the rights of consumers against unscrupulous practices of powerful financial firms. That is as it should be.

**The battle over Warren** has put President Obama in a bind. If he appoints Warren, Republicans and the bank lobby will launch a protracted fight over her Senate confirmation on the scale of the most contentious U.S. Supreme Court nominations. Such a battle could further alienate independents desirous of an end to partisan bickering in Washington. Senator Christopher Dodd, the principal architect of the reform legislation, has warned Obama against nominating Warren. Yet, if Obama appoints someone other than Warren, he will risk a rebellion from his progressive base heading into an off-year election in

which the Democrats badly need a shot of adrenaline.

Within the Administration, Obama's advisers are split. Almost immediately after the financial reform bill was signed into law, word leaked that Treasurer Secretary Timothy Geithner opposed Warren's nomination.

Director of the White House Office of Economic Council Larry Summers also opposes Warren's nomination, as to a lesser extent does White House Chief-of-Staff Rahm Emanuel. White House senior advisors David Axelrod and Valerie Jarret are enthusiastic supporters of Warren.

**Even more problematic for Obama** is the appearance of nominating a man over the woman most believe is the best candidate for the job. The National Organization of Women (NOW) sent out a mass e-mail to its members recently suggesting sexism might be at play in Obama's reluctance to nominate Warren.

In fact, Obama has been anything but sexist in his top appointments. He is the first President in history to put two women on the U.S. Supreme Court. His cabinet is stocked with the likes of Secretary of State Hillary Clinton, HHS Secretary Kathleen Sebelius and Homeland Security Secretary Janet Napolitano. Valerie Jarret is arguably his closest adviser inside the White House.

But Obama's economic team is virtually an all-boys club. Now Christina Romer, who has served as Chair of the Council of Economic Advisers, is leaving. According to Jonathan Alter in his book *The Promise* on the Obama Administration's first year, Romer and Larry Summers engaged in a shouting match over Summers' efforts to keep her out-of-the-loop. This is the same Larry Summers who was driven from the presidency of Harvard because of, among other things, sexist comments about the academic potential of women students. And, Geithner has not only clashed with Warren, but also with Sheila Bair, Chairwoman of the Federal Deposit Insurance Corporation.

**In other words, with Geitner** and Summers opposing Warren, Obama has to be careful about a backlash within one of his strongest constituencies--women. Warren has become the new Hillary Clinton—a symbol to many of women's progress. Clinton's presidential campaign broke the glass ceiling in politics, but was denied the ultimate prize. It would be too much for Obama to expect women to sit back idly while Elizabeth Warren—clearly the most qualified candidate to head up the new consumer financial protection agency--gets passed over for a man because the boys in the Senate don't get it. Obama needs to extricate himself from the public perception that he and his top economic advisors are too cozy with Wall Street. More importantly, he should nominate Warren because she would justifiably provide public confidence that the agency will protect consumers against the powerful financial industry. Obama would be wise to nominate Warren and go all out for her confirmation. It's a battle well worth undertaking. ❖



## Hansen really was a wizard in Hovde Hall

By **DAVE KITCHELL**

LOGANSPOUR - As college presidents go, most of them bow out unceremoniously and are remembered only on their campuses.

That wasn't the case with Art Hansen, the man who guided Purdue from 1971 to 1982. Hansen, who died last month, has been buried in West Lafayette at the edge of the Purdue campus. He came to Indiana after a tumultuous time when student sit-ins at the Purdue Memorial Union during the Vietnam War cast a broad divide between students and "The Establishment" of university administration.



As my brother recalled during his years there, Hansen was suddenly a different kind of president than the Purdue community had experienced before. One night, Hansen showed up at a campus party, his jacket over his shoulder. He wanted to be close to students and to experience what they

were experiencing.

As he explained during my own freshman orientation, more than half of what a student takes away from a university is learned outside the classroom. Sometimes, that's the most valuable education of all on a college campus.

My own remembrances of Hansen include a time in 1978 after the American coal strike forced President Jimmy Carter to invoke the Taft-Hartley Act. Hansen initially had planned to suspend classes because of coal shortages, but at the last minute, the suspension was lifted. Purdue students went back to class, though every other light in many buildings was turned off and energy saving measures were implemented immediately.

**Self-deprecating as he was**, Hansen acknowledged the objections some had to his sudden reversal. In his commencement address that year, Hansen said he enjoyed t-shirts produced after he changed his mind. The shirts read, "I survived the Blizzard of '78 and the Wizard of Hovde Hall."

In that same speech, he said he also appreciated a letter from a woman who simply described herself as "a salad lady" in one of the residence halls. She acknowledged

the difficulty of the job he had, but said that success is often defined by a poem that has since become popular, "That Man is a Success." In the poem, the author says men are successful if they can appreciate a poem, a perfect poppy or a child.

Hansen could appreciate all those things and much more. He appreciated people.

**Once on his birthday**, the Exponent, Purdue's student newspaper, included a small greeting in the upper right hand corner of the front page. In blue ink, it read simply, "Happy Birthday, President Hansen." He appreciated it so much, he came to the newspaper office in the bowels of the student union to thank the editor.

On other occasions, he was asked by the Purdue Department of Bands to be a guest conductor for the Purdue Symphonic Band. While it sometimes was hard to tell if Hansen was directing despite the band or the other way around, both the band and Hansen started and ended songs together, though he never abandoned his career as college president for a conductor's podium professionally.

Once, we sat together at a Purdue function. He and his wife, Nancy, were as gracious to me and a friend as any good neighbor would be to another.

What Hansen should be remembered for is steering Purdue out of the tumultuous 1970s when money was hard to come by in the Indiana General Assembly and into the prosperous 1980s when years of planning and development began to reach fruition during prosperous times. Hansen's leadership skills made him a natural choice to serve as chancellor of the vast Texas A&M system, but even after that plum of an appointment, he wanted to be buried as a Boilermaker.

**For a man who defended** the rights of the Black Panthers to speak on the Georgia Tech campus, who put down McCarthyism in letters to the Cleveland Plain Dealer and who joyfully volunteered to pose with graduating students, it's a kind legacy that really shouldn't be taken for granted.

Somewhere on the Purdue campus, a building for Hansen should be named in his honor. A theater in his wife's name already graces the campus. For a man as solid as the red brick that built one of the nation's prime universities, it's a small token for the years of service he not only gave Purdue and Indiana, but America. ❖







## Management & metrics

By **MORTON J. MARCUS**

INDIANAPOLIS - Isadore Klosd is the guy who advises firms and institutions on the application of modern, rational management techniques. Behind his back people call him the Metric Gnome.

"I find," Izzy said one day, "when management has a problem and doesn't have a clue what to do, they install metrics."

"You mean," I asked, "they give up feet, miles, and pounds and go metric like most of the world?"

"No," he said solemnly.

"They install systems that measure inputs and outputs; they set quantitative objectives that fit together in support of specified organizational goals."

"Right," I said, "that goes by lots of different names, but they all are simply ways for management and workers to be clear about what is being done to achieve given outcomes."

"Exactly," Izzy said. "Instead of coming into a staff

meeting and saying, 'Our sales are down. What are we going to do about it?' management calls in consultants to organize strategic planning sessions. Then, after weeks of staff time, a set of outcomes are detailed in measurable terms and married to a set of specific staff behaviors."

"I know," I said, "I've done strategic planning with profit-making and not-for-profit organizations."

"And what happens to those plans?" he asked.

"Well," I sputtered, "exigencies intervene that negate the internal and/or external environmental conditions present at the time of the planning."

Izzy stared at me. "In plain English, the heavy volumes of most plans turn into door stoppers. Not because the plans are inadequate, rather they are inflexible or administered inappropriately by management."

"**What should happen,**" Izzy added, "is for management to develop or hire staff with decision-making skills and authority. The military is very good about this. Generals draw up detailed battle orders, but good armies have capable field officers who often must react on their own authority to unanticipated unstable circumstances."

"That's all very nice," I said, "but companies and organizations are not like the military."

"Right," Izzy agreed. "That's because firms don't put their employees through uniform, rigorous training.

Most companies select from a workforce that has a very mixed quality of education. Instead of using this diversity as an asset, management today tries to impose 'behavioral metrics' on its workers independent of their individual strengths."

"Is this new?" I asked.

"**Yes and no,**" Izzy replied. "The time-clock has been around for a long time, but today we ask experienced, responsible, mature people to detail their days on intrusive reporting forms. If they do not behave according to management's dictates, they are in trouble. Individuality and innovative thought are crushed under such a system."

"Furthermore," he said, "you see this when organizations impose 'healthy' behaviors on their employees. They do that to lower their payouts for health insurance, and become tools of the insurance companies."

"Bosses monitor their workers' Body Mass Indices. Not because they know a definite relationship between BMI and performance on the job, but because the insurance companies want to charge workers different fees for personal characteristics. It all appears proper if there is an observable metric."

"But that's what insurance companies do, they charge according to the risks they are assuming," I said.

"**If there were not an** antiquated tax advantage to it," Izzy said "employers could be freed from providing health insurance and employees free to choose the health insurance they want. Then, if one insurer charges according to a BMI reading, the independent worker can look around for another insurer. But if BMI can not be shown to affect performance, no company without totalitarian tendencies need know an employee's BMI."

I wondered if he was referring to IU's recent announcement of its health insurance changes, but Izzy had drifted away. ❖



Morton Marcus  
Column

**HOWEY**  
*Politics Indiana*

When Chris Cillizza of the *Washington Post* posed the question to readers across the nation - "Who's the most influential political journalist in your state?" - the answer in Indiana was this: Brian A. Howey of *Howey Politics Indiana*. Since 1994, *Howey Politics Indiana* has provided news, analysis and commentary from throughout Indiana and Washington D.C. Howey reaches the most influential insiders with his newsletters and the masses with his weekly newspaper column and [www.howeypolitics.com](http://www.howeypolitics.com).

*The Washington Post*  
SATURDAY, DECEMBER 26, 2007

"The Best Indiana Political Reporter: *Howey Politics Indiana* editor Brian Howey."

Photo: Howey with Richard Lugar and Sam Nunn in Russia.



**Matt Tully, Indianapolis Star:** With every passing week, it appears more likely that Gov. Mitch Daniels will make a run for the White House in 2012. So what kind of candidate would he be, and what type of campaign would he run? The best answers might be found in Daniels' first campaign -- the one he waged for governor in 2004. It was a rollicking bid that established Daniels as one of the savviest politicians Indiana had seen in generations. Daniels' first campaign generated the type of ground-level excitement that is rarely found on the state level. Whether he could repeat that on a national scale is debatable. But as the governor mulls a bid for the White House, it's worth recalling five factors that made his 2004 campaign both unique and successful. 1. Even Daniels' toughest critics acknowledge he perfectly understood the mood of the Hoosier electorate when he launched his first bid for governor. There was a sense that the state was in a funk, and Daniels capitalized on that. 2. He put at the center of his campaign one overriding message: the need to increase Hoosiers' incomes. That hasn't happened. But the message appealed in a state that had seen a long decline in manufacturing, the heart of its economy. 3. Daniels ran against an incumbent governor and a Democratic Party that had controlled the governor's office for 16 years. He sharply criticized the condition of the state's economy and budget. He repeatedly stated that "every garden needs weeding" every so often. But he largely avoided the typical negative campaign tactics that have become so common. 4. A major emphasis was placed during the campaign on reaching out to voters who traditionally don't support Republicans. 5. Finally, Daniels carefully crafted his image as a candidate who had been lured into the race by others. And then he hit the road, spending many of his days in dusty cities and towns far from the state's major markets. His message was that he was focused on parts of Indiana that had been forgotten. It was a winning campaign that might be hard to replicate at the national level. But it's a template worth studying as Daniels contemplates 2012.

**Rich James, Post-Tribune:** I tell you, Mitch, every time someone asks you whether you are going to run for president, you leave the door cracked just a little bit wider. You say being governor of Indiana is a pretty big job and that's what you intend to focus on for the next two-plus years. I know you were on Fox news with Chris Wallace last Sunday. I don't know, Mitch, but when I read between the lines, I get the feeling that you want to be courted. That's quite a change from back in April when you were here at the Post-Tribune talking about life in the fast lane. I remember asking you when you were going to announce your candidacy for president. You said you didn't have any

intention of running for president. Then I said, "Aw, come on. You're going to run for president." Remember how you got a little testy and raised your voice and showed some of that I'm-really-upset body language? Scared me a bit, I tell you, Mitch. Last thing I want to do is rile up a guy who rides a Harley.

**Tracy Warner, Fort Wayne Journal Gazette:** In August of his second year as president, his approval rating dipped to 39 percent, partly because he was so heavily criticized over his plan for health care reform. Elected as a centrist, his critics cast him as a social liberal. Just 19 months into his presidency, his re-election chances looked iffy, at best. President Obama? Try President Clinton. Another president was elected on a platform of hope for America and change, but the slumbering economy kept going downhill after he took office. Unemployment was bad when he began his presidency, but it got much worse. Less than two years on the job, half the nation disapproved of his job as president. President Obama? Try President Reagan. When Reagan took office in January 1981, unemployment was 7.5 percent. Late in 1982, it reached 11 percent. Reagan's disapproval rating was at 50 percent, and his Republican Party lost more than two dozen seats in the 1982 mid-term elections. Like Reagan's and Clinton's, Obama's start hasn't been what his supporters had hoped and has offered much fodder for critics. Like President Reagan, he inherited a poor economy that is proving difficult to revive. Will the 2012 mid-term elections hurt Obama? Almost without question. Clinton was the first Democratic president since World War II to lose control of Congress, in 1994, and he still turned around fortunes enough to win re-election in 1996.

**Gary Gerard, Warsaw Times-Union:** This horse has been dead since roughly 1988 but I am continually feeling the need to keep beating it. It's tax policy. Heading into the November election, I hear lots of Democrats saying things that are demonstrably false when it comes to tax policy. Things like this, which appeared in a letter to the editor earlier this week: "... the so-called fiscally responsible GOP wants to extend the Bush tax cuts, which are one of the largest contributing factors to the deficit." That assertion, I'm afraid, is patently and overtly false. After the Bush tax cuts took effect in 2003, revenue in 2004 increased \$100 billion to \$1.88T; 2005, up to \$2.153T; 2006, up to \$2.4T; 2007, up to \$2.5T; 2008, up to \$2.5T. Tax revenue collected by the government was either above the historical average or at record levels during those years. ❖







## Last combat unit comes out of Iraq

KUWAIT CITY - A line of heavily armored American military vehicles, their headlights twinkling in the pre-dawn desert, lumbered past the barbed wire and metal gates marking the border between Iraq and Kuwait early Thursday and rolled into history (Associated Press). For the troops of the 4th Stryker Brigade, 2nd Infantry Division, it was a moment of relief fraught with symbolism but lightened by the whoops and cheers of soldiers one step closer to going home. Seven years and five months after the U.S.-

led invasion, the last American combat brigade was leaving Iraq, well ahead of President

Barack Obama's Aug. 31 deadline for ending U.S. combat operations there. Scatterings of troops still await departure, and some 50,000 will stay another year in what is designated as a noncombat role. They will carry weapons to defend themselves and accompany Iraqi troops on missions (but only if asked). Special forces will continue to help Iraqis hunt for terrorists. So the U.S. death toll — at least 4,415 by Pentagon count as of Wednesday — may not yet be final. The U.S. military kept a tight lid on security, restricting the media embedded with the U.S. troops from reporting on the brigade's movements until they were almost to the border.



## GM prepares to offer IPO

DETROIT - General Motors Co. on Wednesday filed the first batch of paperwork required by regulators to sell stock to the public, a step that brings the automaker closer to its



goal of shedding government ownership (Associated Press). The 700-page registration form, filed with the U.S. Securities and Exchange Commission, begins a process that will lead to an initial public offering of GM's stock. No date was set for the sale, but experts say the IPO could come as early as October. Stakeholders in the company including the U.S. Treasury Department, initially will sell common stock, while GM will sell preferred shares that are similar to bonds.

## Jobless claims spike to 500k

NEW YORK - New applications for unemployment insurance reached the half-million mark last week for the first time since November, a sign that employers are likely cutting jobs again as the economy slows (Associated Press). The Labor Department said Thursday that initial claims for jobless benefits rose by 12,000 last week to 500,000, the fourth increase in the past five weeks. The increase

suggests the economy is creating even fewer jobs than in the first half of this year, when private employers added an average of about 100,000 jobs per month. That's barely enough to keep the unemployment rate from rising. The jobless rate has been stuck at 9.5 percent for two months. Stock futures fell on the news. The Dow Jones industrial average futures had risen more than 50 points before the report was released.

## Fort Wayne to help Navistar workers

FORT WAYNE - Local officials are fighting back in the wake of Navistar International Corp.'s announcement that it plans to "phase down various operations" in Fort Wayne (Fort Wayne Journal Gazette). They're trying to keep both jobs and workers. The city's multifaceted response, revealed Wednesday, includes: creating a \$100,000 scholarship fund for worker retraining, offering to match Navistar employees with new employers, using the pool of highly skilled,



displaced Navistar workers to attract new employers to the region and lobbying Navistar to keep some operations here. Mayor Tom Henry on Wednesday described the news that Navistar plans to downsize local operations over the next two to three years as "challenging." Losing the jobs might be inevitable, but Henry isn't prepared to lose the workers, too. "We want the employees of Navistar to know that we want them to remain in the community," Henry said. "Quite honestly, we need them here."

## **Workers to pay more for health**

WASHINGTON - Workers will pay more for their health care next year as companies prepare for provisions of the overhaul signed into law by President Obama, according to a survey released Wednesday (Bloomberg News). About 63 percent of businesses plan to make employees pay a higher percentage of their premium costs in 2011, said the Washington-based National Business Group on Health, which surveyed 72 companies that employ more than 3.7 million people. The survey showed 46 percent plan to raise the maximum level of out-of-pocket costs that workers must bear. The companies surveyed expect health care benefits costs to increase an average of 8.9 percent next year. New mandates under the legislation signed into law by Obama in March will contribute to the increase, said Helen Darling, the business group's president. Employers may be using the health care law as cover for changes they already planned to make to their benefits, said Igor Volsky, a health care researcher at the Washington-based Center for American Progress, which supported the overhaul. "Costs are always increasing, but they're going to blame what they're going to blame," Volsky said. The companies

said they expect their costs to rise 7 percent this year, a half-percentage point higher than employers estimated in a separate survey by the National Business Group on Health and the consulting firm Towers Watson Co. in March. The health care overhaul was designed to help rein in rising costs while enabling employers to make adjustments to benefits, said Jessica Santillo, a spokeswoman for the Department of Health and Human Services. "As was the case before the Affordable Care Act was enacted, employers have flexibility to make choices about how to design or revise their health care plans," Santillo, who had not seen the survey, wrote in an e-mail. The National Business Group on Health is composed of almost 300 companies founded in 1974 to advocate for business interests on national health care policy.

## **Obama a Muslim poll shows**

NEW YORK - Americans increasingly are convinced -- incorrectly -- that President Barack Obama is a Muslim, and a growing number are thoroughly confused about his religion (Associated Press). Nearly one in five people, or 18 percent, said they think Obama is Muslim, up from the 11 percent who said so in March 2009, according to a poll released Thursday. The proportion who correctly say he is a Christian is down to just 34 percent. The largest share of people, 43 percent, said they don't know his religion, an increase from the 34 percent who said that in early 2009. The survey, conducted by the nonpartisan Pew Research Center and its affiliated Pew Forum on Religion & Public Life, is based on interviews conducted before the controversy over whether Muslims should be permitted to construct a mosque near the World Trade Center site. Obama has said

he believes Muslims have the right to build an Islamic center there, though he's also said he won't take a position on whether they should actually build it. The Pew poll found that about three in 10 of Obama's fiercest political rivals, Republicans and conservatives, say he is a Muslim.

## **Daniels cites fiscal prudence**

VALPARAISO - Boosting Hoosiers' disposable income while creating an environment attractive to business investment has been the aim of the Daniels administration -- and it has succeeded at that (Northwest Indiana Times). That was Gov. Mitch Daniels' assessment in an address sponsored by the Greater Valparaiso Chamber of Commerce on Wednesday at Valparaiso University. The state government has operated lean the past five and a half years so Hoosiers can keep more of their money, he said. As a result, the state has been able to weather the current recession better than most other states, he said. Reduced state spending and a cash balance built up since he entered office helped offset a \$1 billion revenue collection shortfall in fiscal year 2010, Daniels said. While making up 2 percent of the U.S. population, Indiana has accounted for 9 percent of private sector jobs added nationwide this year, he said. "It's all about the jobs for us," Daniels said. Daniels also urged a yes vote on November's ballot initiative to put property tax caps into the Indiana Constitution. He cited a Ball State University study saying the caps would lead to a 2 percent rise in net household income and 97,000 new jobs. Daniels, addressing national health care, said the recent legislation should not be called reform and should be repealed. The plan pays for quantity, not quality, driving up the cost of health care, he said.