

The Howey Political Report

The weekly briefing
on Indiana politics

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Arlington may have bitter lessons for gamble-happy Hoosiers

CHICAGO - On Dec. 6, multimillionaire Richard Duchossois rocked the equine world when he pulled the plug on the 1995 racing season at Arlington International Racecourse near Chicago.

The reason, Duchossois told *The Chicago Tribune*, was that a riverboat casino in nearby Elgin "would so greatly reduce the size of purses that it would mean the demise of world-class racing in Illinois."

There were figures to back that up. Betting has declined at all race tracks in Illinois by 46 percent since 1976 - from \$2.3 billion that year to \$1.3 billion in 1991. In 1993, horse track betting declined to \$1.2 billion, while a new riverboat gambling industry saw \$5.9 billion wagered.

This story has all but been ignored in Indiana, a state on the verge of launching two horse racing tracks (Hoosier Park at Anderson is already up and running), off-track betting parlors, and 11 riverboat casinos beginning in 1995. It poses the question as to whether Indiana will over-saturate itself with new betting venues.

Only one other state - Minnesota - attempted to establish both horse racing and casino gambling within a short period. "It was a disaster," said Dr. Robert Lawrence, chair of the Department of Equine Studies at the University of Louisville. The publicly financed Canterbury Downs is closed, victim of a location too far from the Minneapolis-St. Paul area, the advent of casino gambling and a dog track in nearby Wisconsin.

A University of Louisville study of the impact of casino gambling on the horse racing industry in New Jersey is also ominous. Between 1978 and 1988, Lawrence said, casinos siphoned off race track revenues by 34 percent.

"You can see all over the country the impact of casinos on race tracks," said Prof. Robert Goodman of the University of Massachusetts at Amherst. "Unfortunately, states don't do these kinds of studies. That kind of cannibalization is not taken seriously."

In a survey state officials, HPR discovered that there has not been much research, if any, on how the two forms of gambling will impact each other. "That's not anything we've worked on," acknowledged Jack Thar of the Indiana Gaming Commission, who referred

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Quote Of The Week:

"I was also pleased to see here in Indiana that Gov. Bayh has been able to understand the message of this election and actually decided to implement the death penalty in the Reslover case...."

- U.S. Rep. David McIntosh

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Indiana 2000 repeal sought by Republicans

GREENWOOD - Conservative Republicans are going to attempt to repeal the Indiana 2000 education program at a time when the Bayh administration is attempting to rally support for such companion initiatives as full funding for the IPASS testing program.

State Rep. Richard Thompson, R-New Salem, and freshman Rep. David Lohr, R-Terre Haute, intend to offer repealing legislation for the program currently operating in about 156 school districts.

"There are several reasons for that," said Lohr, a teacher at the Gilbratt School for Boys in Terre Haute. "We're going the wrong direction with Indiana 2000.

"We need to get rid of it, start from the ground up, get people from the classroom involved. They are the people who know what's going on."

Lohr said he and Thompson are concerned about waivers the 156 schools have received, as well as the IPASS test program.

"Take the IPASS test, for instance. Instead of dealing with academics, they are dealing with essays," Lohr said. "Now these are subjective essays. When you grade them, a lot depends on who's grading them.

"I was just talking with someone today about a question which deals with the California water shortage. What if you write down the way to deal with the California water shortage is to put the water board out of control and let the free market deal with the price of water? I was told that would be a (wrong answer). So you can see the political bias with the test."

Last month when State School Supt. Suellen Reed appeared on Network Indiana's Mike Pence Show, Lohr called in and asked her about site-based managed schools that don't follow state law. "She said what they have to do is apply for waivers," Lohr said. "I said, 'Excuse me, but doesn't a waiver mean they aren't following the law?'"

Reed, Bayh and Senate President Pro Tem Bob Garton pushed the Indiana 2000 program Nov. 29 at a conference of 3,700 educators, school board members, parents, teachers and business leaders.

Bayh said the IPASS legislation will take "an historic, bipartisan commitment. This will be a difficult thing."

The IPASS test differs from ISTEP in that it moves from multiple choice questions to a variety of questioning methods. "The assessment forces students to analyze data instead of guessing or regurgitating information," Reed told the conference about the test that will be given next fall to students in grades 3, 4, 8, 10 and 12.

But Joe DiLaura, external affairs director for the Department of Education, said Reed will take a position of neutrality - at least at the beginning of the 109th General Assembly. "We recognize that this is a legitimate issue to be reviewed by the legislature because they gave up an

amount of authority when it was enacted. To that extent, we understand," DiLaura said. "But we don't want to jump up and down against it."

DiLaura noted that results of the Nov. 8 election might lead observers to think that conservative Republicans would support the de-regulation possibilities for schools. "Repealing would fly in the face of that," he said.

As for how far repealing legislation would go, DiLaura explained, "I think there will be some support for this. It will probably move somewhat through both houses."

Robert Margraf of the Indiana State Teachers Association was not aware that Thompson was drafting the bill nor would he speculate on whether such legislation would have a chance at passage. It has not been released by the Legislative Information office. "I'm not the one who has a crystal ball," Margraf said. "The Indiana 2000 program has been out there and 100 schools are participating in it. I don't know what chances they have."

Even if Lohr, Thompson and other conservatives fail to repeal Indiana 2000, they could create havoc on the remediation funding mechanism that Gov. Bayh will announce in January. He has committed to "fully fund" the remediation. Garton estimated it could cost \$50-\$60 million, on top of the \$10 million he estimates it will take to administer the test.

Fred Nation, speaking for Gov. Bayh, noted that there is widespread support for IPASS in the legislature, the Indiana Chamber of Commerce and the AFL-CIO. "In terms of repealing, there is no widespread support for that," Nation said. "Rep. Lohr seems to be among those who believe it has something to do with outcome-based education. That is not the case."

Asked if he thought the influx of the dozen new Republicans in the House brings a more conservative twist, Margraf responded, "No, I think the Indiana General Assemblies are always conservative.

Several of the newly elected legislators such as Lohr and Rep. Eric Turner begged to differ.

"There has never been a more conservative House," said the returning Turner, who once served as a Democrat.

"I think we're kind of like in the same boat David McIntosh has been talking about with Congress," Lohr said. "We gave the Republican Party the majority and I think it was a conservative message. I know the freshmen I've talked to, by a clear, wide margin, are a very conservative class. Hopefully we can come in and play an active role. I don't think we're going to dominate, but we need to be there and let people know. There have been a lot of people who have been conservative, but they haven't taken to the forefront because they haven't had a lot of help. I think that's where we can come in. We're giving them the help now. They've got the experience and they'll be emboldened knowing they have the numbers."

The Horse Race

Let's play...Musical Chairs

Here's some early handicapping on who might take over the Indiana Republican Party Chairmanship:

- Steve Goldsmith:** Now wait a minute! Shella says the mayor is interested? Could it be possible to be state chairman, a candidate for mayor, a '96 gubernatorial contender, and a U.S. Senate candidate in 2000? Choose one of the above.
- Rex Early:** Maybe Rexford will do it again...for free! But Horse Race sees Early as a better prioritizer. Lots of friends on the central committee. Would get lots of support from the Statehouse press corps. Plus, how can anyone top what Big Al did? That's easy. Better one-liners.
- Mike McDaniel:** Salary required. Hub-bub is if he got the job, it would be a coup for Early. Problem is he'd have trouble leaving BSU prior to the end of spring semester. A likely future draft choice.
- Gordon Durnil:** Top choice of the Policy Review? Might have to curtail that writing career. And how could anyone top the '70s and '80s?
- Virgil Scheidt:** Hmmmm. Brontisaurus burgers for the State Dinner? Campaign emery boards for all.
- Jim Bopp:** Up and coming Vigo County chair. Might be the early frontrunner.

Upcoming HPR Publishing Schedule:

This will be the final edition of *HPR* for 1994. We will return on Jan. 12 with a new look, including an easier-to-read type face and some format changes.

Beginning in the Jan. 12 edition, *HPR* will publish a new weekly feature, "Speculations: Thoughts for Future Development," by Indiana University economist Morton J. Marcus. When we return in 1995, *HPR* will bring you insights from other prominent Hoosiers.

Many thanks to you who have subscribed to *HPR*. Your reception of this new publication has exceeded our expectations and we look forward to being a vital part of the Indiana political process for years to come.

Happy holidays!

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Hubbard resigns as GOP chairman**INDIANAPOLIS -**

Indiana Republican Chairman Allan B. Hubbard resigned Wednesday.

An election for his successor will take place Feb. 15 in Indianapolis.

Hubbard served in the position without salary for two years. He will return to his business. He said he would not consider pursuing public office until his children are older, effectively ruling out a 1996 gubernatorial run.

Speculation on possible successors has centered on Vigo County Chairman Jim Bopp, Ball State University Prof. Mike McDaniel, former GOP Chairmen Gordon Durnil and Virgil Scheidt. Jim Shella of WISH-TV reported Wednesday night that the list included Indianapolis Mayor Steve Goldsmith and former chairman Rex Early.

Bopp confirmed that he is "seriously considering" a run for the chairmanship. "I've been contacted by a number of people about running," Bopp told *HPR*.

McDaniel also wants the office, but would have a problem assuming the chair Feb. 15 because it would leave his BSU department understaffed. He told *HPR* he doesn't know whether the state committee will pay the next chairman. Hubbard's predecessor, Early, also performed without pay.

Since GOP chief-of-staff Devin Anderson has become Rep.-elect David McIntosh's administrative assistant, speculation is that the state committee could not wait until the spring semester ends at Ball State for McDaniel to take the helm.

State Democratic Chairwoman Ann D. Laney is expected to decide her future following the holiday season.

Amazing election stories

1994 was an extraordinary year in Hoosier politics

It was an extraordinary year in Indiana politics.

Three little-known Republicans emerged from crowded primaries, languished in the summer, then crested at the top of the Republican tidal wave. There was the fading of such established political names as Phil Sharp and Ann DeVore. The second Indiana speaker in eight years was defeated.

The luck of David McIntosh and his rapid rise to power - he is the first congressional freshman to chair a subcommittee since Richard Nixon in 1946 - is the stuff legends are made of. Or the defeat of Rep. Jill Long, who now finds herself hoping for a cabinet nomination.

It didn't end with the Nov. 8 election. Wasn't George McGovern ridiculed for proposing a \$1,000 tax credit in 1972? Yet we find the Republicans touting a \$500 credit today. The patriarch of American conservatism, Barry Goldwater, is to be honored by the Americans for Democratic Action. And radio, the dying medium, re-emerged as a key element in the transmission of message.

Here are some of the untold stories - some compelling, some quirky, others just damned funny - of the 1994 campaign from the notebook of the *HPR* editor:

The Long Look

A seasoned political reporter can tell how a political campaign is going by a furrowed brow, a facial pantomime, an excited phone conversation. There are split-second moments that reveal much.

One came with Jill Long's re-election campaign. One morning in mid-September, Long was spotted walking to her campaign office at the

Macedonian Tribune Building in downtown Fort Wayne. Congress was still in session and her opponent, Mark Souder, was already running TV ads. Long's dour face - viewed from a passing car for that split second - revealed anxiety. It was a contributing factor for HPR declaring the race a toss-up on Sept. 29. Long's expression revealed more that morning than a scientific poll.

On the other end was Chris Wilson, the flamboyant campaign manager for Bill Frazier, who after stinging comments about McIntosh, jumped to the latter's campaign following the bitter primary. As Election Day drew near, Wilson became cockier and increasingly arrogant, taunting Democratic Chairwoman Ann DeLaney. It was obvious he was seeing positive polling data.

Wilson and DeLaney finally met when she held a news conference in Muncie to complain about volunteer mailers that she believe violated FEC laws. She told Wilson, "You better hire an attorney."

Wilson responded, "You're an attorney. Maybe I should hire you."

McQueen burgers

Two veteran politicians revealed in the '94 campaign. Rep. John Myers, dismissed as a vulnerable dinosaur, was razor sharp this time out. He had dropped 20 pounds and seemed to relish the challenge of Greencastle Mayor Mike Harmless, a man he had appointed to West Point.

Sen. Richard Lugar relished his campaign, possibly his last. He criss-crossed the state and, often three times a day, stopped at McDonald's. His top traveling aide, Kevin Shaw Kellems, used these unannounced visits to the fast food stops as a way to independently gauge support. The increasing enthusiasm for each Lugar visit underscored his looming landslide victory.

Lugar always ordered a McQueen burger, which isn't even list-

ed on McDonald's menu. Lugar would order, and the employees would probe deep into the freezer to dig out a McQueen burger. Said Kellems, "You could probably trace Lugar's travels in McDonald's corporate headquarters whenever one of those McQueen burgers showed up on the computer."

Reporting technique

It was the final debate in four consecutive nights for Joe Hogsett and David McIntosh, held in a spartan, 1950s era gymnasium at Edinburgh High School.

I remember this debate, not for anything in particular that happened between the candidates, but by the actions of a reporter, name unknown.

Hogsett and McIntosh were on the stage behind podiums. Four questioners sat behind a long table in front of the stage. There were intermittent problems with the PA system. I arrived just as the debate started and sat first in back, then, because of the sound problems, moved closer to the front, finally sitting near a side wall and next to the reporter. I found a chair on which to put my micro-tape recorder. I always find a separate perch for my recorder, so it doesn't pick up paper jostling, breathing, snickering, etc. The unknown reporter sat next to me, watching.

A few seconds later, he got up and sat his tape recorder atop one of the speakers. He must have decided that wasn't good enough. As McIntosh listened to an early question, the reporter grabbed his tape recorder, then approached the stage. When McIntosh began speaking, the reporter leaned over the rim of the stage, extending his tape recorder with his arm toward the Republican, one foot planted firmly on the tile, the other aloft as kind of a counter weight for his protruding arm.

When McIntosh finished speaking, and Hogsett began, the

reporter withdrew. When McIntosh began speaking again a few minutes later, the sequence repeated itself and it went on like that for the first 20 minutes or so of the debate. Amused, I scanned the audience of about 120 people for reaction. No one blinked, or smiled. No one seemed to be concerned over the reporter's obvious bias. The two candidates ignored him.

B st lunch

Jesica Webb led HPR on an intriguing day in the life of her campaign against Senate President Pro Tem Robert Garton. She was a fascinating candidate who could weave Victor Hugo and e.e. cummings into conversation about higher education funding.

Two events stood out on this day. I linked up with Webb at Johnson County Democratic Headquarters in downtown Franklin, where I was befriended by a group of coffee-drinking volunteers. The plan was to head to Columbus for a luncheon and since everyone would need their cars, a four-vehicle caravan developed. Several of us had to circle the block to begin moving in the same direction and by the time I emerged on Main Street, I ended up behind some guy in a yellow Corvette.

This guy was too cool, moving his rod about 15 mph down the street as the rest of the campaign caravan picked up speed. So, at the first opportunity, I punched out my lowly Grand Am and passed Mr. Cool. He became enraged. He picked up his speed, attempted to kiss my bumper, laid on his horn, began swerving right and left as I searched for my caravan. Mr. Cool began issuing one-finger salutes as I spotted the campaign caravan pulled off on the berm of U.S. 31, waiting. I zipped off to the side with Mr. Cool right on my tail. He sped off with much bluster, blaring his horn and repeating his salute.

Webb had no idea what had transpired. All she saw was a guy honking and extending an arm out his window, which she took as a sign of support, and waved enthusiastically as he headed south.

Hubbard's gambled rails Bayh heirs

Both state party chairs - Al Hubbard and Ann DeLaney - performed extraordinarily. DeLaney's greatest impact came prior to the filing deadline, when she recruited an outstanding - albeit young and inexperienced - Statehouse ticket, and keeping the congressional primaries to one strong candidate in each district. In a non-tidal wave year, the money saved by avoiding costly primary battles in the 2nd, 5th and 7th districts could have made a difference.

Hubbard excelled late in the game. A prodigious fund-raiser, Hubbard constantly fretted to intimates that he feared Republicans would lose all three key congressional districts. He took a risk in challenging Joe Hogsett for his phone records, which finally revealed indiscretions of under \$10.

But Hubbard's greatest gamble came in Marion County, when he decided to get involved in Scott Newman's challenge to Prosecutor Jeff Modisett. He committed \$35,000 and, two weeks out and 17 points down, told Newman to spend it early. "I wanted him to get competitive and then hope to raise more money," Hubbard said.

A week out, Newman had pulled within 9 points. The money kept flowing and after another \$65,000 in the final weekend, "We bought all the TV and radio we could buy, made 55,000 phone calls and hoped and prayed."

Newman's upset of Modisett stunned everyone on both sides. "I was standing next to Scott on Election Night when he took the call from Jeff Modisett conceding the election," Hubbard recalled. "It was the surprise of the evening and a moment I will not soon forget."

The real significance was that Hubbard had plotted the defeat of what he called the "Bayh surrogates" - Joe Hogsett, Katie Humphreys and, amazingly, Jeff Modisett. What he had done was help defeat a significant portion of potential Democratic leaders in the post-Bayh Statehouse. "There's no question we saw that," Hubbard said. "We thought that was important for the party."

Walking back to GOP headquarters just before midnight, Hubbard had yet another surprise. With only one precinct out, Sally Rideout Lambert had a 350-vote lead over House Speaker Michael K. Phillips. It was the capstone.

That afternoon, Webb stumped and, finally, during a lull, we ended up in a downtown Columbus coffee shop where an interview was conducted - over cappuccino and truffles. Little wonder State Sen. Bob Hellman called Webb "my favorite candidate."

Majority Makers

When the three newly elected Hoosier congressmen went to Washington, a freshman colleague had lapel pins made up that read "Majority Makers." Explained David McIntosh: "It helped a lot when we were working with some of the more senior members of Congress who prefer to have freshmen be seen and not heard. We were able to point out to them, 'Without us, you wouldn't get your chairmanship.'"

Crack and the candidate

It was early September and Republican Mark Souder declared he was going to win, and he wasn't going to be told how to win by the state and national GOPs. He seemed dramatically sure of himself, yet there were some nagging doubts. He had taped a TV commercial in Fort Wayne's urban core and the camera picked up a crack deal being consummated on a nearby corner. Souder worried about some of the major associated issues.

He launched into a long description of how welfare recipients should be weaned off the system with reforms tied to free market ideals. He talked of his growing relationship with

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Amazing, from page 5

with black city ministers and said several times, "They don't want some white guy to tell them how to do things." And later, he fretted about how to convey the issue of welfare to the public in the final days of the campaign.

"How can you explain issues so complex in a 30-second sound-bite?" Souder asked, with a pained expression.

65 percent district

State Rep. David Lohr is already being perceived as one of the most conservative members of the Indiana House. He started his race against Democratic State Rep. Vern Tischer with the lowest name recognition of any challenger - 5.4 percent.

"When I sat down with Al Hubbard in late September we were going over the races and I finally said, 'What about David Lohr?' and Al said, 'Who?'" said George B. Witwer of the Opportunity Project of Indiana.

"When I ran, I looked at the demographics in 14 races from 1988 to 1992," said Lohr. "Whenever the conservative was perceived as a conservative, it worked. It's just a matter of getting that word out."

How did Lohr win in a 65 percent Democratic district? He received \$6,000 from the Opportunity Project of Indiana.

The OPI sent administrative director Jim Pfaff into the district during the last week of the campaign to cut a number of custom-made radio ads and coordinate the campaign. Lohr won by 126 votes.

Bible made a difference

State Rep. Eric Turner has been a freshman legislator three times - once as a Democrat. Running in the 32nd District against Democrat Pete Beck, Turner approached a number of PACs.

"Many PACs and organizations I had spoken with - many people I knew very well - were very kind and very nice," Turner recalled. "But in their conversations I could tell they

were estimating and were saying, 'We don't think you can win. We're going with the incumbent.'"

Late in the campaign, Greenwood restaurateur Jonathon Byrd met with Turner. "He gave us a piece of a 1611 King James Bible that had a value of around a thousand dollars. He said, 'If you can get people to donate a thousand dollars to your campaign, I'll give them one of those.' And sure enough, I took five of those home with me and raised \$5,000."

Up to the last weekend of the campaign, tracking polls never showed Turner leading. He defeated Beck by 1,774 votes.

Evan and Joe

There rumors from Joe Hogsett's unsuccessful run for the Senate in 1992 that Evan Bayh could have done more.

This time, Bayh made several campaign appearances with his friend. HPR caught up with Bayh and Hogsett as they dashed to seven 2nd CD newspapers five days before the election.

Hogsett was personable as always. Bayh was polite, reserved, as always. Hogsett explained the difference to editors at New Castle. "I was Joe Hogsett from Rushville. I was just a Joe. An average Joe, you know? Well, he had to survive at U as the son of Birch Bayh - the son of a U.S. senator."

After his defeat to McIntosh and as he prepared to clear out his ornate secretary of state's office, Hogsett elaborated further about Bayh.

"People see him as a public figure, but what they really don't understand is that he is really shy," Hogsett said.

The two of them had dismantled the Republican machine during the 1986-90 period and they seemed invincible.

Now saddled with two straight defeats, Hogsett seemed comfortably resigned to a return in the future as Bayh's strategist.

"When Evan Bayh calls, I'll be there," Hogsett said.

The luck and skill of David McIntosh

GREENWOOD - During his campaign for Congress, Joe Hogsett attempted to portray David McIntosh as a "Washington insider."

It took a little more than a month for McIntosh to prove him right, although not in the typical pre-Newt fashion.

For the first time since Richard Nixon in 1946 when Congress was flush with returning World War II veterans, a freshman has been named chairman of a House subcommittee.

"Just the other day, Newt Gingrich asked me if I would take on a special assignment - chairing a subcommittee on competitiveness," McIntosh told a crowd of almost 300 supporters of the Opportunity Project of Indiana.

The goal? "So we can recreate the Competitiveness Council and cut back on federal regulations," McIntosh said just before receiving a standing ovation.

It capped a remarkable sequence of events that began after McIntosh lost his job as head of the Bush Administration's Council on Competitiveness. He and his boyhood friend from Kendallville, George B. Witwer, got together after the '92 defeat and compared notes. McIntosh decided to challenge the Indiana GOP establishment and seek the 2nd CD seat that many thought would go to Auditor Ann DeVore.

U.S. Rep. Phil Sharp decided to retire in February, giving his own staff an hour's notice. Then DeVore forgot to file, paving the way for McIntosh to defeat perennial candidate Bill Frazier.

After the McIntosh campaign languished during the summer, he hammered away at President Clinton more than Hogsett, and wound up with a stunning 55-45 percent victory.

Now McIntosh is already making history in Congress.

Musings and Meanderings

Dinner with Clinton helps Bayh with welfare waiver

INDIANAPOLIS - A White House dinner two weeks ago with President Clinton, Gov. Evan Bayh and four other governors may have helped Bayh gain federal waivers for welfare reforms.

Bayh announced that federal waivers will allow limits of 24 months for healthy recipients of AFDC, said press aide Fred Nation. A second provision would hold increases for any child born 10 months after AFDC has been granted to the parent.

Nation said other provisions will allow for welfare recipients to continue receiving some welfare benefits, such as health care, after they begin work. "The problem before is they get a job and they immediately lose welfare," Nation said. "We have a transition mode built in."

Nation called the welfare reforms "the toughest, furthest-reaching welfare reforms ever granted to a state." The new provisions will go into effect next July 1. Waiver applications were made last June.

Nation said Bayh received a commitment from President Clinton to "help let HHS (Health and Human Services) know that a timely approval was very important."

□ **Changing positions:** Kevin Shaw Kellems has been named state director for Sen. Richard Lugar, taking over from Ell n Whitt, who is joining the Shelbyville law firm of McNeely, Sanders, Stephenson & Thopy. Curt Smith, Sen. Dan Coats' Indiana director, will become chief of staff for Rep.-elect John Hostettler.

□ **Two more papers:** Brian Howey's "Politicking" column will begin running in *The Bloomington Herald-Times* and *The Bedford Times-Mail* this month. That makes 23 Indiana newspapers running the column, reaching more than 400,000 readers on a weekly basis.

□ **Lugar on Chernobyl:** Much attention has been given to Sen. Richard Lugar's role in helping dismantle Soviet nuclear warheads. In fact, funds from the Lugar-Nunn Act helped establish the Marshall Center in Garmisch, Germany, with a mission to stabilize and strengthen post-Cold War Europe. At the University of Indianapolis earlier this month, HPR asked Lugar about the "other" nuclear threat facing humanity - the creaking, aged and potentially dangerous nuclear power plants in the former Soviet Union. "Are there any Chernobyls waiting to happen?" HPR asked Lugar. "Yes," he responded, noting that several republics have approached the United States about finding alternative energy plants so the hazardous graphite nuclear containment facilities can be taken off line. "The problem is they want us to pay for new energy sources," Lugar said. Concerning another and potentially worse nuclear disaster - Chernobyl - contaminated thousands of

miles of land in the Ukraine and sent radiation throughout Europe - Lugar again answered in the affirmative.

□ **Brown no help:** The transition in the clerk of the courts office is taking place between the victorious John Okeson, the Indiana Supreme Court, and attorneys for out-going indicted clerk Dwayne Brown. "He is playing no role in this," Okeson said. Without Brown, it's giving Okeson the unique chance to place people into the office prior to his oath. Okeson also said there will be no wholesale house-cleaning; that disgruntled Brown supporters have already left the office.

□ **Homicide records:** Both Allen and Marion counties have established new homicide records. There have been 38 murders in Allen County and 119 in Marion County as of Dec. 14. And while you'd think crime would be the major issue in Fort Wayne, a poll conducted by the city found that most city residents believe noise from blaring car stereos is the top issue.

□ **Long supported:** Out-going Rep. Jill Long is getting support from a number of quarters to become secretary of agriculture. Knowledgeable sources tell HPR that she is favored by First Lady Hillary Clinton, Vice President Al Gore, Texas Gov. Ann Richards, six farm state congressional Republicans, and a number of female MCs. Conspicuous is the lack of support from incoming Senate Agriculture Committee Chairman Richard Lugar, who told HPR he'd look forward to sitting down for a talk if she were to be named. Sources tell HPR that at least one farm group in Indiana has appealed to Lugar not to actively oppose a Long nomination.

□ **Quayle and Lugar polls:** Two unscientific polls have gauged Hoosier opinions of presidential and gubernatorial candidates. *The Peru Daily Tribune's* "INFO-Central" poll had Dan Quayle topping Richard Lugar 52-48 percent in a presidential election. And our colleagues over at *Indiana Legislative Insight* did a straw poll at its Dec. 1 legislative preview seminar. On the presidential side, it went like this: Lugar 29, Quayle 15, Kemp 11, Dole and Powell 9, Cheney and Alexander 7, Weld 5 and Wilson 5. For the 1996 GOP gubernatorial nomination, it stacked up like this: Goldsmith 34, Garton 21, Early 18, Mannweiler 11, Rooney 3, Witwer 1 and McDaniel 1. It wasn't clear whether the poll was gauging who the participants "thought" would get the nominations or who they "supported."

□ **Summit City politics:** Two years before State Sen. John Sinks' retirement, a primary battle appears to be shaping up between Fort Wayne City Councilman David Long, who will not seek re-election, and former Rep. Mitch Harper.

Gambling, from page 1

HPR to the Indiana Horse Racing Commission.

A spokesman for Churchill Downs, which operates Hoosier Park and the OTBs, noted that in Minnesota there was not enough time to create a fan base for horse racing before the advent of casino gambling at Mystic Lake. As for Indiana, the spokesman added, "We had hoped we would have had our fan base established before this occurred."

State Rep. Robert Alderman, R-Fort Wayne, chairman of the House Public Policy Committee, cautioned that Duchossois is playing political brinkmanship with the administration of Gov. Jim Edgar and the Illinois General Assembly. Duchossois attempted to get the Fox River casino license at Elgin but was denied. He also negotiated with legislative and administration leaders to get a casino gambling site for Arlington, described as the "Taj Mahal" of horse racing, with little success.

"He closed that track for little more than greed," said Alderman. "He'll tell you he's losing a couple of million if he operates, but he's making \$8 million off his OTBs."

"I'm sure those people are going to approach me about changes in the law as chair of public policy. If any changes are made in the law, it will be that tax revenues increase. No one should have to ask for casinos to support the horse racing industry."

Alderman added that he considers horse racing the "most legitimate" gambling concern because it supports an industry in the state.

"If it were up to me, we would not have casino gambling in Indiana," Alderman said.

Goodman is an author and researcher who offers compelling data that states fool themselves with ideas of tax revenues from gambling. His book, "The Luck Business: Gambling, Governments and Grand Illusions," is due to be published in late 1995.

"A lot of states are setting themselves up for surprises and serious problems," Goodman said. "These are not the kind of easy-on, easy-off operations. Once you get people having jobs depending on this you can't say 'oops, we made a mistake.' "You've got an industry with more lobbying muscle than almost any industry in the country."

Goodman said gaming concerns spent \$16 million in Florida on a recently failed casino referendum.

"When they lose, they're able to come back again," he said. "Now, governments have become the biggest promoters of gambling. Before, organized crime ran the games. But governments have done what organized crime never did - expand the market more than they ever dreamed of."

He noted that when the gaming industry lobbies for casino gambling, the lure for local and state governments is increased tax revenue, jobs and economic development. What's not told, Goodman says, is an increase in gambling addictions - bad checks, embezzlement, borrowed and stolen money from families, prosecutions and detention.

"We have research that shows it costs the state \$13,200 per problem gambler per year. Estimates in Missouri, where casino gambling is about to begin, are that a half percent increase in problem gamblers will cost the economy more than \$100 million."

Lawrence questions notions that Indiana will be "saturated" with gambling, noting that Mississippi is successfully operating 14 casinos in a 26-mile Gulf Coast stretch. Kentucky's seven-county Louisville metro area was actually underserved by Churchill Downs, but Kentucky doesn't have casino gambling. Virginia is also in the process of establishing race tracks, with an absence of casino gambling.

Thar added that Indiana's race tracks are in the interior of the state, while its casinos will be mostly based along the Ohio River and Lake Michigan.

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