

THE HOWEY POLITICAL REPORT



The Weekly Briefing On Indiana Politics

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“QUOTE” OF THE WEEK

“There’s not just blood in the water, there are whole body parts....”

—Indiana Democratic Chairman Joe Andrew on the possible legal and ethical problems of House Ways and Means Chairman Sam Turpin

Goldsmith may find Early convention

If mayor wins, convention a Linley redux?

INDIANAPOLIS - At a recent Republican Congress of Counties convention, the three gubernatorial candidates had hospitality suites.

An observer uncommitted to any candidate observed the Rex Early event was thriving when Indianapolis Mayor Stephen Goldsmith arrived with his security guard. Goldsmith stayed for a short period of time - well aware of the beehive activity at Early’s party - and talked with only a few people before abruptly leaving.

Said the observer: “The mayor should have known this was going to be a Rex Early event. And in leaving the way he did, he missed a golden opportunity to make some inroads.”

This anecdote poses a vivid dilemma for Indiana Republicans. Should Goldsmith win the Republican May 7 primary, will he walk into a party convention in June filled with Rex Early supporters who make up the lion’s share of the GOP establishment? Should that scenario be the case, the seeds could be sown for a 1992 redux when Linley Pearson’s mainstream candidacy self-destructed after an attempt of ticket dictation. It doesn’t take a very vivid imagination to see Goldsmith, who has openly dismantled the Indianapolis GOP bureaucracy that helped get him into office, as becoming a lightning rod at the open convention.

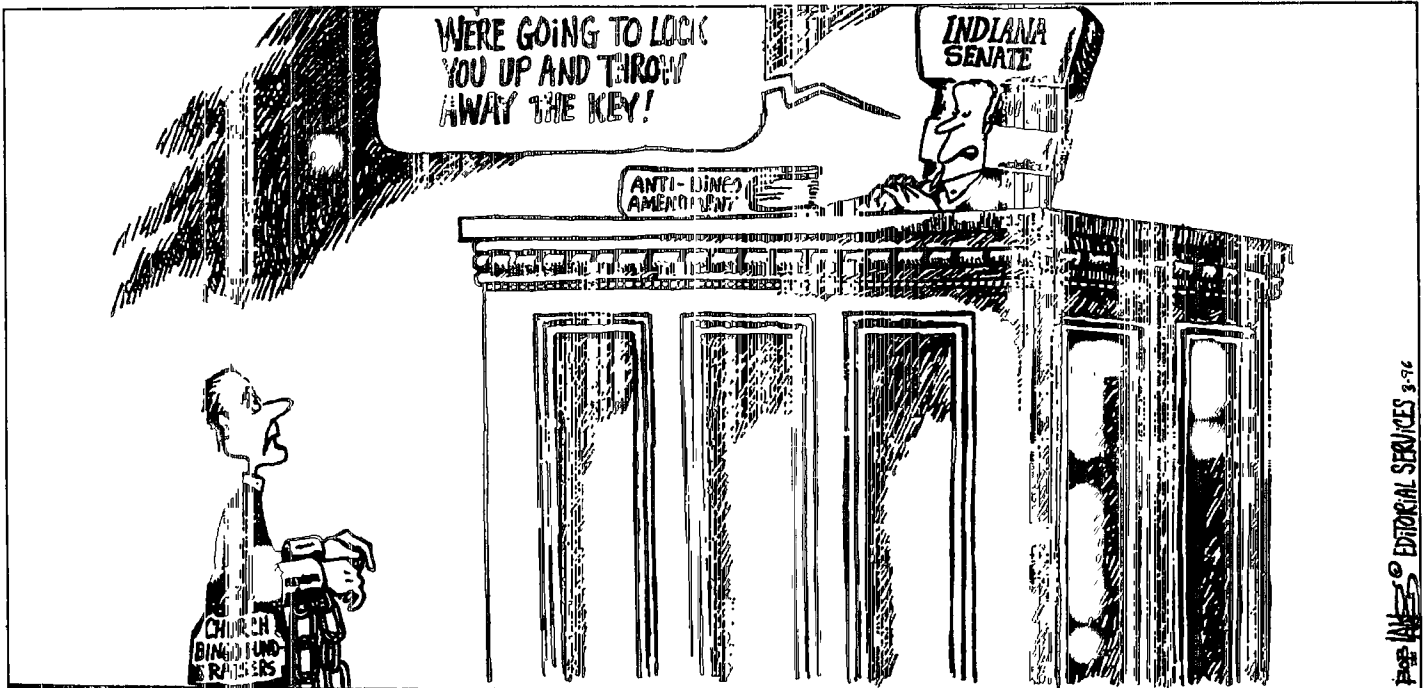
Numerous sources both inside and outside the Goldsmith sphere indicate that his campaign did not develop a delegate slate to run in the primary. If the Goldsmith-Early showdown becomes bitter, a victorious Goldsmith may find the delegates in a mood worse than 1992 when many openly rebelled against Pearson’s choices for lieutenant governor and attorney general.

Sources tell HPR that Greg Zoeller, a Quayle protege who would have logical links to the Goldsmith candidacy, is seriously con-

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TICKER T A P E

PLAY OF THE WEEK: OK, OK, we're in a chairman's riot. But this week's play goes to Indiana Democratic Chairman Joe Andrew, who moved the state convention from a Tuesday-Wednesday format to a one day June 8 extravaganza at the Fairground Coliseum. Included will be 2,700 delegates, child care, and an emphasis on "working men and women." But this planned prevailing wage retribution and coronation of Frank O'Bannon takes place at the site of Democratic conventions from 1918 to 1968. Andrew says the party ticket will parade down the boulevard in open convertibles, perhaps to the tune of Don Henley's "Boys of Summer."

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Early camp says poll not good primary sample

FROM PAGE 1

sidering keeping a good distance from any gubernatorial hopefuls fearful of being swept up in fierce convention currents.

The backdrop to all of this is considerable doubt the Early supporters have of the Indiana Realtors Association poll that had Goldsmith leading Early by a 42 percent margin. Early campaign manager Mike Young said the general election head-to-head matchups between Goldsmith/Early against Lt. Gov. Frank O'Bannon are accurate.

"But the sample size was so small for the Republican primary - only about 250 - that it would have an enormous margin of error rate," Young said.

What is tricky about polling in primary elections is accurately gauging likely Republican voters. Several pollsters have told HPR that people tend to lie when asked if they will vote in the primary. It tends to skew the results.

Another development that, in theory, could help Early is the absence of U.S. Sen. Dick Lugar on the presidential ballot. Said one observer, "If Lugar isn't on the ballot, the only people coming out for the primary are the party regulars."

Yet, the Realtors polling is consistent with other polls showing Goldsmith with a big lead. If that lead continues through mid-April, the urge by the Goldsmith camp to begin formulating a ticket could be fraught with danger.

"Regardless of whether Rex Early wins the nomination or not, he's going to be a player at the convention," one source said. "He'll have a suite at a nearby hotel and he'll want to leave his mark on the ticket. That's why it's so important for Goldsmith to understand what happened in 1992 with Pearson."

Howard County Republican Chairman Ron Metz told the *Kokomo Tribune*, "I think the convention is going to listen to whoever the (gubernatorial) candidate is and give serious weight to his decision. They learned from 1992. They're not going to make that same mistake twice."

▣ GUBERNATORIAL NOTES: "Civil" was the word when Goldsmith, Early and George Witwer appeared in an Indianapolis Press Club debate on Tuesday. There were no personal attacks, no interrupting.

But crime and gambling were the issues where Early and Goldsmith mixed it up. Early accused Goldsmith of being "soft on crime,"

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Read 'Blood Sport' to capture looming essence of '96 battles

HORSE RACE

TRENDLINE: Earlier this year, HPR isolated 12 Indiana House races that could likely fall within the margin of error, based in part on a number of races in 1992 that were decided by a few hundred votes and the receding GOP tsunami of '94. And now the Turpin seat is in play. Another page of investigative journalism aimed at GOP leadership could make it "Speaker Gregg."

PRESIDENT

STATUS

COMMENTS

Bill Clinton, D
Bob Dole, R

TOSSUP

Read James Stewart's book "Blood Sport" to have a real understanding the dangers Whitewater poses to the president. Powell ain't gonna be the veep, so HPR sticks with Dole-Whitman forecast.

REPUBLICAN GOVERNOR

Rex Early, Steve Goldsmith
George Witwer

Leans
Goldsmith

Last week's HPR a wake up call for Early camp. Stuart Stevens' crews in town last week and will be this week. Look for bolder sorties against Goldsmith while Early masks negative ads as record contrast. HPR predicted last October gambling to be a big issue. It's a **HUGE** issue.

REPUBLICAN 7TH CD

Jeff Baldwin, John Meyers,
Ed Pease, Dan Pool, John
Lee Smith, Dick Thompson,
Cathy Willing and 8 others

Leans
Thompson

Pease offers up three meetings (2 dinners) with Rep. Myers in DC as a pseudo-endorsement. Myers' daughter works the Pease campaign. Money spilling in. PR printed on fancy paper.

40TH INDIANA HOUSE

Sam Turpin, R
Thomas Downey, D

TOSSUP

Chairman Turpin had just about as bad a week as it gets. Dems have a credible challenger in Downey, so this district goes from "Safe R" to Tossup like... Whitewater? Implications of this district for control of the House are immense.

DEMOCRAT 30TH INDIANA HOUSE

Ron Herrell, Jerry Fulk

**LEANS
HERRELL**

This is the race to see who runs against Rep. Jon Padfield. Herrell in lead, but only because Councilman Fulk just voted for a CEDIT to help finance the new Kokomo Chrysler plant.

REPUBLICAN ATTORNEY GENERAL

Steve Carter, Eric Allan
Koch, Gary Secrest, Steve
Zoeller

**LEANS
ZOELLER**

Zoeller said to be backing off alignment with Goldsmith camp, sensing chaotic GOP convention. Zoeller must be hearing the words "David Miller" whispering in his ear. Koch catching on with out-state Early supporters.

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T A P E**

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Robert Unger, who spoke to the Indiana Democratic Editorial Association last year, wrote in a Chicago Tribune column of Daniel Schorr and Paul Taylor last Saturday on National Public Radio's "Weekend Edition." Schorr was appalled when Republican U.S. Rep. Ileana Ros-Lehtinen was repeatedly interrupted by a DC policy wonk guest, dialed her back up and implored both guests to engage in "civilized discourse." A few minutes later, Paul Taylor, the guy who asked Gary Hart in 1988, "Have you ever committed adultery?" told NPR that press balance is "out of whack." Taylor added, "So I think journalists, yes, by all means, bring skeptical analysis. But, at some point, you get in the way and I think we've reached that point." Wrote Unger, "For a few moments there, it sounded as though a couple of America's best journalists were close to admitting that they - we - are a big part of our national problem."

U.S. Rep. Steve Buyer "compli-

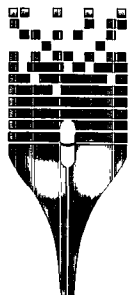
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Democrats boost Thomas Downey as the ethical contrast to Turpin

HPR INTERVIEW

"It should be no wonder that Sam Turpin doesn't see the need for labor, who protested the Statehouse to protect their wages when he's receiving monthly checks from gambling interests for doing nothing...."

- Thomas Downey



HPR Legislative Forecast: With a House ethics investigation started and a grand jury probe into State Rep. Sam Turpin's relationship with gaming interests, his 40th House District is now one of 13 seats in play. Thomas Downey is the Democrat who is poised to give Turpin the battle of his political career.



BROWNSBURG - In 1994, State Rep. Sam Turpin won the 40th District, 11,806 to 3,913. In fact, it has been years since a Democrat was even competitive in this Hendricks County district that has become a thriving suburb of Indianapolis.

After the extensive Indianapolis Star/News series on special interest influences in the Indiana General Assembly and House Speaker Paul Mannweiler's call for an Ethics Committee probe into Turpin last week, attention now falls on Thomas Downey, 59, a retired director of training with the Federal Aviation Administration.

Downey is a disabled U.S. Air Force veteran who refused his pension, has been married for 32 years and has lived in Hendricks County for 18 years. He is active in both the American Legion and the AARP.

"In general, people perceive him to be a mainstream, moderate Democrat who has a reputation for honesty and integrity," said Indiana Democratic Chairman Joe Andrew. "Rep. Turpin's own political leader is calling for an ethics investigation. It's hard to imagine anything more devastating. The fundamental issue will be whether the Republicans will stick with him."

Downey agreed to this HPR interview Monday night at his home in Brownsburg.

HPR: You were not recruited by Indiana Democrats to run against Rep. Turpin. Tell me why you decided to run.

Downey: I spent 39 years as a civil servant with the Federal Aviation Administration. In fact, I was unable to run for office because of the Hatch Act. The only office I ever held was school board for St. Mathews School here. But looking at what is going on right now, the cur-

rent state of affairs, as a citizen, I want to do something about it. I am not a career politician. I want to do something about what's going on in my district.

HPR: Frame the argument for your reelection. What's going on in your district?

Downey: I think lobbying reform is No. 1. I think what's going on among some of the folks who are elected but not representing the people is bothering me and a number of the folks who live in our district. Things are going on right now that are not palatable with those living out in the state. For example, the excise tax (cut) did not cover all the people in the state. The excise tax (cut) covered only people with newer cars. It did not cover people with older cars. Why is the state of Indiana one of only two states that does not pay for the children's books? Something must be done. Children are our future.

HPR: You filed to run against Mr. Turpin on Feb. 13. Why did you decide to run?

Downey: Probably what put me to the point where I decided to run against Sam Turpin was when I saw him refuse to pass the state excise tax (licensing fees proposed by Gov. Bayh) because he was mad at our governor. I thought that was very childish and not representative of the people in our district, nor what they elected him to do. I thought it was very immature on his part and I told him so. I thought this is time that I put something back in our community that heretofore hasn't been shown.

HPR: The events of the past 10 days have been nothing short of political earthquake proportions for Mr. Turpin and may well have a major impact on which party controls the House, and even whether the moderate or conservative wing of the Republican Party controls its leadership. From your perspective, where did Mr. Turpin make himself vulnerable in the context of the gambling issue?

Downey: I don't think I should comment. I think what Sam Turpin is doing unto himself is self-destruct. I really feel sorry for him and for some of the actions he has taken

for his own betterment, and not necessarily for the people of this county. That bothers me. I don't want to comment further on that.

HPR: What are the people of Hendricks County saying from your perspective?

Downey: I think the people are pretty fed up. The *Hendricks County Flyer*, the local newspaper, has on its opinion page said the folks here may really reconsider their subscription to Sam Turpin. I subscribe to that point of view.

HPR: What are the normal percentages in the 40th District?

Downey: It's about a 66-34 percent Republican district. But the demographics are changing. United Airlines is moving out here. A lot of folks are moving out into the area that haven't lived here before. I think the people of Hendricks County are intelligent enough to vote for the man and not the party. In the past, they might have been inclined to do otherwise.

HPR: Have you approached or been approached by Republicans?

Downey: I have.

HPR: And what are they telling you?

Downey: They are very supportive.

HPR: Upset about the turn of events?

Downey: Yes, they are. The fact, to quote the local newspaper, is whether Mr. Turpin crossed the ethical line when he accepted special interest money. The people are questioning who is Sam Turpin. Is this the same Sam Turpin who sponsored the bill repealing prevailing wage? It should be no wonder that Sam Turpin doesn't see the need for labor, who protested at the Statehouse to protect their wages when he's receiving monthly checks from gambling interests for doing nothing. Last time I looked, we had no rivers going through Hendricks County

to support the riverboat gambling.

HPR: What kind of campaign support can you expect from Indiana Democrats?

Downey: I received tremendous support from the Democratic caucus and the folks at the Statehouse.

HPR: What kind of campaign do you expect to run in the fall?

Downey: I have a plan. I'm running unopposed in the primary. We have a 14-page plan we're going to use. It will be a very organized fashion utilizing every one of our precincts.

HPR: When was the last time a Democrat was elected in that district?

Downey: (Laughs) That's not fair.

HPR: It's a legitimate question. We've had two House speakers defeated in the last 10 years here in Indiana, a state where the improbable has been happening regularly.

Downey: It's up for grabs. This has been a very Republican district for many, many years, and I would hope people vote for the man and what the man stands for rather than voting for the past strictly on party lines.

HPR: How much do you think it will cost to run a competitive race?

Downey: Last time I looked I had \$1.05 in my warchest. I don't know what it will cost. If it costs hard work and effort, that's what I'm going to put into it. I have the support of an awful lot of folks. I'm looking for support from a number of organizations around the state and at the moment I think I'm going to be endorsed. We're going to do a door-to-door campaign. I'm going to meet with as many people as I possibly can. We're setting up a network for a very successful campaign.

Bayh a big hit in *George* magazine article as coming president

JFK Jr.'s *George* magazine had a flattering article about Bayh (thank God it wasn't near that Hanes Resilience advertisement on page 135).

By Thomas Kunkel, its headline reads, "In 1992, Bill Clinton said he would reinvent the Democratic Party. But it didn't work out that way. Now, when the Democrats look to the future, they see Indiana governor Evan Bayh - a man many think was born to be president." The

article quotes Democratic consultant Bob Squier as saying, "The expectations are extremely high for him. There's a feeling that this is just the beginning for Evan."

Kunkel describes Bayh as "a Hollywood handsome contender with killer job-performance ratings." And Indiana GOP Chairman Mike McDaniel is quoted, saying, "I think on the whole he's been a good Republican governor."

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mented" *President Clinton* on his response to Chinese military exercises near Taiwan.

Kokomo Tribune's Steve Jackson reports that Republican LG candidates *Steve Johnson* and *Bill Friend* have been hanging out in "coffee shops, gymnasiums turned into banquet halls, schmoozing with farmers, shop owners and house wives who will populate June's Republican state convention."

This was the "Message From the Governor" on March 12. Over a signature that, at times, appeared to be that of *Evan Bayh's*, the press release read, "Concluding, apparently, there are too many unqualified hypnotists in the State of Indiana, the General Assembly proposes to establish a new state body to license, regulate, tax, oversee and police hypnotists in Indiana - all at taxpayer expense. Until there is specific evidence of rogue hypnotists wreaking havoc in our communities, I do not believe the only possible response to this concern is to create yet another government bureaucracy...." OK, governor, you can return to your office now.

U.S. Rep. Lee Hamilton says he is "attracted" to the idea of interregional primaries set on six different days between March and June in the presi-

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dential nomination process. "On each date a group of states of various sizes and from different regions of the country would hold primary contests. The order could rotate."

The Michigan City News-Dispatch reports that only 9 percent of Hoosier taxpayers checked the presidential election fund box on their tax returns in 1995, down from 14 percent in 1991. The national average in 1995 was 13 percent.

Chicago Tribune columnist **Richard Orr** reports that Midwest farmland values are 5 percent above 1995 - the 9th consecutive annual gain of at least that percent.

Here's how the **Gary Post-Tribune** editorialized about State Rep. Sam Turpin's present problems: "Turpin said he didn't think he needed to report the money on his financial disclosure forms since he hadn't signed a contract. What a crock."

State Sen. Tom Weatherwax was quoted in the **Logansport Pharos-Tribune**: "We do need to get very serious about lobbying reform. I do want to make sure we get this thing handled. The cost of business at my level is getting totally

COLUMNISTS ON INDIANA

Bob Ashley, Frankfort Times - If any of the major-party candidates for governor expected to achieve a boost from the Indiana General Assembly, they didn't get it. Legislators tip-toed around the issues in the forefront of the three-way Republican primary, while Lt. Gov. Frank O'Bannon quietly went about his business of raising money for the fall election campaign. Republican Rex Early's chief issue, cutting excise tax on cars and trucks, became nearly moot when GOP legislative leaders cut a deal with Gov. Evan Bayh. Mayor Stephen Goldsmith failed to convince legislators they should abolish Marion County's welfare system and replace it with a jobs program. In part, Goldsmith collided with Republican legislative operatives who support Early. Even had there not been a campaign for governor, the legislature likely would have hesitated to make such a sweeping policy change in such a quick fashion.

Jack Colwell, South Bend Tribune - Rex Early knows what he must do if he is to have a chance to win the Republican nomination for governor of Indiana. He will do it. When he does, Early will be accused by Indianapolis Mayor Steve Goldsmith of resorting to negative advertising. How this plays out - or, rather, how it plays on TV in 30-second spots - will determine whether Early or Goldsmith will be the GOP nominee. Early made it clear that he will offer "a comparison of our records" and a "look-see at Steve's four years in the mayor's office." Negative? That will be in the eye of the beholder. "I guess anything I say is going to be considered negative by Al Hubbard," Early said. "When he announced for governor, Steve said, 'Examine my record. I accept his invitation.'"

Harrison Ullman, Nuvo - If Goldsmith takes our state government, he will run it as he has run our city government. Four years from now, he will have made it a very different government - different in ways that cannot be easily reversed nor easily restored. We will never restore the park land he wants to give away in

Indianapolis. We may never recover any public voice in the private management of public golf courses, public sewer plants, and public airports he has privatized without public consultation.

Brian Howey, HPR - AFSCME engaged in privatization, but after establishing a level playing field that included promises of advanced training, elimination of administration overhead (middle level managers) and front-end participation of the redesign. When Goldsmith agreed, it sent him into a collision course with his own party and spawned the candidacy of Rex Early. AFSCME Executive Director Stephen Fantauzzo explains, "The guts of the Republican political machine was the middle ranks of the bureaucracy that had been there for decades. One of the first challenges we put to the mayor was, 'You have to eliminate overhead.' Essentially, we told the mayor, 'It's time to walk your talk.'"

James Warren, Chicago Tribune - The day after quitting the presidential campaign, Richard Lugar was studying exit polls from the Vermont primary, Vermont. And he was dead sober, too. "These just came in," the Indiana senator told me Thursday afternoon as he offered analysis about that merry band of 14 percent that backed him in Tuesday's Vermont primary. "They indicated clearly that 48 percent of those who voted for me, voted for Clinton in 1992 and 18 percent voted for Perot. Only 30 percent came from those who voted for Bush. His suggestion was obvious, namely that in a state where he had spent a lot of time, he had shown a sharp increase in support in the final week of the campaign. And he felt the polling indicated his potential to lure exactly the sort of voters a Republican may need to win the White House.

Gerry Lanosga, Indianapolis News - The (Indiana) House urged the installation of diaper changing stations in men's and women's restrooms everywhere. You talk about your family values.

Hoosier frosh implore Arme y to save Contract; McIntosh returns, saying, 'I'm proud of my record'

MUNCIE - Last fall, U.S. Rep. Lee Hamilton said in an HPR interview that the committee structure in the U.S. House had been gutted, circumvented by backroom deals in the office of Speaker Newt Gingrich.

In stunning fashion this past week, these observations came to light nationally in two columns, with two Indiana freshman Republicans right in the mix.

Chicago Sun-Times columnist Robert Novak reported that U.S. Reps. Mark Souder and David McIntosh were part of a delegation of freshmen to approach Majority Leader Dick Arme y about tougher positions on the flagging Contract With America.

"As the Republican-controlled Senate was capitulating to President Clinton's spending demands Tuesday, freshmen House Republicans paid a secret visit to Rep. Dick Arme y with a heartfelt request: Please lead us out of the wilderness," Novak's lead read. "A year ago, they were considered the most loyal acolytes of House Speaker Newt Gingrich. Now they are turning instead to Arme y. Fearing that Arme y was being set up to take the blame for the Republican decline, they urged him to step out in front with a tough and militant posture."

Novak reported that McIntosh "supported fellow Hoosier Souder" and the delegation "implored" Arme y to use the authority delegated from Gingrich to reset the Republican agenda with a new Contract With America leading into the 1996 election. Arme y appeared in Evansville on March 11 in an attempt to bolster the campaign of the third Hoosier freshman, U.S. Rep. John Hostettler.

Political analyst Charles E. Cook predicted in the March 11 edition of *Roll Call* that as little as a third of the Contract With America will have been enacted. "Don't blame President Clinton's veto pen," Cook explained, noting that Clinton had used it less than Presidents Reagan and Bush had at this point in their first terms.

"No, the problems are due to the chaotic situation in the House GOP Conference, which is afflicted with an out-of-control freshman class and a seemingly helpless leadership. The

freshmen provided the energy and drive that has produced disaster for the GOP." Cook believes that "competition" developed between a dozen or so freshmen (Souder as class veep, McIntosh as the first freshman since Nixon to chair a subcommittee), each trying to get out in front of the class by staking positions further to the right. "As they became more aggressive, they pulled the class out on a limb."

Cook bolster's Hamilton's claims that the committee process has been circumvented by noting that four of 19 standing committee chairmen are leaving Congress after just one term. "Then," Cook observes, "there are members of the Appropriations Committee's 'College of Cardinals': subcommittee chairs like John Myers and Barbara Vucanovich are retiring and Jim Lightfoot is running for the Senate. Who ever heard of a House Appropriations subcommittee chairman giving up a seat for an uphill Senate campaign?"

"Something is very wrong when people who waited this long to get their hands on the reins of power are giving it up so soon," Cook said, adding that one retiring GOP chair told him, "Being a chairman in the Newt Congress means not being in the room when the deals are done."

As for Gingrich, Cook said the Speaker "either has been stripped of effective control or has kicked himself upstairs. He's no longer the head of the GOP House government; he's a ceremonial head of state." What Souder and McIntosh have waded into is a raging battle between self-styled "pragmatist" Arme y and fellow Texan Tom DeLay, the ideological purist.

Cook added, "Any way you look at it, House Republicans squandered a historic opportunity to bring about real change, just as Clinton did in his first two years in office."

When McIntosh returned to Indiana last Saturday to announce for a second term, he explained, "We passed the Contract With America in the House." He added, "I've been fighting in the front lines to change four decades of liberal social engineering. I'm proud of my record."

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out of line and yet that seems to be what it takes to win."

State Rep. Mike Smith, R-Rensselaer, added, "I told one lobbyist if he wanted to run for office, go to all the chicken dinners, go door to door and get elected, he could carry this legislation himself. I'm not sure there doesn't need to be term limits for lobbyists."

Eighth CD Democratic hopeful Jonathan Weinzapfel charged that House Majority Leader Dick Arme y is on "the extremist fringe of the Republican Revolution. When he goes around saying that there is no place in America for Social Security or Medicare or the minimum wage, he makes Newt Gingrich look like a moderate. What this event shows is that John Hostettler is every bit as extreme."

Weinzapfel's opponent, State Rep. Rick McConnell, got good media play by charging that the Wabash Valley Coal Miners Respiratory Clinic in Vincennes could lose funding due to House actions (Debbie Schmidt-knecht, Vincennes Sun-Commercial). McConnell called on Congress to restore full funding to the Black Lung Program.

State Sens. Joe Zakas and Steve Johnson appeared together in

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Mishawaka calling for a biennial federal budget. Zakas is seeking the 3rd CD Republican nomination and Johnson is an LG hopeful. Zakas said that biennial federal budgets would help states "plan their own budgets."

U.S. Rep. Pete Visclosky has called on the federal government to stop the practice of using tax dollars to help corporations like McDonald's and Pillsbury underwrite international ad campaigns (Medill News Service). "The people have to know that if there's a burden to be borne, everyone's going to bear it, including corporate America," said Visclosky.

Early aims at privatization; Goldsmith aims at IOSHA

FROM PAGE 2

ing that a third of the drug dealers he prosecuted served no prison time. Goldsmith conceded that while the city's homicide rate was up, other crime areas were down and added it is "the sixth safest large city" in America.

On accepting political contributions from gambling, Goldsmith explained, "No matter if you're a gambling or any other interest, it does not buy influence."

On "privatization," Goldsmith declared that "virtually every government function should be put up to bidding." Early agreed that some privatization was good, but added, "I won't privatize just to end up in the *Wall Street Journal*."

All four gubernatorial candidates spoke before the Indiana Subcontractors Association at the Northeast Ramada last week. In a key change of strategy, Early seemed to warm up to privatization, using the example of Vincennes University selling off its cable TV system for \$19 million while he chaired its board of trustees.

"Privatization can be done correctly," Early said. "There are areas in state government

I would look at, but it has to be done by a businessman." As for Goldsmith, Early said, "I think we got rolled" on some Indianapolis deals.

At South Bend, Early told Jack Colwell of the *South Bend Tribune*, "Steve didn't invent privatization. Steve makes fantastic claims. If we saved \$300 million, where did the money go? Taxes have not decreased. There is no surplus."

Early also claimed that Goldsmith made \$500 million in infrastructure improvements "on a credit card. My wife could do that if they let her. And my grandchildren are going to be paying for this \$500 million of campaign expenses - I mean, campaign-induced expenditures."

Goldsmith spoke last to the Subcontractors, leading off by saying, "This is an interesting group." He went on to say he "eliminated 60 percent of the city's building permits." And he lit into IOSHA, saying it shouldn't be a revenue producing agency. Goldsmith said the agency should "coach people," not "torment them."

In a straw poll by the Subcontractors, Goldsmith won with 50 votes, Early had 14, O'Bannon 9 and Witwer 7.

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- Chris Sautter, Democratic consultant, Washington DC
- Brose McVey, Republican consultant, Indianapolis
- Sheila Stess Kennedy, director of the Indiana Civil Liberties Union
- Dr. David Reed, economist, Marian College
- Dick Robinson, columnist, Terre Haute Tribune-Star
- Host: Brian Howey, publisher, HPR