



Reviewing Pence's House career

Ideology, faith trump politics & district needs

By **BRIAN A. HOWEY**

COLUMBUS, Ind. -

The Congressional career of Mike Pence has been marked almost from the beginning with drama, uncanny timing, obstinacy, and populism hewn to beliefs that extend from the Holy Bible to public life. While the man he hopes to succeed as Indiana governor has been known as "The Blade," Pence could be called the "Columbus Cutlass" for his early assault on drunken Capitol Hill spending.

Some say he wears his religion on his sleeve, and at times can turn a Republican Lincoln Day dinner into a Right to Life event. Pence doesn't simply wear his faith on his sleeve, he wears the entire Jesus jersey.

He is a career communicator that has allowed him to quickly move to the power strata and become the third



U.S. Rep. Mike Pence reaches out to supporters at his campaign kickoff last Saturday in Columbus. (HPI Photo by Brian A. Howey)

ranking Republican in the U.S. House after challenging John Boehner for minority leader in the fallout of the 2006 elections. Two years later, it was Boehner who elevated Pence to Republican Conference Chairman because of his

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Faults of Mike Pence

By **MARK SOUDER**

FORT WAYNE - My friend Mike Pence was not without his critics in Congress, even among Republicans.

Mike is a terrific fund-raiser. One day on the House floor he came up to a number of us fellow Hoosier Republicans talking together, and said: "What are you guys talking about?" One said: "About how to build fences around our districts so you don't come in and suck the money out."

However, because he raised money successfully he had plenty to give to other candidates as well as making sure he maintained his seats. So being a



"If they were a true political organization they would be having positions on the ballot and maybe somebody could run as a Tea Party candidate. I wouldn't because I'm a Republican."

- Treasurer Richard Mourdock



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Brian A. Howey, Publisher
Mark Schoeff Jr., Washington
Jack E. Howey, editor
Beverly K. Phillips, associate editor

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☎ Call 317.627.6746

Contact HPI

Howey Politics Indiana
6255 N. Evanston Ave.
Indianapolis, IN 46220
www.howeypolitics.com
bhowey2@gmail.com
☎ Howey's cell: 317.506.0883
☎ Washington: 703.248.0909
☎ Business Office: 317.627.6746

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great fund-raiser isn't a bad fault, and comes in pretty handy in politics.

Numerous times Members would come up to me and complain that Mike was on television all the time. Media hound would be a nice word. John Boehner slated him for Conference Chairman largely because he knew what many jealous Members new: Mike was the most articulate of the Republicans in the House (and perhaps the Senate) on television. It also meant that Mike wouldn't run against John again, but that was a side point. Being the most articulate spokesman for your Party probably isn't a terrible fault either.

Mike can also be irritatingly optimistic and far too gushy for someone of my taste. If he calls you a "good" friend, it isn't really a compliment. Even a "great" friend is pretty ordinary. If you are a "remarkable" friend, you're getting close. What is amazing is that Mike isn't just this way when he needs something from someone, or as an insincere gimmick. I don't know whether as he popped into the world ("that was an absolutely stunning delivery Doc") or if it was learned behavior, but whether it was environmental or hereditary, it is certainly in his genes at this point. He's insufferably nice and smiley whether he's just one-on-one where a media person could not possibly be present, in a small group, or speaking to a crowd.

Honestly, with my more blunt temperament, at first I thought it was a fake. In politics there have been known to be a few. But Mike's style is not. He somewhere decided that if he was going to err, he'd err to the side of exaggerating the good side of people. You could have a worse bad trait.

The optimism can be tough to take at times. Everything is an opportunity. My view is that not everything is an opportunity. Sometimes it is downright depressing. Sometimes when he came into the Republican

cloakroom smiling and asking how things were, I'd just scowl. Not in a mean way, but so he'd realize not to be quite so chirpy at that moment. I also knew, that down deep, Mike has had some hurt. He's been through tough times. The optimism, like his flattery, is not a gimmick or a political tactic: it is a personal decision. People prefer being around optimists, and when times are tough they don't need a President like Jimmy Carter going on television talking about a national malaise. They prefer Ronald Reagan's favorite story about the little boy digging in a pile of, well, horse droppings. He figured with that much manure there had to be a horse in their somewhere. We especially want our leaders to be optimistic, and to offer hope. I'd mix in a little Hell with a sermon on Heaven but there are greater weaknesses than being too optimistic.

Which brings us to the "religion thing." Some Members, a fair number actually, found Mike's overt Christianity a bit much. They complained and whined about it. You see, Mike won't keep Jesus in a box. I saw Mike during a press conference on national television about some economic issue, when suddenly out popped some words of Christian testimony and then back to why the bond market was wobbly or something. Some felt Mike wore Jesus on his sleeve, or perhaps both sleeves. Others felt he used Christianity for his own political gain.

This is actually the part of him that will likely be the most debated in this campaign. Because of my past impression of him before he was elected, I had some doubts. Trust but verify. Simply put, he's the real deal. No one is perfect except Christ including Mike. Mike knows this as well, and will tell you so. I remember growing up when a devout pastor would go on about understanding our temptations, I'd wonder if he was talking about once, say two years ago, when he sinned by checking his watch to



see if church was about done. In other words, when some Christians pat you on the back and say they understand, you mutter "yeah right." Mike is odd in this sense: he can sound insincere when in fact he is completely, transparently sincere. Even on little things, I'm a skeptic. In Congress if someone said "nice tie," I'd wait a bit trying to guess what bill they wanted me to co-sponsor. When Mike said "nice tie" I learned that he meant it wasn't quite a "remarkable tie" but it wasn't a bad tie.

Mike Pence didn't pull any punches about his social conservatism or his belief in the importance of moral issues in his announcement for Governor. It sure wasn't for political gain. His army of religious supporters is ready. In fact, it can be argued – as I pointed out to those who criticized him in Congress – if it was for political gain, he'd shut up about it sometimes.

Mike is letting the people know because his religion

is at his core. It impacts his worldview. It is who he is. Perhaps this "fault" will hurt him in this campaign. I doubt if it will add any votes he doesn't already have. But I seriously doubt that this "fault" will hurt him any more than his other ones.

If proclaiming his foundational belief in Christ hurts him politically, I know what Mike would say. I am saying it because it is the right thing to do, not because it will help me win.

My prediction is that a guy with the faults of being a top fund-raiser, arousing jealousy because of his skill in selling the message on media, flatters people a bit too much, is disgustingly optimistic, and openly proclaims his Christianity will probably do all right in Indiana this election. ❖

Souder is a former Republican member of Congress.

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communication skills. His beliefs and oratory prompted a grassroots movement that attempted to draft him into a presidential run earlier this year before he opted for the governor's race.

After two unsuccessful Congressional bids in 1988 and 1990 - the latter prompting his 1991 tome "Confessions of a Negative Campaigner" - Pence found himself on a Colorado mountain riding horses with his wife, Karen, in the summer of 1999. Would they seek Congress one more time? Karen Pence told supporters last Saturday that at that moment, the couple spotted two red-tailed hawks drafting in the wind above. They would run again, they decided, but "no flapping." They would soar.

A little over two years later, with the twin World Trade Center towers and the Pentagon in flames and word that Flight 93 was barreling toward the U.S. Capitol, Pence found himself in the building. "I was whisked away by the

Capitol Police to the top floor of their headquarters, where I met with House and Senate leaders," Pence recalled. "The moment I arrived, an officer informed us that an inbound airplane was 12 minutes out. The Congressional leaders in the room began to discuss options and capabilities as I stood by and watched the Capitol dome out the window. We waited. That was the longest 12 minutes of my life."

Twelve years after his Congressional career commenced, Pence now hopes to become the next governor of Indiana. What telltales does his Congressional career give Hoosier voters?

During his campaign kick off speech, Pence made it clear that while he will have a lieutenant governor, God will be the co-pilot. "To restore our economy

we must reaffirm our respect for the institutions and traditions that nurture the character of our people," Pence said. "As your governor, I will stand for the sanctity of life, traditional marriage and the importance of organized religion in everyday life. To build an even better Indiana, we



Mike and Karen Pence pray with their family just before his campaign kick off speech in Columbus Saturday. (HPI Photo by Brian A. Howey)



must recognize every day that our present crisis is not just economic, but moral."

As Pence embarks on his gubernatorial campaign, he finds a jobless rate at a stubborn 8 percent. While he led the national fight to defund Planned Parenthood, it comes at a time when the Hoosier family is in atrophy. In 2009, some 42 percent of all births in the state came out of wedlock, up from 33 percent in 1998. Seven Indiana counties are among the top 50 in the nation in terms of divorce rates, according to 2008 estimates from the U.S. Census Bureau. Wayne County ranks No. 1 with more than a 19 percent divorce rate while Madison and Floyd ranked sixth and seventh nationally. Indiana does not keep statewide divorce statistics.

In 2008, Prevent Child Abuse Indiana reported 90,177 cases with 24,808 substantiated. There were 53 child abuse deaths in 2006 and 36 in 2007, two years after Gov. Mitch Daniels added 400 more child protective services workers, an example of where government can be the solution. Indiana had a prison population of 24,008 and 116,431 on probation in 2010, one of the few states where the prison ranks are still rising. It ranked 29th in the U.S. in violent crime.

Indiana's 2009 per capita personal income stood at \$33,725 compared to \$39,138 nationally. Twenty-two percent of Hoosier children live below the poverty line.

The 'Frozen Man'

Pence's Congressional career finds several delineation points with his own Republican Party. In 2001, he opposed President George W. Bush's No Child Left Behind initiative. In 2003, he was a rare Republican who opposed Bush's Medicare Prescription Drug plan, the largest entitlement expansion since the Great Society.

He explained to the Heritage Foundation in 2004, "Picture, if you will, a ship at sea. Shoulders back, a proud captain steps onto the sunlit deck of a tall ship plying the open seas of a simpler time. Its sails full and straining in the wind, its crew is tried and true, its hull, mast and keel are strong, but beneath the waves, almost imperceptibly, the rudder has veered off course and, in time, the captain and crew face unexpected peril. The conservative movement today is like that tall ship with its proud

captain: strong and accomplished but veering off course into the dangerous and uncharted waters of big government Republicanism."

In his February 2004 CPAC speech that put him on a national trajectory, he explained, "Well, I first ran for Congress in 1988. An entrenched Democratic majority controlled Congress, frustrating President Reagan at every turn. I lost my bid in 1988 and again in 1990. There's a saying in politics: 'When you're out, you're out!' Well, I was out for 10 years.

"And when I was finally elected to Congress in 2000, I was like the frozen man ... frozen before the Revolution, thawed after it was over ... a minuteman who showed up 10 years late! A decade ago, when I first ran for Congress, Republicans dreamed of eliminating the federal Department of Education and returning control of our schools to parents, communities and states.

"Ten years later, I am thawed out, take my oath of office in the 107th Congress and join the revolution and they hand me a copy of H.R. 1. One, as in our Republican Congress' number one priority. The No Child Left Behind Act. The largest expansion of the federal Department of Education since it was created by President Jimmy Carter. In the end, I and about 30 House conservatives fought against the bill and were soundly defeated by our own

colleagues. Our Reaganite beliefs that education was a local function were labeled 'far right' by Republicans and the President signed the bill into law with a smiling Ted Kennedy at his side. Conservatives were told to bear up, that this was the exception, not the rule."

Pence continued: "And so, relieved to have that experience behind me, I anxiously awaited a new H.R. 1 for a new Congress, an H.R. 1 I could be proud of. And so at the onset of the 108th, I was handed H.R. 1, the number one priority, the Medicare Prescription Drug Bill. The largest new entitlement since 1965! To the frozen man, it was obvious. Another Congress. Another H.R.1."

In his Heritage speech, Pence explained, "Actually this bill started out promising. The president asked Congress for a very limited program extending existing welfare benefits to seniors just above the poverty level where most of the one in four seniors without prescription drug coverage reside. Many conservatives, me included, were prepared to support this limited benefit.



Pence Campaign File

- Headquarters:** Anderson
- Campaign Manager:** Kyle Robertson
- Campaign spokesman:** Matt Lloyd
- Website:** Mikepence.com
- Pollster:** The Polling Company
- Media:** The Strategy Group for Media and Todd Scoggins Productions
- Fundraising:** Marty Obst



I told the President we shouldn't make seniors choose between food, rent and prescription drugs; we were a better country than that. But instead of giving the president the limited benefit he requested, the Congress - the land of the \$400 hammer - set sail to create the largest new entitlement since 1965: a massive one-size-fits-all entitlement that would place trillions in obligations on our children and grandchildren without giving any thought to how we were going to pay for it."

Pence continued: "Conservatives in the House were faced with a difficult choice: oppose the president we love, or support the expansion of the big government we hate. In the end ... 25 rebels decided to make a stand for the principle of limited government. In the end the bill passed. The welfare state expanded. And the ship of conservative government veered off course."

Pence's speeches before CPAC and Heritage in 2004 were a breakthrough. In 2005 he was appointed to the Republican Study Committee. "That's when Mike emerged fighting against Washington," said campaign spokesman Matt Lloyd.

Opposing the auto bailout, farm subsidies

Pence has taken philosophical stands that go against the grain of his district. He steadfastly has refused to take earmarks. In 2008, he opposed the Farm Bill, all while his 6th CD leads the state in USDA subsidies.

"I am opposing the Farm Bill because I believe that it is fiscally irresponsible and does not contain the kind of reforms in American agriculture that these times demand," Pence said. "This bill fails to reduce the overall amount of government subsidies to farmers, fails to encourage market-based reforms to the nation's agricultural policy, and fails to promote international trade. It also fails to meet our nation's farm policy needs within our own budget guidelines. The Farm Bill being considered today will actually increase the size and scope of government and will cost American taxpayers more than \$650 billion over the next 10 years. In comparison to the previous Farm Bill, this bill

will cost at least \$65 billion per year as opposed to the \$45 billion dollars before. It is, in effect, a 44 percent increase in spending."

Pence said the 2008 bill would lead to higher food prices (and a case can be made that it has).

"It would allow farmers to lock in price-support payments at the lowest possible market price, and sell their crops at the highest price," Pence explained. "The bill also ignores the plight of consumers facing skyrocketing food prices by making a bad sugar program worse. I come to the floor with a sense of melancholy about this, having been on the Agriculture Committee during the development of the last Farm Bill and coming from the great state of Indiana. It has always been my ambition to support Indiana farmers; to support them with federal policy that enables farmers to sustain the American cutting edge in global agriculture. But I've always sought to do that in a way that protects our federal budget and protects the American taxpayer at large."



Rep. Pence with Gov. Daniels at a jobs announcement at Cummins in Columbus last Friday. The auto bailout and President Obama's stimulus package have been good to Indiana automakers. Pence opposed both.

Two years later, he helped forge the Republican "Pledge" and vowed to cut \$100 billion from the budget. He would tell a Tea Party rally last February, "It's time to pick a fight" that is leading to the Aug. 2 showdown over the debt ceiling. "In the Pledge to America, Republicans said that we would save taxpayers at least \$100 billion in the first year," Pence said on Fox News last year. "And what is going on right now on Capitol Hill are negotiations among Republicans to keep our word and I believe that we will."

On May 31, he vowed to vote against raising the debt ceiling, saying, "With a \$14 trillion national debt, the American people are fed up and want us to change the way Washington spends the people's money. Because I cannot support increasing the debt ceiling without real and mean-



ingful spending reductions and reforms, I will not support H.R. 1954.”

His stance helped set a showdown with President Obama by Treasury Sec. Tim Geithner’s Aug. 2 deadline.

And if you look at a Detroit Free Press map of auto supplier industries, a cluster can be found throughout east central Indiana. In November 2010, Pence journeyed to the Detroit Economic Club to explain why he opposed President Obama’s auto bailout via expedited bankruptcy.

“With more than 15 million people still looking for work, President Obama and Democrats in Congress have tried to borrow and spend the country back to prosperity resulting in trillion dollar plus annual deficits and a nearly \$14 trillion national debt,” Pence began. “To this runaway federal spending they added a government takeover of health care, attempted a national energy tax and approved one bailout after another. In September 2008, when the Bush administration proposed that Congress give them \$700 billion to bailout Wall Street, I was the first Member of Congress to publicly oppose it. I didn’t think we should do nothing, I just thought it was wrong to take \$700 billion from Main Street to bailout bad decisions on Wall Street. I warned that passing TARP could fundamentally change the relationship between the government and the financial sector and so it has.”

Pence said that the Dodd-Frank bill “codified” the concept of “too big to fail” and “made taxpayers the first line of defense against failure.”

And on NBC’s Meet the Press in February 2009, Pence explained, “I strongly opposed the banking bailout last fall. I opposed the president of my own party and the leaders of my own party, because I don’t believe we can nationalize every bad mortgage in America. I don’t believe we can nationalize every failing bank in America.”

At Detroit in November 2010, Pence said, “And, even though I am proud of the American automotive tradition and Indiana’s ongoing role it, I even opposed bailing out GM and Chrysler,” Pence said in the belly of the beast. “While the administration has been busy making the point that GM is on the rebound and taxpayers are being repaid, most Americans know that it still would have

been better if GM had gone through an orderly reorganization bankruptcy without taxpayer support. Taxpayer-funded bailouts are no substitute for economic policies that will create real consumer demand. I have no doubt that American automakers and autoworkers can compete and win in a growing American economy. To restore American exceptionalism, we must end all this Keynesian spending and get back to the practice of free market economics. The freedom to succeed must include the freedom to fail. The free market is what made America’s economy the greatest in the world, and we cannot falter in our willingness to defend it.”

Pence ardently opposed President Obama’s stimulus package, even though it has showered Indiana auto companies and electric component startups with money (including Cummins Engines last Friday).

Pence insisted in February 2009 after Obama visited Elkhart, “This is an argument about what would be the best solution to deal with these challenging economic times. Republicans oppose this bill because this back room deal is simply a long wish list of big government spending that won’t work to put Americans back to work. It won’t create jobs. The only thing it will stimulate is more government and more debt. And it will probably do more harm than good.”

Obama acknowledged at Elkhart that if the stimulus doesn’t work, he will likely be a one-term president.

American exceptionalism

At Detroit, Pence pushed for a “spending limit amendment” to the U.S. Constitution, reasoning, “Since World War II the federal government has operated on an average of just under 20 percent of gross domestic product. But, in the past three years, federal spending has climbed to nearly 25 percent of GDP. Left unchecked, and accounting for no new programs, federal spending will reach 50 percent of GDP by 2055. We should remember what Ronald Reagan said, ‘No government ever voluntarily reduces itself in size.’ We must have a mechanism that forces Washington as a whole to make the hard choices necessary to reform our nation’s addiction to big spending and unsustainable entitlements. By limiting federal spending to 20 percent of our nation’s economy in the



Pence is a member of the House Tea Party caucus and his message resonates with them. He greets Tea Party members during his October 2010 campaign swing through Southern Indiana.



Constitution, except for certain conditions such as a war, we will create a framework for this and future Congresses to live within our means and have the incentive to grow the economy."

Pence then defined an "incentive-based growth agenda" that included sound monetary policy, tax relief and reform, access to American energy, regulatory reform and trade. "START. You could call it a prescription for a fresh start for the American economy," Pence explained. "Some of these are new ideas. Some are timeless. Taken together, they will put us back on track for job creation and prosperity."

In pushing for "sound monetary policy," Pence explained, "The American people know we cannot borrow and spend our way back to a growing America and sent a deafening message of restraint to Washington on Nov. 2. But it doesn't look like the administration got the message and neither did the Federal Reserve. During 2008 and 2009, the Fed pushed well over \$1 trillion into the financial system in an attempt to rein in unemployment through more government stimulus, yet the national jobless rate has been well above 9 percent for a record-tying 18 straight months. The Fed's second and latest round of 'quantitative easing,' known as QE2, actually seeks inflation in an effort to bring down unemployment. Printing money is no substitute for sound fiscal policy. And while there is no guarantee that this policy will succeed in reducing unemployment, it is near certain that the value of the dollar will be diluted. As economist Larry Kudlow says, 'the Fed can print more money, but it can't print jobs.'"

As for tax policy, Pence pushed for permanent extension of all of the Bush tax cuts, even though they have contributed heavily to the towering budget deficits he eschews and he called for a Tea Party favorite in Detroit - the flat tax. "Preventing a tax increase is not enough," Pence explained. "If the current tax rates were sufficient to get this economy moving again, it would be and it's not. The time has come for Congress and this administration to take bold action to simplify our tax system and lower people's taxes. The tax code has grown too large and complex. It has 3.8 million words. The forms are dizzying. And nothing about it seems fair."

"People are taxed on their income," Pence said. "Then after they pay their bills, they take the leftover money and put it into savings or an investment. If their savings or investments make any money, they are taxed again. If they buy stock in a company, the company pays taxes on its profits. Then it takes those profits and provides a dividend to shareholders and it is taxed again. The final outrage occurs at death, when your estate pays taxes once again on all the money you'd previously paid taxes on while living. To promote income, savings and investment,

we need a system built on the principle that income should be taxed once and just once. We need a fair and effective method of taxation that will make doing your taxes easy and remove the confusion of the present tax code."

Noting that Americans spend 7.6 billion hours preparing their annual taxes, Pence quoted Dr. Art Laffer: "The Laffer study predicts that by simplifying the tax code and cutting complexity costs in half, our economy would grow \$1.3 trillion more over 10 years than if we maintain the status quo. That means each person in this country would be approximately \$4,200 wealthier. And that's just from simplifying our tax code by half. But we can do better than



that. How about a system where you could file your taxes on a Blackberry, or a system where you might even be able to file a return with 140 characters or less? How would you like to tweet your taxes?"

"If you are a business, you pay tax on your gross income for the year minus 100 percent of your expenses: rent, wages, fuel, supplies, etc. Depreciation is no longer necessary because the entire cost of investment spending can be deducted in one year," Pence said. "The flat tax eliminates all of the credits and deductions and special preferences and tax loopholes that Congress and an army of lobbyists have built into the tax code over time. These fuel special interests and generally benefit one person, business or industry over another. Our tax system should not pick winners and losers, but should treat every business, small and large, with the same basic rules."

Pence also called for regulatory reform. "I believe that all new regulations that impose an economic cost on families, businesses or local governments should be subject to a regulatory 'pay-go' procedure before implementation. If government wants to issue a new regulation that is going to impose an economic cost, then it needs to reduce another regulatory burden elsewhere so that there is no new burden on the economy. Some regulations, and some bills that have passed Congress, however, impose costs that are too great and can never be offset and must be re-



pealed. ObamaCare, Dodd-Frank, TARP, and Section 404 of Sarbanes-Oxley fall in that category. Also, Congress must override the EPA's endangerment finding so that regulatory Cap-and-Trade cannot be forced on the American people against their will."

Pence recalled a 1977 backpacking trip through Europe when they arrived in West Berlin. "I will never forget the day I walked past the barbed wire and tank traps that barricaded the Berlin Wall, passed through security at Checkpoint Charlie and took my first steps into a wider understanding of the world," Pence said. "Standing in West Berlin I saw the energy, bustling streets and glass towers of a big city built on freedom and free market economics. The strassen were filled with stores, people, and bustling commerce. When we crossed through Checkpoint Charlie, past the harsh glare of uniformed East German guards, everything changed. The excitement and energy of West Berlin gave way to the dour reality of Soviet-controlled East Berlin. The buildings were drab, concrete block tenement structures. Damage from World War II was still evident in many buildings. The cars were vintage 1950s and people all seemed to be wearing the same colorless apparel. It was a gray, harsh reality. In that moment, I saw the difference between East and West, between a free market economy and a planned economy run by the state. Freedom and personal responsibility contrasted with socialism and decline.

"The problem with our economy today is that, after years of runaway spending and growth of government under both political parties, America is on that wall between West and East. No longer the vibrant free market that built cities like Detroit but not yet overtaken by the policies that have engulfed Europe in a sea of debt and mediocrity. To restore American economic exceptionalism, we have to decide that we believe in it again and turn and pursue a free market economy again with all our hearts."

Fighting the social battles

Hoosier Republicans found themselves in an extraordinary dual track between their two stars. In the spring of 2010, Gov. Daniels called for a "truce" on social issues, arguing that those battles could be delayed until the nation's fiscal order was restored.

Pence saw no need to rest when it came to strive for what he calls "moral clarity." He was an ardent backer of President Bush's call for a Constitutional amendment to "protect marriage." He reasoned in 2005, "The President rightly called marriage, 'the most enduring human institution,' and so it is. Marriage was ordained by God, confirmed by law, is the glue of the American family and the safest

harbor for children."

But the capstone of his social activism came early this year when Pence pushed for a defunding of Planned Parenthood.

"I believe that ending an innocent human life is morally wrong," Pence explained. "I also believe it is morally wrong to take the taxpayer dollars of millions of pro-life Americans and use them to fund organizations that provide and promote abortion-like Planned Parenthood of America. The headlines and years of investigations speak for themselves. In 2002, Planned Parenthood was found civilly liable in Arizona for failure to report statutory rape. In 2008 it violated reporting laws in Indiana and California. In 2009, it instructed a girl in Tennessee to lie about her age so she could get an abortion without her parents' knowledge. Recently in California, Washington, New Jersey, and New York, Planned Parenthood clinics have been accused of fraudulent accounting or overbilling practices. And last week, undercover videos showed Planned Parenthood



employees apparently willing to aid human sex traffickers by coaching them on how to falsify documents and secure secret abortions for their underage prostitutes."

Pence explained, "As the father of two teenage daughters, there are no words strong enough to portray my contempt of this pattern of apparent fraud and abuse by Planned Parenthood."

In proposing his Pence amendment, the congressman said, "Let me be clear, my amendment would not cut funding for health services. It would simply block those funds already in the bill from subsidizing America's largest abortion provider."

While Congressional votes to defund Planned Parenthood via the "Pence Amendment" failed, freshman State Sen. Scott Schneider, R-Indianapolis, amended a bill in the Senate to do the same in Indiana and it passed into law with Gov. Daniels' signature. Critics maintain that the Indiana laws have cut into health services as Planned



Parenthood has announced plans to close several health clinics now that Medicaid funds have been cut. The Obama administration signaled its intent to set aside the Indiana law, putting Pence's gubernatorial campaign on a confrontational path with President Obama.

Betty Cockrum, CEO of Indiana Planned Parenthood, called the passage and signing of HB 1210 "unconscionable and unspeakable. We will now suffer the consequences of lawmakers who have no regard for fact-based decision making and sound public health policy. As many as 22,000 low-income Hoosiers will lose their medical home. Countless patients will find themselves without access to lifesaving tests to avoid the tragic outcomes of cervical and breast cancer and epidemic sexually transmitted disease here in Indiana. More unintended pregnancy means increased Medicaid spending. Indiana already has one of the highest rates of Medicaid-covered births. The cost is already \$450 million. Logic would suggest that those births will lead to Medicaid-covered dependents for perhaps 18 years. The lawmakers have outdone themselves in contributing further to the cycle of poverty here in Indiana, where 22 percent of our children live below the poverty line."

Many believed that Pence would usher in an era of the most profound abortion restrictions in the nation, but they actually preceded him, though he was a figure for inspiration of the Right to Life set.

Pence often sees issues through the abortion prism. He voted against a bankruptcy reform bill during his first term because he objected to a provision on abortion.

And he was the only House Republican to become a plaintiff in a federal lawsuit against the McCain-Feingold campaign reform laws. Pence said that McCain was "so deep in bed with the Democrats that his feet are coming out of the bottom of the sheets."

Pence has also supported the Iraq War Resolution in 2002 and both the Iraq and Afghan surges. Just after the height of the Iraq insurgency against the U.S., Pence said on April 1, 2007, after touring the Shorja market with Sen. John McCain and Gen. David Petraeus, "And so it went, up and down the street, in between tents and tables, squeezing past pedestrians to inspect the offerings in one booth after another, we milled around this marketplace in downtown Baghdad for more than an hour. I told reporters afterward that it was just like any open-air market in Indiana in the summertime. I didn't mean that Baghdad was as safe as the Bargersville Flea Market; I just meant that was

what it looked and felt like ... lots of people, lots of booths and a friendly relaxed atmosphere." Three months earlier a bombing there had killed 28 people.

Pence has supported the Patriot Act. He is an ardent supporter of Israel. He is also a proponent of the Fairness Doctrine on behalf of the press.

Gary Bauer of the American Family Council said of Pence that he has a "Reagan-like ability to bring economic, national security and social conservatives together in a winning coalition."

Governor and beyond

At his campaign kickoff in Columbus last Saturday, emcee Dave Wilson noted how Pence came close to running for president this year, opting instead for at least a chance at a term as Indiana governor. "When Mike Pence speaks you know it's backed up by the Bible," Wilson said.

"He's been in Congress 10 years and has rocketed to the top," said WIBC talk host Greg Garrison. "He is so focused."

Allen County Republican Chairman Steve Shine called Pence "a born leader."

Former congressman Mike Sodrel said Pence's strength is "No. 1, he's somebody who keeps his word. He says what he means and means what he says.

When I talk to people on the street, the thing I hear more than any other that you can't trust politicians. They say they'll say one thing and then do another. That's not the case with Mike Pence."

U.S. Rep. Marlin Stutzman recalled sitting with Pence on a flight from Washington, and finding him "with a Bible on his lap. He's a man of faith," Stutzman said. "That's the kind of leader we need."

And Stutzman added that "some of the best advice he gave me is, 'When working with Democrats, keep smiling. It makes them nervous.'"

U.S. Rep. Larry Buchson, like Stutzman a freshman, lauded Pence for his "tireless efforts" on behalf of Congressional and legislative Republicans in 2010, allowing the GOP to retake the Indiana House where historic education reforms and abortion restrictions passed this year. "He's a leading voice in the Republican conference and he's a tireless protector for the life of the unborn," Buchson said. "Mike Pence is a good Christian, a great husband and father, and he'll be a great leader of this state."

Twenty years after Pence forged a name for himself statewide over the radio waves and on TV, he is poised to make a grassroots run for governor, and should he find success there, will take aim at a place called the White House. ❖





Pence describes key votes

By **BRIAN A. HOWEY**

INDIANAPOLIS - This interview with U.S. Rep. Mike Pence took place Wednesday evening, centered on key moments in his Congressional career.

HPI: What were the toughest votes you've cast in Congress?

Pence: Both votes that I cast to authorize the use of force, first in Afghanistan and then in Iraq were the most significant and I don't know if I would characterize them as tough. They weighed heavily on my heart and when you attend the funerals of soldiers who fell in Afghanistan and then in Iraq - from Indiana - I knew at the time of those votes of the consequences of those decisions.

HPI: You had your positions staked out on the vote, so it was more due to the gravity of the situation?

Pence: That's precisely correct. I did not have any - before or since - any question about whether U.S. action in Afghanistan and Iraq were right, proper and necessary. I was then and remain confident that decision and sacrifices were in the long-term interest of freedom and America.

HPI: What kind of a pressure did you receive from President Bush when you opposed No Child Left Behind and the Medicare Prescription Drug Plan?

Pence: As a freshman I was invited to participate on the whip team. People certainly took note of my opposition to No Child Left Behind. But if you recall that legislation passed on a broad bipartisan basis, and while people expressed their disappointment - in my view - that education is a state and local function, I would say the effort that was made to influence or change our thinking on that was pretty routine. I opposed No Child Left Behind because I opposed mandatory testing in the fourth and eighth grade and it was a massive expansion of the Department of Education. The opposite was true with the Medicare Prescription Drug bill. That ultimately turned out to be the longest vote in the history of the United States Congress. I think they held the final vote open for nearly three hours and we were subject - leading up to the vote, because I was one of the leaders of opposition - there was a very focused effort by the administration and Republican leadership to influence our vote. I was not opposed to providing an additional benefit for seniors who needed it. In fact I had endorsed in my 2000 campaign a proposal by then Gov. George W. Bush to expand the state's Helping Hand Program in Medicaid up to 200 percent of the federal poverty level. My problem was creating a massive one-size-fits all new entitlement that would provide a drug benefit to seniors



without regard to their need and passing the financial cost and burden along to our children.

HPI: I understand why you voted against TARP. I was writing columns at the time saying the same guys who got us into this mess are now proposing a \$700 billion bailout. But where do you think the U.S. would have been without TARP, because the consensus was that the entire U.S. economy and perhaps the world economy was about ready to collapse? Or did you have an alternative?

Pence: We did have an alternative that would have been a hand up and not a hand out. It would have been a backstop to firms that were rife with so-called toxic assets. It would have allowed firms to go through a more orderly workout the way financial firms did in previous crisis during the savings & loan crisis. What I objected to was you took \$700 billion in bad decisions by Wall Street and transferred them to Main Street. Essentially what the Bush administration asked from Congress - and got - was a \$700 billion blank check to ostensibly go out and purchase toxic assets out of failing financial services companies. I think it's very noteworthy to point out that as far as it

was originally conceived, it was never implemented. If you recall it was just a matter of weeks after TARP was signed into law that the Bush administration abandoned their plan to purchase toxic assets and simply began to buy significant shares of banks. I remember a number of colleagues who voted in favor of the Wall Street bailout coming up to me on the floor of the Congress when that took place and just being astonished. "I never would have authorized \$700 billion for the Bush administration to go out and start buying banks." I said, "Well, that's why we should have done something much more focused or limited."

HPI: You opposed the 2008 Farm Bill and earmarks. Did you take a lot of heat from constituents?

Pence: I voted against it most recently, not because I oppose agriculture subsidies, but because I believe our agricultural programs are sorely in need of reform. My vote against the Farm Bill did not make everyone in the agricultural community in East Central Indiana happy, but frankly I heard as much support from farmers as opposition. Many believe it could be significantly improved. On earmarks, I routinely forward requests from universities, from city governments, county elected officials to Appropriations Committee. But I never traded a vote for an earmark. I ultimately came to the decision, as Sen. Tom Coburn said, "Our federal budget is broken and our earmarking system is Exhibit A in runaway federal spending." Earmarking becomes the means where members support bills they wouldn't otherwise vote for. Coburn said that earmarking is the gateway drug to runaway federal spending.





Mourdock loses Central Committee support as push comes to shove

By **BRIAN A. HOWEY**

INDIANAPOLIS - In May, the U.S. Senate campaign of Treasurer Richard Mourdock released an endorsement list of 10 of the 18 Indiana Republican Central Committee members, along with the two national committee members.

It raised eyebrows because within 30 days after Gov. Mitch Daniels signed the new Congressional maps, the districts were required to reorganize. And when they did on June 8, seven of the 10 Mourdock endorsers were gone. State Sens. Sue Landske in the 1st and Jim Banks in the 3rd did not seek another term. And while Craig Dunn, outspoken Lugar critic and Howard County Republican chairman, lost a chair bid in the 5th CD, his county vice-chair Judy Buck won and she backs Mourdock.

Other Mourdock supporters not returning were 1st CD Chair Mary Ann Critser, 2nd CD Chair W. Edward Smith, and 9th CD Vice Chair Donald Hayes. Sources in the 9th CD told HPI that Hayes had decided not to seek another term.

But the most surprising - and embarrassing - development came in Mourdock's home 8th CD and the neighboring 9th. In the 8th, Chair Marsha Carrington lost to Pam Yoho and Richard Bramer was defeated by Randy Gentry for vice-chair. Bramer is Mourdock's chief of staff. Carrington was Lugar's political director in his 1988 race. Over in the 9th CD, Mourdock's grassroots coordinator, Diane Hubbard, lost her bid to be chair there. Hubbard has been appearing at Tea Party events around the state, such as a recent one in Monticello with the White County Patriots, where Mourdock conducted a question and answer exercise.

What happened?

Gentry, who is a long-time Republican photographer and was busy doing that work at Mike Pence's

gubernatorial campaign kickoff in Columbus on Saturday, told HPI that his and Yoho's upset wins weren't so much a referendum on the Lugar-Murdock showdown, but more of a "butt out" reaction to potential kingmakers. "We didn't believe it should be our role to tell people who to vote for," said Gentry. "Our role is to encourage support for the nominees. It's not our job to choose between the primary candidates. Pam and I are going to be very open. We're just not going to pick and choose."

Gentry said that the root cause of Carrington's and Bramer's defeat was that Republicans "in the old 8th were looking for a slightly different direction. The party chairs must have wanted some new faces. It wasn't so much a mandate on Bramer and Carrington. They just wanted new energy and vision. People want change."

But the fact is that at a critical time for the Mourdock campaign, the district level losses of his chief of staff and grassroots coordinator have created a buzz in party circles since Howey Politics Indiana broke the story last Friday. That's not the kind of show of party strength a challenger campaign seeks at this stage of the game. And at this time, Mourdock needs to show his organization is beginning to hit on all cylinders,



Richard Mourdock speaks at a White County Patriots Tea Party rally with Diane Hubbard, his grassroots coordinator, pictured at left. Hubbard lost her 9th CD bid for the Indiana Republican Central Committee.

most critically in fundraising.

It also came at a Tea Party rally in Kokomo over the weekend that ended with his campaign manager - Jim Holden, who was still on Mourdock's Treasurer staff at the time - getting in a minor altercation with a blogger shooting video.

With less than three weeks to go before the second quarter Federal Election Commission report is due, Mourdock needs to get into the seven figure range after he reported an anemic \$157,000 in his first quarter report, a paltry sum when Lugar raised \$400,000 in one night, reported close to \$1 million for the quarter and had \$3 million in the bank.

The reaction from Mourdock and his allies has been that the Tea Party is not a fundraising component, and the candidate and supporters even began to back-pedal his Tea Party emphasis. But the Tea Party was an extraordinary



conduit for money in the 2010 Congressional campaigns, as money spilled into the coffers of Christine O'Donnell in Delaware and Sharron Angle in Nevada. O'Donnell raised \$7.4 million and spent \$6.5 million, according to an amended FEC report. Angle raised an astounding \$14 million in her third quarter FEC reporting period.

The second quarter report is critical for several reasons. It's often the best time of year to raise money and it comes just before the emerging GOP presidential field begins full-fledged appeals for financial support.

Mourdock still has some cards on the money front, particularly if groups such as the Club for Growth - which earlier this spring urged Lugar to retire - and other 527 groups make independent expenditures on the challenger's behalf. But the independent groups will want to see what kind of traction Mourdock is getting on the ground. That initially included the party's county chairs and the state central committee members.

Mourdock spoke to a Tea Party rally in Kokomo on Saturday - scheduled at the same time as Mike Pence's gubernatorial kickoff.

Sources told HPI 300 people attended, but the video by the blogger Rebel Pundit, appeared to show a much sparser crowd.

The Tea Party had been scheduled to host an endorsement convention where Mourdock was expected to become their candidate. According to Kokomo Tribune editor Ken de la Bastide, that convention has been scheduled for Rick's Center for the Arts in Greenfield on Sept. 24.

Mourdock emerges with some of his Republican Central Committee support intact, including 2nd CD Chairman Sam Frain, 4th CD Vice Chair Barbara Knochel, and 6th CD Chair Ted Ogle. National Committee members Jim Bopp and Dee Dee Benkie support Mourdock and were not up for election.

But there are some new Lugarites on the committee now, even if they are staying neutral in the primary. Beth Boyce, the new 9th CD vice chair, and Jennifer Ping

who has the same position in the 7th CD, are graduates of the Lugar Series on Public Excellence. John Hammond remains chair in the 7th CD and is a strong ally of Gov. Mitch Daniels, who has said he intends to vote for Lugar in the primary. Kyle Hupfer, another strong Daniels ally, was elected chair in the 5th CD over Dunn. Dunn's county Vice Chair Judy Buck, the wife of State Sen. Jim Buck and a Mourdock supporter, was elected district vice chair. Dunn, an outspoken critic of Lugar, told HPI, "There was no litmus test regarding Lugar/Mourdock in the caucus."

Ping told HPI that while she is officially staying neutral during the primary, "Lugar is a statesman and deserves our respect. We just need to keep him there."

Lugar's bulwark appears to be his Indianapolis base



Mourdock campaign manager Jim Holden prepares to confront a blogger with a video cam Saturday in Kokomo, ending a bad week for the Lugar challenger.

and the doughnut counties, where most of the chairs have not joined the 50 to 60 county chairs who have endorsed Mourdock. In late May Lugar attended a Marion County Republican Finance Committee meeting at the Columbia Club that included influential Republicans such as Chairman Kyle Walker and 17 officeholders and party patrons such as former Senate Finance Chairman Larry Borst.

Former Republican Chairman Rex Early recalled earning the endorsements of "86 or 87" GOP county chairs when he ran for governor in 1996 against Steve Goldsmith and George Witwer. Early finished second in that race. "But in this day and age the county chairs really don't dictate to the primary voters. Not like Seth Denbo or Keith Bulen did," Early said. "In those days they could deliver their county. That's not been the case for years as the two-party system has been bought out by the big law firms. I wouldn't put too much stock into it."



Another huge concentration of Republicans is in the Fort Wayne area where Allen County Republican Chairman Steve Shine is staying neutral.

As for his read on the Lugar-Mourdock showdown, Early said, "If the election had been 60 or 90 days ago, I think Dick Lugar could have lost. Marty Morris has completely turned him to the right."

He noted that Lugar's "hard turn to the right" will take some of the steam out of the insurgency against him. Early cited Lugar's authorship of the flat tax legislation, noting, "That was something the Tea Party types were for before there was a Tea Party."

Mourdock & the blogger

Mourdock will issue an apology for his campaign manager roughing up a conservative blogger during an interview over the weekend, according to his spokesman (Miller, The Hill). Mourdock is shown in a video speaking with a blogger from the conservative website rebelpundit.com. When the blogger, who is not shown but is

heard identifying himself as "Jeremy," asked Mourdock for one more question about the so-called fair tax, the Republican's campaign manager, Jim Holden, grabs the camera's lens. "Why are you touching my camera, dude?" the blogger says after the lens is covered by Holden's hand.

Holden replies, "'cause you're just a tracker man, get out of here." Trackers are typically employed in campaigns to film a rival's public remarks. In the edited video, which rebelpundit.com posted online, the blogger says he was "assaulted" by Mourdock's campaign manager.

Prior to the exchange about the fair tax, the blogger is heard asking Mourdock why he doesn't want to identify himself as a "Tea Party candidate." The video was shot at a Tea Party rally on June 11 in Kokomo, Ind., according to rebelpundit.com. A spokesman for Mourdock said he "will shortly be apologizing for his staffer's action on-air" and is trying to reach the blogger to apologize to him personally.

"This was an unfortunate incident, and Mourdock has made it clear this is unacceptable behavior," Mourdock

spokesman Chris Conner said in an email to The Ballot Box. "Richard looks forward to getting the focus of this campaign back on the issues and replacing Dick Lugar in the U.S. Senate." Mourdock has been courting grassroots GOP support as he looks to defeat Lugar, a six-term incumbent, in the primary.

Holden sent an email this week saying, "As many of you may know, I will be transitioning out of the Treasurer's Office to assist Treasurer Mourdock in a different capacity beginning Friday, June 17."



WIBC radio host Greg Garrison (left) with former congressman Mike Sodrel at the Mike Pence rally in Columbus on Saturday. (HPI Photo by Brian A. Howe)

Sodrel won't run

Former congressman Mike Sodrel told HPI at the Mike Pence campaign kickoff that he will not seek either the 6th or 9th CD nominations. "I have no ambition for Congress again," Sodrel said.

Rokita backing Romney

U.S. Rep. Todd Rokita will support Mitt Romney in the presidential race. He becomes the first member of the Indiana delegation to pick a candidate after Gov. Mitch Daniels opted out of the race.

"I'm behind my friend Mitt Romney as I was in 2008," Rokita said. "I think he's the most like Mitch Daniels in the field. He understands business and cutting spending, and he has excellent ideas."

Kennedy, Ballard spar

A tight city budget and a dip in the ranks of the Indianapolis Metropolitan Police Department as a result have set up the latest political skirmish between Mayor Greg Ballard's administration and challenger Melina Kennedy (Tuohy, Indianapolis Star). The decrease in officers -- from 1,641 last year to 1,626 - put the department below the target number required by a federal grant and is prompting a creative move to bolster the figures. Next year, the city will count 18 park rangers as part of the police force. "We should have counted them all along," Department of Public Safety Director Frank Straub said Tuesday. However, the move drew a sharp response from Kennedy, who criticized IMPD manpower levels under Ballard's administration. "When the mayor campaigned four years ago, he promised to add 750 police officers," she said at a Tuesday afternoon news conference on the Monon Trail at 16th Street. "But now we learn that there are not enough officers to cover our beats." ❖



“Charities that matter to me” Impact 100 Greater Indianapolis

Melina Kennedy, attorney, Indianapolis Democratic mayoral nominee

By BEVERLY PHILLIPS

INDIANAPOLIS -This is first in a series of columns on key charity participation by Howey Politics Indiana subscribers.

HPI: What is a charity that matters to you?

Kennedy: I support many charities, including being a five year member of Impact 100 Greater Indianapolis. It's a local women's philanthropic giving circle that was co-founded by Kelli Norwalk and Donna Oklak. We have about 160 members, all ladies, who pool their money and provide grant funding to area nonprofits. Each year we review grant requests and have a committee process that narrows it down to five finalists. In June, all of our members vote and one of those finalists is awarded a \$100,000 grant. The four others receive any additional money we've raised for that grant cycle. 100 percent of member donations go to nonprofits as grants. Outside the Box - a new, Indianapolis nonprofit that works with the developmentally disabled - just received the 2011 \$100,000 grant last week. With this year's grants, we passed the \$1M mark in grant awards since 2006.

HPI: What attracted you to Impact 100?

Kennedy: Impact 100 uses the tagline “The Power of Women Giving as One” and what a difference pooling donations makes. Women working together, donating together, really does “impact” the community. Because of this grant, Outside the Box will be able to enlarge their program space to 14,000 sq. feet (from 3,000 sq. ft) for continuing education programs for developmentally disabled people. They have 92 people in the program and 60 more on a waiting list. We are helping them grow, like we did with

Rock Steady Boxing last year ... that's the boxing gym for people with Parkinson's that Scott Newman started. The year before that we awarded \$100,000 to Outreach, Inc., the only agency in our community that works exclusively with homeless and at risk youth and young adults. Impact 100 grants have also boosted nonprofit programming in arts education, provided support for the homeless, literacy tutoring for adults, substance abuse programs for incarcerated mothers and increased access to health services. Our group is open to any ideas from nonprofits in Indianapolis and the surrounding counties that address a need and could use \$100,000 to make it happen.

HPI: How can HPI readers help?

Kennedy: If you're on a board or a volunteer with a nonprofit, please check out Impact 100's website at impact100indy.org. We'll start looking in January 2012 for

new programs to potentially fund. And if you're a woman, we need more members. The ultimate goal of Impact 100 is to award five \$100,000 grants each year. We're not quite there yet, but that is our goal. Each member pledges \$1,000 per year, payable in installments if needed, and that equals one vote. Or two to four woman can pool their donations to total \$1,000 and share one vote. Combining our charitable dollars empowers our members to have ownership in significant projects beyond what we could individually do by ourselves. I'm proud to be

a member of Impact 100 and can't wait to see the membership grow. ❖

Howey Politics Indiana believes the health of Indiana communities is influenced the level of charitable involvement by its citizens. HPI invites its subscribers to nominate nonprofits they support for “Charities that matter to me.” Send a brief email to phillipsgroup@gmail.com about the nonprofit agency and your contact information.

Phillips is a communications consultant, writer, mother and assistant editor for Howey Politics Indiana.



Melina Kennedy (right) with Kathleen Kennedy Townsend at a recent fundraiser. (HPI Photo by Beverly Phillips)



Mullen, Meissner eye 2nd CD campaigns

By JACK COLWELL

SOUTH BEND - Indiana's new 2nd Congressional District, drawn by and for Republicans, will make it difficult for a Democrat to win the House seat now held by Congressman Joe Donnelly, D-Granger.



Charlie Cook, the guru of congressional race prognostication, lists the 2nd now as "likely Republican," not just "leaning" but "likely."

How likely?

As Donnelly runs instead for the U.S. Senate, will some other Democrat have a chance to win in the 2nd District, presumably against Republican Jackie Walorski, who almost won

last time?

At least two potential Democratic challengers with credentials that could bring substantial support now are deciding whether to give it a try.

They are:

Brendan Mullen, 33, a South Bend native who is a graduate of West Point, where he played football for Army. Mullen served five years on active duty as an officer, including time in Iraq and Korea, and established his own private firm in Washington that provides services for veterans, including returning National Guard and Reserve personnel in Indiana.

Mark Meissner, 41, a former staffer for Evan Bayh and Tim Roemer. Meissner sought the 2nd District Democratic nomination in 2002, finishing second to Jill Long Thompson, who went on to lose in a district then designed by and for Democrats. Meissner now is a senior managing director for a Washington law firm and an adjunct professor at George Washington University's School of Political Management.

Mullen is moving more quickly toward a decision. He says he is leaning toward a "go" after spending last week meeting with party leaders and other prominent Democrats in St. Joseph County. He plans also to meet with leaders in other counties of the district.

Mullen is at home in the local political world. His father, Pete Mullen, long has been active in St. Joseph County political efforts and now is the county auditor.

There's no problem with moving back to Indiana, Mullen says, because he and his wife, Suzanne, plan to do

so anyway with their 8-month-old daughter, whether he runs or not. He could run his company in Indiana just as well as in Washington, Mullen says. But his wife would have to leave as chief counsel for the House Transportation and Infrastructure Committee.

Both Meissner and Mullen have talked with strategists for the Democratic Congressional Campaign Committee. And they have met, sharing mutual concerns and views on what it would take to win.

There is certain to be at least one candidate for the Democratic nomination, no matter what the value of it might or might not be.

Goshen lawyer Andrew Straw has announced his candidacy. But party leaders do not regard him as a strong contender. Straw had an unusual approach when he decided to run himself for 2nd District chairman. He lost 15-1 in balloting by the Democratic leaders.

Whether Walorski will have any opponent for the Republican nomination is uncertain. Some Republicans were displeased with her campaign style in losing to Donnelly last time in a big Republican year. But she has name recognition, has strong national backing, is a favorite of Tea Party voters and was endorsed last week by seven of the 10 county Republican chairs in the new district.

The district often is described as "Jackie's district," drawn by the Republican redistricting architects with her election prospects in mind.

Roll Call, a Washington publication, released its analysis of Indiana's new districts last week, listing the 2nd as the first House district it has rated as "likely to flip to the other party."

The publication called removal of Kokomo as "the most devastating change" for Democrats. Actually, Walorski and Donnelly finished in a virtual tie there. The really devastating blow was the split of LaPorte County, Donnelly's best county, with removal of the strongly Democratic Michigan City area. Heavily Republican parts of Kosciusko and Elkhart counties were added.

Sources say the Democratic Congressional Campaign Committee calculates the district's Democratic strength, on the basis of past election results, as just over 46 percent.

Does that give a Democrat a reasonable chance?

Probably not - if there is again a strong Republican tide in November 2012. Maybe so - if the tide is instead more favorable for Democrats in 2012. But people like Meissner and Mullen must decide now.



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



Mitch Roob's flawed economic strategy

By **SHAW R. FRIEDMAN**

LAPORTE - Only in Mitch Daniels' Indiana would we be treated to a scenario where the decision maker who enmeshed the state in a \$1 billion lawsuit with IBM is not only rewarded for his incompetence, but promoted.

That's right – the former head of FSSA, Mitch Roob, who was the architect of the state's flawed experiment with welfare privatization, left FSSA and the lawsuit with IBM and received a \$20,000 salary bump (at the same time that other state employee salaries were frozen) and has brought his stubborn dogmatism to his role heading up the state's commerce agency.



Despite having no empirical evidence to back up his position – similar to the way he blundered headlong into welfare privatization – Roob insists that lowering the corporate tax rate is the only way Indiana can somehow be made attractive to new business. Instead of taking a page

from his Republican predecessors in the job like Mickey Mauer or Nate Feltman who understood that more than tax rates and tax incentives are key in corporate relocation decisions, Roob has insisted with the fervor of a missionary that tax rates are the answer.

Why not talk to people like Joseph Vranich, whose California-based company, The Business Relocation Coach, knows a thing or two about what turns the head of a corporate exec looking to relocate? Vranich told the Chicago Tribune in its May 15th issue that tax incentives are just one piece of the package, and his clients usually don't stay or move because of them.

Overall, said Vranich, whose clients include Fortune 500 giants like Sears, "The process involves building a relationship with the decision makers inside a company, making them feel welcome, convincing them that they and their employees will be moving to a better quality of life."

Yes, Mr. Roob - it's quality of life. That means having public schools that are properly funded, police and fire departments adequately staffed and equipped, parks that have not gone to seed, local libraries and recreational facilities that are open and accessible. Take a look at what business siting surveys say, Mr. Roob. Factors like adequate infrastructure and reasonable utility rates play a big part.

Instead of spending hundreds of thousands of tax dollars on "annoying" billboards and newspaper ads that mindlessly mock Illinois' somewhat higher corporate tax rates, isn't it time our IEDC started understanding what it really takes to induce new business? How about IEDC play a role in encouraging the state's utility commission to hold the line on Indiana utility rates and insist those utilities provide adequate service? For instance, when businesses are looking to locate in northwest Indiana, how does it look when NIPSCO, our regional electric utility was ranked dead last in the nation in 2010 for customer satisfaction among business customers of the 100 utilities surveyed by J.D. Power & Associates?

How does it look to a business exec's spouse if the public schools in a given city are failing because of a lack of state resources or that we are one of only two states in the nation not to pay for textbooks? Professor Morton Marcus has often opined on other pages of this publication that the number one investment the state can make in economic development and job creation is investing in our high school-aged young men and women.

It's time that folks like Mitch Roob understand that their myopic, one dimensional view of economic development that focuses only on pushing the state's corporate tax rate or stressing tax giveaways or incentives misses the boat. (Worse yet, Roob insists on doling out incentives to already prosperous parts of the state while neglecting impoverished regions starved for new jobs.) Jon Shure, director of state fiscal strategies at the Washington, D.C. based Center on Budget and Policy Priorities put it best when he told the Chicago Tribune that states like Indiana must work to improve infrastructure such as roads, rail lines and schools which he said are "important factors in companies deciding where to locate operations."

Take the blinders off, Mr. Roob, and help us really compete for new jobs and opportunities for Hoosiers. ❖

Friedman is a LaPorte attorney who is a regular contributor to Howey Politics Indiana



Hold the celebration, reality lies ahead

By **MORTON J. MARCUS**

INDIANAPOLIS - I will not be a spoilsport. I'll join my economic colleagues who have been trumpeting the recent news that Indiana (yes, our own state) ranked third in the nation is something good.

Third place ... wow ... they give medals for third place and we're accustomed to something more like 27th or 47th. During 2010, Indiana ranked third among the states in percentage growth of Gross Domestic Product (GDP, as it is called by its friends). Indiana's GDP is the value of market goods and services produced in the Hoosier state. (There are plenty of goods and services produced that are not bought and sold ... we tie our own shoes, make our own beds, and some of us prepare meals for the family.)



The economic community made pleasant noises over this achievement. Third place GDP growth at 4.6 percent (after adjustment for inflation) is sweet compared to the national figure of 2.6 percent. This moment of euphoria, however, if the future is like the past, will turn from crowing to cowering soon.

Often, as the nation starts recovering from a recession, Indiana is out in front. But Indiana often leads the way in an economic downturn. Frequently Hoosiers ride as passengers in one of the front cars on the business roller-coaster.

In 1998, Indiana's GDP grew by 5.1 percent while the national growth rate was a healthy 4.4 percent. Yet the next year, while the nation advanced to a 4.8 rate of growth, Indiana fell to 2.8 percent. In 2000, Indiana again lagged the national rate of increase. Then in 2001, with the nation squeaking out a 1.3 percent growth rate, Indiana showed a decline of 1.7 percent.

Here the roller coaster starts to ascend once more. It's 2002 and Indiana grows by 2.8 percent and the nation by 1.7 percent. The following year the same pattern brings Indiana to the peak of the cycle at 3.7 percent with the nation trailing at 2.1 percent. But the roller coaster starts to dive with Indiana growing less rapidly than the nation over five of the next six years 2004 to 2009.

Now we are treated to the view from the top once again with a 4.6 percent growth in 2010. If you are not too dizzy from the ride thus far, consider what lies ahead. We are most likely to see Indiana lagging the nation's GDP

growth in 2011 and through the next recession.

Deeper in the data for 2010 are signs that Indiana is already slipping behind the nation in rate of GDP growth.

While GDP figures for states come out annually, total compensation of employees is a quarterly series and a proxy for GDP. By looking at compensation patterns in 2010, we get an inside view of the trend in GDP during that year and as we went into 2011.

As less labor is needed with more sophisticated machinery, compensation as a percent of GDP has declined for at least a decade, but GDP and compensation are still closely linked.

What's been happening?

Indiana's compensation growth slowed as 2010 progressed. In addition, the compensation growth rates for Indiana and the U.S. are diverging in favor of the nation.

This analysis goes deeper into the data than the happy talk that gets onto radio and TV. It does not foretell particularly happy times for Indiana in 2011. ❖

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

Obama approval 49%, Congress at 18%

WASHINGTON - Despite the pessimism and current economic headwinds, President Obama's overall numbers are holding steady in the latest NBC/Wall Street Journal Poll, even though his bin Laden bump is officially over.

Obama's job-approval rating in the poll sits at 49 percent who approve to 46 percent who disapprove, which is down from 52 percent to 41 percent after Osama bin Laden was killed in early May.

In addition, he leads Romney — the early GOP front-runner — by six points in a hypothetical general-election match up, 49 percent to 43 percent. And he's ahead of Pawlenty by 13 points, 50 percent to 37 percent.

Hart, the Democratic pollster, cites three reasons why Obama is staying afloat. One is his personal popularity, with this poll showing him with a 49 percent to 37 percent favorable/unfavorable rating. (That's compared with 27 percent to 26 percent for Romney, 14 percent to 15 percent for Pawlenty, 24 percent to 54 percent for Palin and a record-setting 16 percent to 48 percent for former House Speaker Gingrich.)

According to Hart, a second advantage is Congress, whose approval rating in the poll is a dismal 18 percent.



Russ Pulliam, Indianapolis Star: Both political parties are putting their best foot forward for next year's race for governor. For the Republicans, U.S. Rep. Mike Pence already has a strong national following in the conservative movement and could have filled the void in the race for the GOP presidential nomination. He's making his official announcement for governor tomorrow and may face a primary challenge from Indianapolis businessman Jim Wallace. For the Democrats, former House Speaker John Gregg brings strong Southern Indiana roots, where his party needs to rebuild after losing two key seats in Congress to the Republicans last year. Southern Indiana businessman Thomas Lenfert is challenging him, but memories linger of how the 2008 primary race between Jim Schellinger and Jill Long hurt Democrats in the fall election. Both Pence and Gregg have media backgrounds that give them an edge over other potential candidates. Gregg hosted a radio talk show for several years and can communicate in folksy terms. Republicans have a natural advantage in Indiana on social issues. But Gregg claims the pro-life, pro-family mantle and doesn't mind talking on Republicans on these topics. "I'm a Bible-quoting, gun-toting Democrat," he says. He also was part of a legislative Bible study and prayer group when he was in the House of Representatives, building friendships in Christ that transcend political differences. Pence was a radio and television show host in the 1990s. He had a slashing negative style in earlier races for Congress. Under the influence of his Christian faith, he went through a time of repentance, committing to the more winsome approach he has adopted in winning races for Congress. He's been moving up the conservative ladder ever since, shifting House Republicans toward a stronger small-government consensus. Some supporters wanted Pence to seek the presidency. Others suggested that a term or two as governor would round out Pence's biography for a presidential race. Pence is the master GOP communicator in Indiana. "He is very articulate. It's as if he is talking to you personally," notes state Rep. Phil Hinkle, R-Indianapolis. He and Gregg also carry a minimum of the negative nastiness that characterizes a lot of politics. "John's just lovable," Hinkle said. "Republican or Democrat, you gotta like the guy." ❖



Mizell Stewart III, Evansville Courier & Press: When U.S. Sen. Richard Lugar visited Evansville about two years ago, I recall asking folks about the last time Indiana's senior senator came to town. No one I talked to could remember. If you ask me, that, more than anything else, explains why Lugar is being challenged in the 2012 GOP primary by state treasurer and former Vanderburgh County Commissioner Richard Mourdock. This is not intended to diminish Lugar's accomplishments. He is a statesman

among senators, playing a lead role in limiting nuclear proliferation. He has more foreign policy bona fides than the last three men elected president. Yet the current political climate is such that the smart member of Congress spends as much time tending to business at home as he or she does dealing with matters of state. Members of the Senate, elected every six years, are far more likely to spend more time inside the Washington beltway than tooling around Interstate 465 in Indianapolis. Lugar has been spending more time in the state lately, for obvious reasons. He was in Greencastle on Friday checking out an energy project supported by the Vectren Foundation. He's been busy raising money as well, both in Washington and throughout Indiana. Lugar's counterpart, U.S. Sen. Dan Coats, spent the better part of the day Friday visiting flood-damaged areas of Posey County. That evening, he attended a benefit fundraiser on the Evansville riverfront for Keep Evansville Beautiful and the Evansville Parks Foundation. Now, I've only been a Hoosier for four years, but I've spent enough time covering politics to know that Coats has the right idea. I'm not convinced that Mourdock's challenge is a tea party-driven notion that Lugar is insufficiently conservative. Lugar is in perhaps the biggest political fight of his career because he's been insufficiently attentive to the GOP faithful — the people who play a critical role in the primary process. Above all, Lugar is a pragmatist. It's not that retail politics is beneath him, but that the world is becoming increasingly complex. His work on foreign affairs is important — and it is clear that he believes those issues should command a significant amount of his time. Mourdock did Lugar a great favor by declaring his candidacy early and rounding up the support of a solid cross-section of county Republican leaders. It is giving Lugar a chance to rediscover parts of the state he hasn't visited in quite a while. ❖

Doug Ross, NWI Times: State Auditor Tim Berry alluded to the skeletons in Lake County's closet Tuesday when he visited The Times to brief the editorial board on the Indiana Transparency Portal at www.in.gov/itp. He asked: Don't you wish Lake County had this sort of thing? Absolutely! The website is a goldmine for information about state government. Among its treasures is information on active and past state contracts. The benefit to interested bidders is obvious — just visit, click to see when the current contract expires and what the current price for that good or service is, and decide whether there's a good way to beat the price. That helps bring down prices, or at least for them to remain competitive. Compare that to the many no-bid contracts that have been awarded in Lake County. Wouldn't you like the public to be able to dig into those Lake County contracts to see who is benefiting from them? ❖



Rokita isn't buying Bernacke threats

By **BRIAN A. HOWEY**

INDIANAPOLIS - Federal Reserve Chairman Ben Bernacke is telling Congressional Republicans that failing to raise the debt ceiling without corresponding cuts is the "wrong tool." U.S. Rep. Todd Rokita isn't buying it.

"My reaction to his remarks yesterday is the same when I questioned him when he appeared before us at the budget committee,"

Rokita told HPI on Wednesday. "We are making a stand on the debt ceiling because we want to reduce spending for our kids so they have a better and bright future. Bernacke said yesterday that we may injure the economy. Whether the economy gets injured or not doesn't trump the fact that this gets kicked down the road. I'm not trying to save the economy. I'm doing it for our kids. If we have to take some near-term pain, we shouldn't be giving that problem to our kids and grandkids. I put very little weight into that argument."

Asked about about the Aug. 2 deadline that Treasury Secretary Timothy Geithner has set, Rokita described him as a "politician through and through," and said the secretary "uses even more vitriol than Bernacke. I discount what Geithner says like I do Bernacke. He's got little or no economic education. The actual debt ceiling is when China refuses to loan us another dime."

Does Rokita worry how the financial markets will respond if the debt limit isn't raised? No, he said. "The world is sophisticated enough and those buying our debt are sophisticated enough to know about a technical default. Of course the payments will be made. Geithner is moving

money around to pay the bills and the economy is not going over the cliff. The economy is where it's at because of Keynesian economics."

And Rokita assailed Democrats for using what he calls the "credit card analogy." The 4th CD Republican explained, "What we're saying is we're refusing to raise the credit limit on the card. We want to pay the debts, we just don't want the credit line to grow. We want to get the fiscal house in order."

Weiner expected to resign today

WASHINGTON - New York Rep. Anthony Weiner has decided to resign his seat in Congress after a two-week scandal spawned by lewd and even X-rated photos the New York lawmaker took of himself and sent online to numerous women, relieved Democratic officials said Thursday (Associated Press). A formal announcement was expected later in the day. Weiner, 46, has been at a treatment facility at an undisclosed location since last weekend, and has not been seen in public since telling reporters last Saturday he intended to return to work. One official said Weiner telephoned House Democratic Leader Nancy Pelosi and Rep. Steve Israel of New York, the head of the party campaign committee, on Wednesday evening to tell them of his plans to quit. The officials spoke on condition of anonymity, citing the private nature of the conversations.

Charlie's Mom to sue prosecutors

NOBLESVILLE - The mother of Indiana Secretary of State Charlie White said she plans to sue Hamilton County, saying special prosecutors caused her emotional distress dur-

ing her son's grand jury proceedings earlier this year (Indianapolis Star). Margaret White, 62, intends to seek \$750,000 or more from the county, Prosecutor Lee Buckingham, Deputy Prosecutor Jeff Wehmuller, former Prosecutor Sonia Leerkamp, special prosecutors John Dowd, Dan Sigler Sr. and his son Dan Sigler Jr., according to a tort claim sent to Hamilton County Attorney Mike Howard on Monday. Attorney Dan Sigler Jr. helped investigate White on voter-fraud allegations. Calling him a "brutal human being," Charlie White said the younger Sigler's "outrageous and disturbing" conduct during the questioning of his mother on Feb. 13 caused such nightmares and panic attacks that she's been forced to take medication. The tort claim doesn't specify what Sigler said or did. Margaret White's attorney, John Uskert, didn't respond to a voicemail. Dan Sigler Sr. said he hadn't heard about the tort claim until contacted by The Indianapolis Star on Wednesday. He denied White's claims, saying nothing improper happened during the hearing. He refused to say more about the grand jury testimony, citing its secretive nature. "These are just people who have a gripe against us because of the criminal complaint (against Charlie White)," he said. "It's obviously nonsense, but it's nothing new; it's just a unique way of lashing out. In the end, it's just like all the other nonsense."

Lugar, Stutzman release finances

FORT WAYNE - Rep. Marlin Stutzman, R-3rd, earned only \$2,374 as a LaGrange County farmer last year. The wife of Rep. Mike Pence, R-6th, received \$1,000 for giving a speech to a Greensburg church (Francisco, Fort Wayne Journal Gazette). Sen. Richard Lugar, R-Ind., and his wife have a net worth of \$2.4 million. But he drives a





2005 Toyota Prius. Those are among details of financial disclosure reports released Wednesday by Congress. Sen. Dan Coats, R-Ind., and Rep. Dan Burton, R-5th, were granted filing extensions. Coats will file his report by July 15, and Burton will file his by Aug. 15, according to their staffs. As he has in the past, Lugar released much more information than was required of him. He and his wife, Charlene, reported income of \$197,342, most of it from his Senate salary. They reported \$7,327 in income from their Marion County farm, nearly \$4,000 in pension, retirement account and annuity distributions, about \$2,600 in stock dividends and \$103 in royalties from his 1988 book, "Letters to the Next President." The Lugars said they paid \$60,827 in taxes, including \$31,687 in federal income tax, \$7,833 in Indiana income and excise taxes and \$12,265 in property taxes for their house in Fairfax County, Va., which is valued at \$1.09 million. Besides the Virginia property, their assets consist largely of retirement and savings plans, insurance policies and shares of Lugar Stock Farm Inc., which grows corn, soybeans and hardwood trees. Stutzman reported income of \$51,224 in 2010, not including his House salary. Thanks to a special election to fill the seat vacated by former Rep. Mark Souder, the freshman lawmaker joined the House in mid-November instead of January. Congressmen receive a base yearly salary of \$174,000, so Stutzman likely earned nearly \$22,000 to finish Souder's term. Stutzman reported \$48,850 in earnings as a state senator in 2010, plus his farm income. Stutzman's assets total between \$60,000 and \$251,000.

Schools begin to consolidate

INDIANAPOLIS - The two-year state budget that Indiana law-

makers approved in April included a slight overall funding increase for the state's public schools. But it also made changes to the school funding formula that will cut funding to smaller, mostly rural districts with declining enrollments starting in 2012, said John Ellis, director of the Indiana Association of Public School Superintendents. The budget also eliminated two grant programs, one of them geared toward rural schools. "Losing two funds that helped them, that's put a lot of them in the position where they're going to have to take some drastic steps," Ellis said. He expects the state's 15 to 20 smallest districts will be hard-hit by the funding changes under the budget plan, which also will provide \$150 per student to districts with at least 500 students. That amount is capped at \$150,000 per district. According to Indiana Department of Education figures, about 10 Indiana districts have enrollment under 500 students, Medora Community Schools Corp. among them. Two of those districts, Dewey Prairie Consolidated School Corp. and Cass Township School, merged earlier this month.

Evansville, FOP reach contract

EVANSVILLE - After 19 months of negotiations, an agreement was announced Wednesday between the city and the local Fraternal Order of Police lodge on an employment contract for 2010-12 for police officers (Evansville Courier & Press). "This is a big deal for the city of Evansville, FOP members and, really, all city residents," Mayor Jonathan Weinzapfel said. More than 80 percent of FOP members voted to approve the three-year contract in December 2010, but it was only recently finalized. The new contract — which includes a 2 percent pay increase and a shift in how retired officers' medical costs are covered — will take the

285 of sworn officers and 200 retirees through the final day in 2012 once it is approved by the City Council.

Film on fictional Debs character

TERRE HAUTE - Political activist Eugene V. Debs had no children in real life, but in a soon-to-be produced fictional political comedy film, he has a hard-drinking grandson who runs for governor of Indiana (Terre Haute Tribune-Star). That's the basis for "The Drunk," the first feature film for Terre Haute natives William Tanoos and Paul Fleschner. The two co-wrote the script, will co-direct, star and produce the film. It is slated to start filming in Terre Haute from July 18 through Aug. 15. Tanoos, 28, now of Los Angeles, is a 2001 graduate of Terre Haute South Vigo High School, a 2005 graduate of Indiana University and a 2008 graduate of Indiana University School of Law-Indianapolis. His father, Anthony Tanoos, is a Terre Haute attorney. The Chicago-based Fleschner, 31, is a 1998 graduate of Terre Haute North Vigo High School and a 2003 graduate of Duke University. His father, Steve Fleschner, is also a Terre Haute attorney.

Tox lab takeover will take months

INDIANAPOLIS - A legislature-approved plan to take away a forensic toxicology lab from Indiana University may take months to implement (Hayden, CHNI). The plan, prompted by revelations of errors in test results used as evidence to prosecute drug and alcohol cases, creates a stand-alone state agency to take over the duties of the Indiana Department of Toxicology on July 1. But the problems that plague that lab, including ongoing audits of past test results that lead to criminal convictions, is slowing down.