

The Howey Political Report



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“QUOTE” OF THE WEEK

“Indiana is on the verge of bankruptcy. To call Indiana’s budget ‘balanced’ and ‘in the black’ is misleading at best.”

- Senate Finance Chairman Larry Borst, on the biennial budget he helped craft

Kernan, GOP war over jobs & budget

Events, Daniels have him defensive

By **BRIAN A. HOWEY** in Indianapolis

Much like the presidential campaign, the Indiana gubernatorial scene became an inter-party affair with the Kernan and Daniels campaigns trading shots over jobs, power plants, and whether the state is fiscally “bankrupt.”

These battles come on the eve of what Democratic sources tell HPR will be Gov. Kernan’s emergence in the TV ad wars, possibly as early as this weekend. That turf has been dominated by Daniels for the past six weeks with many observers in both parties expecting any lead Kernan may have had to dissipate.

The most interesting engagement came over whether Indiana is, as Daniels has claimed on many occasions, “bankrupt.”

Last weekend, Kernan campaign manager Bernie Toon told the *Louisville Courier-Journal* that Indiana’s budget is “balanced.” In the same story, it was reported that there was at least a \$1 billion deficit along with \$750 million the state was delaying in payments to cities, counties and school corporations.

By Wednesday, Republicans had leaped on the “balanced-budget” comment with a vengeance. “Indiana is on the verge of bankruptcy,” said Senate Finance Chairman Larry Borst, who helped craft and pass that very budget. “To call Indiana’s budget ‘balanced’ and ‘in the black’ is misleading, at best.” Borst, who is in the midst of waging a compelling primary race in SD36, explained that Kernan told legislators before the session started that he didn’t need any help managing the state’s budget. “We took him at his word,” Borst said (*Louisville Courier-Journal*).

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Covering 10 years of Indiana politics

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GASOLINE PRICES AT RECORD HIGH: The average U.S. retail gasoline price climbed to a all-time high of \$1.74 per gallon this week, with prices in California well above \$2 a gallon (Associated Press).

KERNAN TO ANNOUNCE 200 NEW JOBS IN WAKARUSA: Gov. Joe Kernan was to travel to Wakarusa in Elkhart County today to help announce a 200-job expansion at Utilimaster.

82 JOBS COMING TO PERRY COUNTY: Webb Wheel Products announced Wednesday it will build a \$22.5 million "state of the art" manufacturing facility in the Perry County Industrial Park near Troy, Ind (Evansville Courier & Press). The facility, which is expected to employ 82 workers and amount to an investment of \$25 million within two years, will make wheel and drum components for the heavy truck industry. The plant will be next to Waupaca Foundry, a major supplier of Webb Wheel Products and one of the reasons the company chose to locate in Perry County, according to Kent Finkbiner, vice president and general manager of the OEM (original equipment manufacturer) business unit. Perry County was selected over other sites in

Said ranking House Ways and Means Republican Jeff Espich, "Twice in the last three months, including last week, I have asked Gov. Kernan in writing to discuss his plan to handle the deficit and I have received no response. Indiana is facing a fiscal emergency, and recent comments by the governor's top political aides suggest they don't get it."

But in early December with the legislature in special session, House Speaker B. Patrick Bauer and Senate Republicans told Gov. Joe Kernan that the state's \$1 billion budget deficit is his problem. To which the governor responded, "I have been told some members said, 'This is not my problem. It's Joe's problem.' I assume those members must be from some other state. This is our problem, our challenge."

State Budget Director Marilyn Schultz explained Wednesday, "We are not broke. To say that we're broke is to create a false crisis."

Scott Downes, responding for the Kernan campaign, said, "Today's stunt by some Statehouse Republicans was nothing more than a beauty contest for the GOP lieutenant governor nomination." He was referring to the participation of Treasurer Tim Berry and Auditor Connie Nass. "They were trying to fulfill Mitch Daniels' criteria for a running mate: All negative, all the time. That's what we saw today: Partisan attacks, and no solutions."

Downes continued, "Joe Kernan didn't write this budget, he didn't vote for this budget, and he didn't sign this budget. But that will not prevent him from accepting the responsibilities of the office he holds; and confronting the state's fiscal challenges head-on, working together with members of both parties, and making the tough decisions necessary for the state to continue to be in the black in 2004 and 2005."

Downes said the administration's take on the budget is that the "state has substantial reserves" and that Kernan is prepared to "lead the state into the black

by the end of 2005."

Jobs, jobs, jobs

This exchange, however, amounting to little more than inside Statehouse baseball, with breathing and blood-pumping real Hoosiers more concerned about jobs, college tuition, and energy prices.

On this front, Gov. Kernan was mostly on his heels last week, responding to the loss of 990 jobs at the Thomson plant in Marion. He sent in the Workforce Development "swat team" and sent Lt. Gov. Kathy Davis to Grant County with \$200,000 in job training funds.

Indiana Republican Chairman Jim Kittle Jr., said, "Unfortunately for Hoosiers, during Gov. Kernan's tenure at the Statehouse, the number of job loss announcements have exponentially outweighed the number of job creation announcements. Announcements like today's reinforce why our state needs new leadership."

Equally troubling for the governor were press reports fixated on the continuing loss of manufacturing jobs. Last week, the *Muncie Star Press* reported on every plant closing in East Central Indiana since 1995. Earlier this week, the *Fort Wayne Journal Gazette* reported, "The Fort Wayne regional area -- consisting of Allen, Adams, DeKalb, Huntington, Wells and Whitley counties -- lost 20,000 jobs between March 2000 and September 2003. About 85 percent of the job loss was in the manufacturing industry. 'Manufacturing jobs are leaving and they're not coming back,' said John Stafford, director of the IPFW Community Research Institute.

But it wasn't all bleak for Kernan. By the end of this week, the governor was preparing to herald some better news with 200 new jobs coming to Utilimaster in Wakarusa and 82 jobs coming to Webb Wheel Products in Troy in Perry County.

And Kernan sought to counter the bad news by intervening with the state's public universities, urging them to keep

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tuition increases to 4 percent.

On Wednesday, Kernan used his office for positive TV exposure when he signed into law tougher penalties for drunk drivers who kill and more stringent child protection rules.

But there were other fronts where Kernan took heat. He signed the bill that would keep the public pension activities of legislators under wraps. "I can't in good conscience not extend the same protections to these 19,000 public employees that currently cover other employees," Kernan said. "Disclosing this information literally puts judges, prosecutors, police officers and others in jeopardy of having their own and their families' safety compromised."

It came after the press sought details over loans legislators had been taking from the pension fund. Those same stories were pointing out \$4 in taxpayer money matching every \$1 the legislators put in. With winter public opinion polls picking up a potential anti-incumbency fever, that is dangerous territory.

State Sen. Joe Harrison told the press he had never intended for such information to be made to the public. What Kernan did here was cede a populist issue to the Republicans, where Mitch Daniels has been calling for greater accountability. In doing so, he said that he would be back in 2005 to try and "push for legislation ... to exempt pension payment amounts from confidentiality restrictions."

The *Indianapolis Star* reported, "What irked public access advocates was that the effective date of the law made information that had been sought by at least two media outlets confidential retroactively." The *Star* quoted Steve Key of the Hoosier State Press Association as saying, "That sets an ugly precedent."

Kernan did not use his veto pen on that law, nor did he use it on SB1 that capped the spending of cities, counties and school corporations. Stories out of Evansville (\$700,000 budget hit on top of

\$2.5 million already cut), Indianapolis (\$7 million) and Fort Wayne revealed cities beginning to feel the pinch of those restrictions. That sets in motion a potential for mayors, councilors, school trustees, and county officials to point the finger of blame at Gov. Kernan and the legislature when they begin taking meat cleavers to their budgets next August and September.

TV wars loom

Some Democrats are fretting that Daniels may be leading since he has been up on TV for nearly six weeks. While unconfirmed by the Kernan campaign, Democratic sources tell HPR that the governor's TV ad campaign will begin possibly as early as this weekend and will feature his basic biography and his POW background.

Kernan had leads in February polling (1 percent in an Indiana Manufacturing Association poll; 13 percent in an *Indianapolis Star*/WTHR poll) that probably have vanished.

What has happened is that Daniels has been alone left to define himself, with the Kernan campaign saying it will define him later.

The problem with allowing Daniels to occupy the TV advertising derby alone is that he may never stop. Asked if Daniels would advertise into November, campaign spokeswoman Ellen Whitt told HPR, "My guess is, yes."

Downes sought to put things into perspective. "We're 32 weeks away and a lot will happen," he said. "It ebbs and flows. To paint this week for us as bad is frivolous and not very accurate."

Republicans saw continued job loss dominating headlines, the governor showing up at the Gary BMV office while guilty pleas were being heard in Indianapolis, a confusing budget crisis extrapolation, and questions about accountability. For them, it was a good week. ❖

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Indiana and Kentucky because of local efforts to attract the plant, the work ethic of the local population, state assistance in providing training for advanced manufacturing, and Perry County's location within 150 miles of many of the company's customers, Finkbinder said.

BMW 'RINGLEADER' PLEAD GUILTY: A former BMW worker who pleaded guilty Wednesday in an ongoing fraud probe said her bosses knew she and other employees were taking bribes on an almost-daily basis for about eight months in exchange for driver's licenses and state identification (*Indianapolis Star*). Crystal Rodriguez, considered the ringleader in a scheme to defraud the Bureau of Motor Vehicles, told *The Indianapolis Star* that over an eight-month period, managers did nothing to stop as many as 10 foreign nationals a day from fraudulently obtaining identification from the license branch at 4050 Meadows Parkway. Under a deal with prosecutors, Rodriguez pleaded guilty to bribery. She faces up to two years in prison, probation and a \$2,500 fine.

KERNAN JOINS OTHER GOVERNORS IN SEEKING HIGHWAY FUNDING: Gov. Joe Kernan today, along

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with 11 other governors, urged the U.S. House of Representatives to address the inequities in funding for states in the current federal highway bill. In a letter to U.S. Speaker of the House Dennis Hastert, the governors expressed their concerns about the Transportation Equity Act: A Legacy for Users (TEA LU). The bill passed out of the Committee on Transportation and Infrastructure late Tuesday afternoon. "Since the creation of the federal highway program in 1956, our states have paid more into the Highway Trust Fund than received back in federal highway spending," the governors said in their letter. The so-called "donor states" achieved a greater rate of return in the last program reauthorization, but this progress is threatened under the version of the legislation approved today.

CHOCOLA GETS \$30 MILLION FOR U.S. 31: The prospects for eventual improvements to U.S. 31 between South Bend and Indianapolis received a \$30 million lift Wednesday (South Bend Tribune). U.S. Rep. Chris Chocola, R-Bristol, said Wednesday that he was able to secure \$45 million for district transportation projects, including \$30 million for U.S. 31, as part of the new highway transportation bill approved by the House Transpor-

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2004 Racing Form

Trendline: Is there an anti-incumbency mood ready to prevail in Indiana? Ed Roberts of the Indiana Manufacturing Association said its February polling shows "a strain of that" and added, "Incumbent legislators can't change that now."

Legislators would be most vulnerable on three issues: Pockets where property taxes are skyrocketing, jobs and government accountability.

Remember, there were more than 30 incumbent mayors defeated in 2003, so a continuation of that surly anti-incumbency mood isn't making a real big leap.

Throw in the record high gasoline and natural gas prices, and the cushy health care and pensions that legislators receive when the population is getting hammered on those fronts, and the stage is set for a "throw the bums out" mentality to grow. The earliest signs of this could come in two primary races: HD13 where Merrillville Councilman Dave Uzelac is challenging State Rep. Chet Dobis, and in SD36, where Johnson County Councilman Brent Waltz is taking on Senate Finance Chairman Larry Borst.

HORSE R A C E

Indiana 2004 Gubernatorial

Governor 2004: Republican: Mitch Daniels, Eric Miller. **Democrat:** Gov. Joe Kernan. **1996 Results:** O'Bannon (D) 1,075,342, Goldsmith (R) 997,505, Dillon (L) 35,261. **2000 Results:** O'Bannon (D) 1,230,345, McIntosh (R) 906,492, Horning (L) 38,686. **2004 Forecast:** Don't look for Gov. Kernan to suspend the gasoline tax. Kernan has no plans now to repeat what his friend and political partner, the late Gov. Frank O'Bannon, did in 2000 by suspending the state sales tax on gasoline. "Governor Kernan shares the nationwide concern about rising gas prices, and suspending the sales tax will always be on the list of options in terms of what the state can do to assist Hoosiers with this added financial burden," press secretary Tina Noel said Tuesday (*Louisville Courier-Journal*). "However, the governor is not considering a suspension at this time." Senate Finance Chairman Borst predicted Tuesday that despite Indiana's pressing budget problems now, Kernan might still consider a similar gas tax suspension when the gubernatorial campaign heats up over the summer. "I would not rule it out," Borst said. Daniels has agreed to two televised debates scheduled for April 22 and May 1 in Indianapolis with Miller, who had been pressing for debates in Evansville, Fort Wayne, Lafayette, Merrillville, New Albany, South Bend and Terre Haute. "Candidates running for statewide office have an obligation to the voters of Indiana to give citizens the opportunity to know where they stand on the issues," Miller said (*Evansville Courier & Press*). But Daniels' spokeswoman Ellen Whitt said, "Given our schedule between now and the primary, which is really incredibly full, we wouldn't be in the position to cancel events to do additional ones." Daniels will announce his health care initiatives and his linking of Northwest Indiana corruption to the Democratic Party probably in the first week of April. Miller's campaign sent out a mailer this week seeking to distribute yard signs with "3 steps to victory." Asking volunteers to call 866-259-2004, Miller urged them to get a yard sign, send "friend-to-friend postcards" and to donate to his campaign **Republican Primary Status:** *Likely Daniels*; **General Status:** *Tossup*.

Indiana 2004 Congressional

U.S. Senate: Republican: Marvin Scott. **Democrat:** U.S. Sen. Evan Bayh. **1992**

Results: Coats (R) 1,267,972, Hogsett (D) 900,148. **1998 Results:** Bayh (D) 1,012,244, Helmke (R) 552,732. **2004 Forecast:** *TIME* magazine sought photos taken when Sen. Evan Bayh recently visited the Hummer plant (Jack Colwell, *South Bend Tribune*). You can bet it ain't for a magazine feature on Bayh's bid for re-election to the Senate. His re-election is about as sure a thing as there is in politics. *TIME* and other national publications are planning to include Bayh in speculative pieces on possible Democratic vice presidential nominees and/or getting packages ready for use in case Bayh is selected as John Kerry's running-mate.. **Status:** *Safe Bayh*.

Congressional District 8: Republican: U.S. Rep. John Hostettler. **Democrat:** Jon Jennings, Bill Pearman. **Green Party:** Clark Gabriel Field. **Geography:** Evansville, Terre Haute, Greencastle; Posey, Vanderburgh, Warrick, Gibson, Pike, Martin, Daviess, Knox, Sullivan, Greene, Owen, Clay, Vigo, Vermillion, Parke, Putnam, Warren and part of Fountain counties. **Media Market:** Evansville, Terre Haute, Indianapolis. Lafayette. **People:** Urban/rural 58/42%; median income \$36,732; poverty 10.7%; race white 93.7%, black 3.7%, Hispanic .9%; blue/white collar: 32/52%. **2000 Presidential:** Bush 56%, Gore 42%; **Cook Partisan Voting Index:** R+8. **2002 Results:** Hostettler 98,952 (51%), Hartke 88,763 (46%), **2004 Forecast:** Hostettler was critical of President Bush's immigration policy, saying "granting 'amnesty' to illegal immigrants 'would allow employers to fill literally every job vacancy in America with aliens as long as they could find prospects abroad who would accept the minimum wage while American workers refuse to work for such a sum'" (*Salt Lake Tribune*). Hostettler received some good press after the visit to Crane by Secretary of the Navy Gordon England. Hostettler was featured on the front pages of newspapers across the 8th CD, as well as the *Indianapolis Star*. England said last week that Crane Naval Surface Warfare Center could have a leg up as it fights to remain open in the 2005 round of military base closings (*Associated Press*). England cautioned during a meeting in Loogootee that it was too early to comment on Crane's future. "I don't know," England told about 180 Southern Indiana business people, politicians and educators seeking to keep Crane open. "We're just starting the analysis of the process." Many fear the Pentagon will close Crane, the state's 12th largest employer, paying \$256 million annually in direct wages. Mike Gentile, executive director of the Southern Indiana Business Alliance, which has been working to promote Crane, estimates the chance of its closing at 50-50. "In my opinion, the odds are good," Rep. Hostettler said. "The Navy secretary suggested there may not be a reason to be concerned." Clark Gabriel Field enters the race from the Greens. **Status:** *Tossup*.

Congressional District 9: Republican: Mike Sodrel. **Democrat:** U.S. Rep. Baron Hill, Lendell Terry. **Media Market:** Evansville, Indianapolis, Louisville, Dayton, Cincinnati. **People:** urban/rural 52/48%, median income \$39,011; race white 94%, 2.3% black, 1.5% Hispanic; blue/white collar: 34/50%; **2000 Presidential:** Bush 56%, Gore 42%; **Cook Partisan Voting Index:** R+8. **2002 Results:** Hill 96,654 (51%), Sodrel 87,169 (46%). **2002 Money:** Hill \$1.144m, Sodrel \$1.62m. **2004 Forecast:** If there is any doubt this race is on the national GOP radar screen, a visit this Friday by Vice President Dick Cheney removes it. This is only the second challenger race that has earned a Cheney visit, his press aide Kevin Kellems told HPR. In 2002, Sodrel was stiffed by the NRCC. When President Bush appeared at an October rally in Louisville, Sodrel appeared to be almost an afterthought. But his 5 percent loss to Hill caught the attention of congressional Republicans. The event will begin at 5:30 p.m. with a private reception and photo opportunity, at a cost of \$2,000 per couple. The \$250-per-person dinner will be at 6 p.m. at Kye's in Jeffersonville. "Mike Sodrel has earned this early, high-level attention because he has attracted broad-based support early, organized well and demonstrated a strong commitment to winning," Kellems said (*Louisville Courier-Journal*). "There's no question that Republicans see this as a takeover opportunity," said Nathan Gonzales, of the *Rothenberg Political Report*. **Status:** *Tossup*

Indiana 2004 Legislative

Senate District 36: Republican: Sen. Larry Borst, Johnson County Council President Brent Waltz. **Democrat:** Terry Rice. **2000 Primary Results:** Borst 7,513. **2000 General Results:** Borst (R) 24,621, Reno (D) 12,120, Williamson (L) 1,026. **2004 Forecast:** Borst

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tation and Infrastructure Committee. Chocola said moving the \$275 billion bill out of committee is a first step, adding that he is hopeful the measure will move to the House floor for a vote by the end of next week.

PENCE SEES A LACK OF VOTES ON THE BUDGET: Members of the House GOP whip team said Wednesday they remain as many as 20 to 30 votes short of what they need to pass the fiscal 2005 budget resolution (Congress Daily). Some GOP lawmakers are holding out for more spending for veterans' health care programs and a date certain for floor action on a separate budget enforcement bill. "We're not there yet," said Rep. Mike Pence, R-Ind. "They've got enough [votes] to kill it." Another GOP deputy whip, Rep. Todd Tiahrt of Kansas, stressed that the holdouts were mostly "undecided" rather than "no" votes, which bodes well for the leadership as it cranks up the whip operation.

CLARKE TO SPEAK AT IUPUI ON FRIDAY: Richard A. Clarke, a former senior White House adviser for the past three U.S. presidents, will be the keynote speaker Friday at a conference at IUPUI about cyberspace security (Indianapolis Star). Clarke, whose recent book "Against All Enemies" criti-

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cizes President Bush's response to the 2001 terrorist attacks, will speak about higher education's obligation to secure its cyberspace. He testified Wednesday before a federal panel investigating the attacks. His speech will be at 9:15 a.m. in the University Place Conference Center at Indiana University-Purdue University Indianapolis. The conference is sponsored by Indiana University, the University of Notre Dame and the IU Center for Applied Cybersecurity Research.

MAYOR WAIZ NEGOTIATES NEW INSURANCE DEAL FOR JEFFERSONVILLE: Jeffersonville Mayor Rob Waiz said yesterday that the city may save thousands of dollars this year under a new health-insurance contract that he negotiated himself (Louisville Courier-Journal). And the mayor said his plan is \$446,000 cheaper than the next-lowest proposal for the contract in terms of potential overall spending. Waiz, an insurance agent, said he spent six weeks working on an agreement for the 550 people covered by the city's insurance — about 220 employees, plus relatives and retirees. In recent years the city has faced increases of as much as \$516,000 a year. Waiz said the city's maximum health insurance spending for the next 12

became one of the GOP point men responding to Gov. Kernan's campaigning manager Bernie Toon, who said that Indiana's budget was "balanced" and in the black. Borst said on Wednesday, "Indiana is on the verge of bankruptcy. To call Indiana's budget 'balanced' and 'in the black' is misleading, at best." It was curious hearing that from Borst, who had more to do with crafting that troubled budget than anybody except for the late Gov. Frank O'Bannon, who allowed it to become law. **Primary Status:** *Tossup*.

House District 12: Republican: Dan Fagen. **Democrat:** Rep. John Aguilera, Alicia Lopez-Rodriguez. **2002 Results:** Aguilera 7,343. **2004 Forecast:** East Chicago police are looking into what appears to be threats left on the voice mail of Lopez-Rodriguez (Michael Puente, *Post-Tribune*). Lopez-Rodriguez claimed at least two threatening phone calls were left on her voice mail recently. Lopez-Rodriguez called city police to report the case. A detective is now investigating the perceived threats. According to Lopez-Rodriguez, no voices are heard on the two messages, but noises that sound like gunshots can be heard. **Primary Status:** *LEANS AGUILERA*.

House District 13: Republican: Open. **Democrat:** State Rep. Chet Dobis, Merrillville Councilman David Uzelac. **2002 Results:** Dobis (D) 8,379, Azcona (R) 3,906. **2004 Forecast:** Dobis is actively raising money and appears to understand he has a real primary battle on his hands. The Uzelac family comprise a significant part of U.S. Rep. Pete Visclosky's GOTV organization and thus the challenger has resources. Our sources say that Uzelac has also earned a reputation as a bit erratic and is the object of an active gossip mill. We believe this is Dobis' race to lose. However, the Lake County environment is being consumed by scary things: Unknown property tax rates for 2003 and 2004 and an intensive corruption investigation (that doesn't involve either contestant in this race). That makes for a volatile environment. We believe the public is capable of getting into an anti-incumbent mood that people as high as President Bush and Gov. Kernan must be concerned about. It could first materialize in places such as this district in the primary. Keep a watch on this one **Primary General Status:** *Leans Dobis*.

House District 19: Republican: Ron Cooper. **Democrat:** State Rep. Bob Kuzman, John Anthony Malan. **2002 Results:** Kuzman 7,620, Roth (R) 6,355. **2004 Forecast:** Our Lake County sources believe Kuzman could be in for a real race this fall. They describe Kuzman's district centered around Crown Point as the "Meridian-Kessler of the north." Many older homes there are, as Chairman Borst would say, "gonna get whacked." Right now the tax bills (for 2003 and 2004) are due to hit sometime after the May primary. Kuzman has to be hoping it occurs sooner rather than in August or September, when he could find a voting public in a surly mood. He could find the kind of rebellion that Rep. Orentlicher found a year ago. Orentlicher had time to do extensive door-to-door and find another issue (child protection) to generate press. Kuzman has other challenges. He no longer has a Democratic organization operating out of Crown Point City Hall after a GOP takeover last fall. And every township official in the state is after his hide thanks to his bill to abolish townships. **Primary Status:** *SAFE KUZMAN*. **General Status:** *LEANS KUZMAN*.

House District 56: Republican: Richard Hamm, Brian Ingermann, Ed Yanos. **Democrat:** Rep. Phil Pflum, Eric Duncan. **2002 Results:** Pflum 6,511, Hamm (R) 6,096. **2004 Forecast:** Hamm said he was not worried about the PAC support for Yanos (*Muncie Star Press*). "The state chamber of commerce has made some enemies," Hamm said, referring to a recent study that proposed to abolish township government. Yanos said he believes the state chamber decided against supporting Hamm because of his record. Hamm has unsuccessfully sought the House seat representing Wayne and Henry counties four times. "I am new to this," said Yanos. "And when I do something, I generally stick with it." Pflum observed, "It will be a real challenge to get through this," adding that he was surprised that interest groups would endorse in the primary. "I am sticking to my message of economic development, education and health care." **Primary Status:** *LIKELY YANOS*; **General Status:** *Tossup*.

House District 86: Republican: Andy Miller, Mort Large. **Democrat:** State Rep. David Orentlicher. **2002 Results:** Orentlicher 9,909, Atterholt (R) 9,872. **2004 Forecast:** Our sources are saying that Miller has raised \$100,000. **Primary Status:** *LEANS MILLER*. **General Status:** *Tossup*

- Brian A. Howey ❖

COLUMNISTS ON INDIANA

Morton Marcus, *Syndicated* - When Thomson closed the old RCA TV picture tube plant in Marion nearly a thousand workers lost their jobs. The Kernan-Davis team rushed in with \$200,000 emergency assistance for the displaced workers. In tough times, that was a commendable and compassionate step we should salute. Now for the "however." Isn't it time for Hoosier workers to take their destinies into their own hands? The TV and newspaper stories of workers expressing their shock at the closing were, to be kind, naive. Was this plant closing a surprise or has it been anticipated for nearly a decade? Manufacturing employment in Indiana and the U.S. has been under continuing pressure for at least twenty years. Indiana's share of manufacturing employment in the country has risen during that time which suggests we are slower to react to national and international change than other states. It's easy to hold onto a job that has been good, with the hope that we can get to the end of our employable years before the ax falls. Indiana workers have been lulled into thinking that employers and government need to take steps to protect their jobs. Maybe the time has come for Hoosiers workers to take charge of their own lives. Average wages per job in Indiana in 1992 were \$2,513 (9.9%) below the national average. By 2002, we were \$4,192 (11.6%) below the U.S. average. Aren't we getting the message? Take those figures, which are not adjusted for inflation, over all those years and you have a \$33,800 deficit per worker. That's equal to more than a year's wages. It is the penalty for working in Indiana. ❖

Jack Colwell, *South Bend Tribune* -

The governor, pleading for legislative approval of expanding full-day kindergarten to more children, said that education "is not a Republican or Democrat issue." But Republican legislators were mostly opposed to the plan of the Democratic governor, some deriding it as really a plan for "all-day baby-sitting." Most of the Republicans insisted they weren't opposed to the concept, just concerned that the cost cannot be afforded at a time when the state faces a huge deficit. Kindergarten teachers wrote to the letters-to-the-editor section to contend that the state cannot afford not to expand the academic experience of kindergarten if No Child Left Behind mandates are to be met. They said failure to offer a better start for children would be a "recipe for disaster." Oh, this isn't about Indiana. It's the situation in Arizona, with the quotes from one issue of the Arizona Republic. Arizona Gov. Janet Napolitano, a Democrat, has crusaded to convince Republican legislators to approve her full-day kindergarten plan. The arguments there may sound familiar to Hoosiers. ❖

Rich James, *Post-Tribune* - Call me soft, but I felt sorry for Bob Pastrick this week. I didn't attend the East Chicago mayor's State of the City address, but from reading the account, I could feel the emotion in the voice of a man who was once courted by presidents but is now shunned by some old-time political friends. I felt for him just as you would an aging prizefighter making a comeback he had no business attempting. Pastrick has won the majority of the bouts over the decades. But the years are showing the wear. So is the strain of watching most of what he loves crumble. ❖

TICKER TAPE

months could drop by \$8,400 compared to the last 12 months. "I'm quite pleased," Waiz said yesterday. "Instead of the way things have been going in the past, we're actually (projected to spend) less." On the losing end of yesterday's decision was Edward Culpepper Cooper, the agent of record for dozens of cities, towns and counties across Indiana.

SEWER PROTESTS IN MUNCIE: Hamilton Township residents angry over high monthly bills and damaged roads associated with their nearly-completed sewer project are fighting back with public protests and signs (Muncie Star Press). Scott Parkison - who objected to his \$325 monthly sewer bill and formulated his own - said Royerton-area residents planned to picket the Delaware County Building today, and this weekend will be distributing hundreds of yard signs depicting a toilet flushing money. State Rep. Jack Lutz - who has expressed frustration at the trouble-plagued \$10-million sewer project and the lack of response from state and local officials - said he's pleased that residents are taking their protests to the streets. "They've got a problem," Lutz said. "They're paying too much and they're being disregarded."

CHICAGO SKYWAY FOR

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SALE: Claiming its toll road is a cash cow, the city is hoping to obtain some of that cash by selling the rights to operate it (Times of Northwest Indiana). Earlier this month, Chicago issued a request for qualifications seeking private companies to operate and maintain the Chicago Skyway for at least 50 years. The sale proceeds would be used to pay outstanding debt on the Skyway and generate revenue for the city's general fund. "The Chicago Skyway has substantial value as an economic resource and this innovative approach will allow the city to utilize that asset value," Comptroller Tariq Malhance said in a prepared statement. City officials believe a deal would make the Skyway the only privatized toll way in the nation. Others operate in Toronto and western Europe.

CORRECTION: In the March 18 edition of The Howey Political Report, the lead story ("History finds Orr a Strong Governor") included a quote by economist Morton Marcus that "Orr was the first Hoosier politician to fully grasp the coming globalization back in 1981." Orr actually made the comments while lieutenant governor in 1973.



A close presidential re-elect is rare

By **BRIAN A. HOWEY**

Time for some conventional wisdom busting.

Like ... *the presidential election is going to be close.*

We're not so sure about that one. Presidents over the past century tend to be either re-elected to second terms by landslides (both Roosevelts, Wilson, Eisenhower, LBJ, Nixon and Reagan), or they lose by landslides (Hoover, Ford, Carter). Presidents Truman and Clinton (who still won by 9 percent over Bob Dole) were the exceptions.

Presidents Ford, Carter and G.H.W. Bush all had approval ratings of under 50 percent when they lost re-elections. Presidents Eisenhower, Johnson, Nixon, Reagan and Clinton were all over 50 percent in the months leading up to the elections and all won comfortably.

A new AP poll conducted March 19-21 shows Bush leading Kerry 46 to 43 percent. Green Party's Ralph Nader had 5 percent.

Two other polls released Tuesday also show Bush in the lead. Democracy Corps Survey (Greenburg, Shrum, Carville) conducted a survey March 16-21 showed Bush leading Kerry 50 percent to 47 percent. And a new Insider Advantage poll also has Bush leading, 46 percent to Kerry's 41, with Nader at four percent.

That latest polling data prompted *New York Post* columnist Dick Morris to observe, "The Bush ads are working: Two weeks ago, the *Washington Post* poll showed Sen. John Kerry ahead of President Bush by 11 points, and the Gallup Poll had him up by 8, while more recent polls reflect a dead heat between the two. Zogby (March 21) has Kerry up by only 48-46, and Rasmussen (March 20) has it Bush 46, Kerry 45. Interestingly, the new surveys don't show Bush gaining so much as they show Kerry dropping. In the odd configurations of political strategy, that is good news for the Republicans. This Democrat, who escaped scrutiny by

posing as the un-Dean in the primary, is now being revealed as the leftist he is."

Morris said that Kerry is "finding out that America is a centrist nation."

Morris added, "I have doubted the conventional wisdom that this election would be close. If Bush continues to stay on the offensive and Kerry's responses remain as inept as they've been, the Massachusetts Democrat will go downhill faster than he is now doing on his skiing vacation."

And there were plenty of troubling signs for Kerry. Fox News reported, "While Kerry lists endorsements from over 80 members of Congress on his Web site, only 12 are from the deep South and they are the most liberal districts offered in states like Texas, Georgia, South Carolina and Arkansas. Analysts say some Democrats, particularly in Southern states, are finding it difficult to get excited about Kerry, whose record includes a consistent defense of abortion rights and opposition to tax cuts and the death penalty."

University of Virginia's Prof. Larry Sabato told Fox News, "It's a weight and an albatross that [Democrats] don't need."

Having said that, the 911 Commission hearings over the past two days has put the harsh spotlight on the White House, seeking to counter Richard Clarke's contention that "I believe the Bush administration in the first eight months considered terrorism an important issue, but not an urgent issue."

Ron Brownstein for the *Los Angeles Times* quoted Emory University Prof. Alan Abramowitz: "If you look at the Bush campaign strategy, it looks as though they are trying harder to undermine Kerry than sell people about Bush."

It will be interesting to see how the 911 Commission hearings impact future polls. But the real impact on the presidential election will occur around other terror strikes, the price at the gas pumps, and the creation of jobs. ❖