



The Obama 'landslide' impact

Bulen Symposium weighs the shifts in demographics, media

By **BRIAN A. HOWEY**

INDIANAPOLIS - In late 1998 I asked L. Keith Bulen what he thought about President Clinton and he responded, "Best candidate I've ever thought, heard or dreamed of."

As you read the data and impressions emanating last Monday from the Bulen Symposium on American Politics as well as some of our own, ponder what the legendary Republican operative might have thought about Barack Obama. The last time a Democrat carried Indiana was 1964 and it was that LBJ blowout of Barry Goldwater that hit the

entire GOP ticket like a car bomb that created the environment for Bulen, Bill Ruckleshaus, Larry Borst, Noble Percy, Beurt SerVaas and others to form the Republican Action Committee the next year in preparation for seizing control of the Marion County party. It became the footing for the Indiana Republican machine from 1966 to 1988 that would

dominate the state. Out of the RAC would come names that still reverberate today: Danny Burton, John Mutz, Richard Lugar, Charlie Bosma, Rex Early and eventually, Mitch Daniels.

As our analysis revealed last week, Daniels and Obama dominated 2008 in what may be seen as one of the transformational elections in Indiana history. What we don't know is whether this



signals a new, broad swing state era,

See Page 3

As GM goes

By **BRIAN A. HOWEY**

CARMEL - The lease on my Ford F-150 is just about up, so I've been doing my research. After a summer of \$4.19 a gallon gas, I decided on a Ford Escape Hybrid. It gets 36-mpg city, 31 highway. It's American made. I went to the local Ford dealer for a test drive. The salesman kept telling me that I better buy it now because it was the only one on the lot and there were only "11 in the entire state of Indiana." 11 in the entire state!

If you wonder why the American auto industry is in



"I will never apologize for changing the approach and the strategy when the facts change."

- Treasury Secretary Henry M. Paulson Jr.

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precarious shape, ponder that. Or think back to the General Motors, totally electrically powered EV1 of the 1990s that established a loyal consumer base in California, only to have the auto maker pull them all off the market and destroy them. Until recently, GM was pushing the Misha-waka-made Hummer product line.

As GM goes, so goes the nation. And so goes the Hoosier state. Twenty percent of the Indiana workforce is in automotive related businesses. It goes well beyond those plants making windshields and transmissions. In the old days, GM had vertical integration, but now it essentially has a design and manufacturing core, having out-sourced not only the supply chain, but also things like information technology.

GM stock was trading at \$2.92 just after its 100th birthday this past week, the lowest point in 65 years. Next month GM's cash reserves will fall below the minimum \$10 billion it needs to run its global operations.

"The dynamics here are multiple," said Patrick Kiely, president of the Indiana Manufacturers Association. Back in 1982, he was Indiana House Ways & Means chairman for three weeks when Gov. Robert Orr called a special session that dealt with that severe recession and positioned Indiana to become part of the Chrysler bailout.

I asked Kiely what would happen if GM files for bankruptcy and, after that, collapses into oblivion. He couldn't tell me exactly how many companies or workers toil for or supply GM. "What we do know is that 20 percent is transportation related, second only to Michigan," he said. "It's huge for us. An automotive calamity would certainly impact us."

In his victory speech on Election Night, Gov. Mitch Daniels understated that Indiana was in for a "rough patch." At his first press conference three days later, Presi-

dent-elect Barack Obama pushed for a federal bailout of the Big 3 (GM, Ford and Chrysler), explaining he recognizes "the hardship it faces, hardship that goes far beyond individual auto companies to the countless suppliers, small businesses and communities throughout our nation who depend on a vibrant American auto industry. The auto industry is the backbone of American manufacturing and a critical part of our attempt to reduce our dependence on foreign oil."

Obama called on Congress to "accelerate the retooling assistance" to help Detroit "succeed in producing fuel-efficient cars here in the United States of America."

While the Bush administration's federal bailout flounders, there are many of us who wonder whether we should throw more good money after bad to the very same people who have made bad decisions and give us the wrong products. Might a collapse of the Big 3 pave the way for innovative companies with progressive management to fill the idled plants with assembly lines for revolutionized cars?

Kiely saw the storm clouds gathering 18 months ago on the speculation that whiplashed Wall Street this summer. "What we're seeing is an economic cycle that normally would play in over 20 years coming in three months," he said. Gas has gone from \$147 a barrel last summer (\$3 short of Osama bin Laden's goal) to \$57 a barrel this past week.

Back in 1982, with unemployment in Anderson at 26 percent, Kiely participated in the Chrysler bailout designed in part by U.S. Sen. Richard Lugar. The state was repaid with 12 percent interest within five years and subsequent Chrysler innovation brought us the mini-van.

The danger in allowing a collapse of the Big 3 is anywhere from 2 to 5 million jobs lost nationally and a shudder through the economy. Retailer Circuit City is bankrupt. Best Buy saw its stock plunge 13 percent. "Since mid-September, rapid, seismic changes in



consumer behavior have created the most difficult climate we've ever seen," said Best Buy CEO Brad Anderson.

Kiely asks, "Is Best Buy the beginning of a trend or a collapse?" He noted a recent radio interview with an exotic dancer named "Danica" in Indianapolis who said she was working twice the hours for the same amount of tips last month. But once gas dropped to \$1.80 a gallon, "the guys are back."

On Tuesday morning, I drove my F-150 downtown - burning through a couple of gallons of \$1.79 gas - to par-

ticipate in a Chamber of Commerce panel with State Sen. Jim Merritt and State Rep. Greg Porter. They talked about the need to fund health care, education and a murky biennial budget.

I reminded them that they didn't start calling the Great Depression by name on Oct. 30, 1929. That moniker took awhile to sink in. The world we're seeing now as opposed to what we'll see next April or May is unfathomable.



Bulen Symposium

or a blip on the screen of history. No matter where this path leads us, its trail head is an extraordinary one that will draw great scrutiny in the months and years ahead.

The Bulen Symposium of 2008 is the fountainhead of this stream of analysis:



L. KEITH BULEN

GOP Meltdown

The demographic inroad and GOP meltdown

Barack Obama received 53 percent of the vote, which has been described by some as a "landslide." In the past, the definition of a "landslide" is plurality above, say, 12 percent. For a Democrat, however, this year was a landslide. TIME magazine's Mark Halperin at the Bulen Symposium on American Politics Monday noted that Jimmy Carter won with just 50 percent of the vote in 1976, Bill Clinton "never got there" in 1992 and 1996. You have to go back to Lyndon Johnson's epic landslide in 1964 to find a true Democratic blow out.

Halperin explained that in just about every demographic group, Obama made significant inroads. National Election Pool Data reveals that Obama won 56 percent of females, a 13 per-

cent margin; 66 percent of 18-29-year-olds (+34 percent margin); Hispanics with 67 percent percent (+36 percent); and Asians with 62 percent (+27 percent). African-Americans supported Obama with 95 percent, a record. Obama won independents by 52-44 percent, moderates by 60-39 percent, and suburbanites by 50-48 percent.

Obama made significant encroachments in the Electoral College by taking Indiana, North Carolina, Ohio and Florida. "That's pretty remarkable," said Halperin. What is scaring Republicans (or should) is that Obama won three of the most rapidly growing demographic groups: young voters, Hispanics and single women. "Ronald Reagan did very well with young voters," Halperin said. "George W. Bush with Hispanics. All of the movement is toward the Democratic Party. If (Obama) increases with these three groups he will win South Carolina.

Halperin said that the Republicans "have to be spooked" about the Hispanic voter, who helped President Bush to two terms. In 2006, Indiana was home to then

U.S. Reps. John Hostettler, Mike Sodrel and Chris Chocola who rallied around strict immigration proposals. Hostettler spent much of that August and September holding field hearings around the country while ignoring his own doomed re-election. All three lost that November. The fruits of their labor were apparent in Indiana this past Nov. 4 when Obama captured 77 percent of Hoosier Hispanics, compared to 23 percent for McCain. This is a demographic that expanded from 3 percent in 2004 to 4 percent this year.

Should the Hispanic vote continue to head



John McCain took a wrong turn after his debate with Barack Obama at Nashville while the Democrat remained cool and collected. (Reuters Photo)



into the Democratic column, it will be the dominant party. A New America's Voice Report found that pro-forma immigration candidates defeated hard-liners in 19 of 21 battleground House and Senate races. "Clearly, the Republican wedge strategy around immigration has proved a spectacular failure," said Frank Sharry, executive director of America's Voice. "In both 2006 and now 2008, Americans responded to candidates who offered practical fixes to our broken immigration system, instead of those who tried to exploit the issue for political gain."

Then there were the evangelicals. According to David Campbell, associate professor of political science at the University of Notre Dame, Obama carried 32 percent of young evangelical voters, compared to 16 percent for John Kerry in 2004. "That's one in three of young evangelicals who voted for Obama. If there is a change, we've begun to see whispers of it in the 2008 election." And Catholics? "Four in 10 Catholics are Latinos," Campbell said. "Latinos are the face of the Catholic population going forward. Latinos swung to Obama." In 2004, President Bush carried Hoosier Catholics over John Kerry 56-43 percent.

Republicans woke up on Wednesday without a single House member from New England, following the defeat of U.S. Rep. Christopher Shays.

Halperin explained that without the "October surprise" in September - the financial meltdown on Wall Street - John McCain probably would have won. "McCain handled it badly," Halperin said. "Without that economic crisis, I don't know if we would be talking about a win at all" for Obama. "It was rare in history: one big event, one external event that set the parameters." The immediate political impact was felt in Michigan on Sept. 15 when McCain pulled out. "You saw the bottom drop out in



Bulen Symposium speakers include (from top) Halperin, Hill, Crowley and Evans. (HPI Photos)

Michigan," Halperin said of the McCain campaign in a state many observers felt would be competitive to the wire.

And good news for the GOP? "The Republicans didn't lose a single Republican governor," Halperin said. While Gov. Mitch Daniels is receiving some early play for 2012, Halperin discounted the notion that former Speaker Newt Gingrich or Alaska Gov. Sarah Palin will be serious candidates.

Obama and race

The headline in the Nov. 5 edition of the New York Times read: "Obama: Racial Barrier Falls in Heavy Turnout." The NYT lead stated that Obama swept "away the last racial barrier in American politics with ease as the country chose him as its first black chief executive." It called the victory a "strikingly symbolic moment in the evolution of the nation's racial history, a breakthrough that would have seemed unthinkable just two years ago."

But Marc Lamont Hill, assistant professor of urban education at Temple University and a Fox News analyst (as well as a self-described "far leftist"), said that race had everything to do with Obama's victory. "I went into the voting booth, held my nose and voted for Barack Obama," said Hill, an African-American. In 1984, "Jesse Jackson ran a black election" to leverage power. "Jesse Jackson became president of the black folk. Barack Obama did the exact opposite. He reached out to white liberals." He believed "blacks will vote for me 'just cuz.'" Barack Obama "went to extravagant lengths of avoiding the troupes of a black candidacy," Hill said.

It was the Rev. Jeremiah Wright controversy that played out as Obama was battling Hillary Clinton in the Indiana and North Carolina primaries that brought the unspoken to the forefront. "It's only in that moment, that his back was to the wall, only then did he talk about it," Hill said. Obama's subsequent speech in Philadelphia was the "black compromise," Hill charged. "At some level white supremacy is left off the hook." Yet, he called it the "best speech on race ... by a politician.

That's a pretty low bar."

In past elections, Bill Clinton wore shades and played the saxophone and lectured Sister Souljah. Hill said that Obama talked to blacks with "tough love" and said that his fatherhood speech was basically a critique of a con-



stituency group telling them "what is wrong with them and how to fix themselves."

CNN reporter Candy Crowley recalled covering Obama in North Carolina on the day Obama announced he was cutting ties with Rev. Wright. "He was known as 'No Drama Obama,'" Crowley said. "He was really angry that day." Howey Politics Indiana interviewed Obama about 90 minutes after the denouncing press conference and found the candidate calm and collected. "When you run for president, one of the things you sign on to is the fact the American people want to know who you are and all aspects of you," Obama explained. "Some of them get blown out of proportion. Some of them get magnified. You have to take it as it comes. I think I was very clear about today. My former pastor doesn't speak for me and doesn't reflect my views. It was sad to see what happened yesterday (at the National Press Club), yet I don't want that to be a distraction about what this campaign is about. The American people are struggling and they need help."

HPI's analysis was that the Rev. Wright issue was a significant factor in Obama's 1 percent loss to Hillary Clinton in Indiana. Yet, he easily won North Carolina on the same night and would come back and win both states on Nov. 4.

Was the 2008 presidential race a "post-racial moment?" Hill asked. "I say no. Race is very much at the center of American politics. Lay them on the table and deal with them squarely."

The race issue worked both ways. Many whites



Barack Obama at the American Legion Mall on May 5. He would Indiana lose to Hillary Clinton the next day, but the groundwork was in place for his winning Indiana's 11 Electoral College votes on Nov. 4. (Photo by A. Walker Shaw)

backed Obama specifically because he represented a breakthrough. Crowley said what many Hoosier reporters and observers saw: Obama attracted the most diverse crowds at huge rallies. People "never saw him as running as an African-America," Crowley said. Yet, she recalled attending a rally at Jackson State University and talking to an on-duty black cop who insisted that he was there simply to "work my quadrant." During Obama's speech, Crowley happened to glance at the policeman and saw "tears streaming down his face."

"We're at an amazing time in American history," Crowley said. "We always pick the right person for the time. They didn't vote for him as an African-American but as someone for change."

Clinton vs. Obama & change

CNN's Crowley believes that Obama outflanked Hillary Clinton in the primary on the change dynamic. She entered the race as the prohibitive favorite and had Bill Clinton's "platinum Rolodex." While older women rallied around the New York senator and former first lady, "Younger women were less enthralled. It was not a bad idea, just not a new idea."

Crowley began to understand how the dynamic was changing at Obama's campaign kickoff at Springfield in February 2007. "It was freezing and every street around the Old State Capitol ... you couldn't see the end of the people." She began hearing people saying they really wanted change, that they were tired of what was happening in Washington. "Not just for eight years, but for a long time," Crowley said. Another rally in Austin, Texas, found 17,000 people. "It was right there for us to see. By the time Hillary realized it, he had claimed the change mantle. She couldn't change that."



Hillary Clinton is photographed with a fan at the Indiana Democratic Jefferson-Jackson Day Dinner. (HPI Photo by A. Walker Shaw)

Obama, she said, "saw Ronald Reagan as a transformational moment. People





Norm Cox, Jim Shella and Kevin Rader doing standups at Indiana University prior to the final debate between Gov. Daniels, Jill Long Thompson and Andy Horning. (HPI Photo by Brian A. Howey)

always vote their hopes. He saw it a lot earlier than Hillary Clinton."

The news media

Which news source had the greatest impact on the 2008 election? MSNBC with 58 million viewers? Fox News with 61 million? CNN with 80 million?

Or the blogs? They had 180 million readers, according to Jason Evans, a former CNN senior executive producer. It is a new phenomena. The Huffington Post has been around three years; The Politico 18 months and Five-ThroughEight came on line eight months ago but attracted 3.6 million unique visitors in October.

Evans pointed to liberal blogs that began writing about Gov. Sarah Palin as a "secret grandmother" and then showed the Bulen Symposium a Reuters news clip that mentioned the "rumors by liberal bloggers."

"It's a huge problem for mainstream media," Evans said. "At CNN it was an every day problem." He found himself using news resources to track down rumors on the Drudge Report and the Daily Kos. "You're substituting their judgment for your own. I felt dirty at the end of many days." As HPI analyzed in its Sept. 11 "Midnight in the Media Garden" cover story, the atrophy in Hoosier media (the South Bend Tribune just announced a 14 percent job cut on Wednesday, following deep cuts at the Evansville Courier & Press and Indianapolis Star) and shift to the blogs is a dangerous trend. Blogs do little reporting at professional journalistic standards, while propagating rumors and innuendo. The newspapers - mostly nonpartisan sources that provide fact checking and a free market of ideas - are falling by the

wayside.

The coverage of the 2008 election went beyond the blogs. When Palin went on NBC's Saturday Night Live, it was the third highest rated show. Another 50 million viewers watched the Tina Fey/Palin parodies on the Internet. Comedy Central's John Stewart and Steve Corbert attracted 200 million viewers a night while CNN's Anderson Cooper and Fox's Bill O'Reilly "do not get 200 million viewers." Evans did note that Stewart does "a terrific job and he does deal mostly in facts."

Evans showed Stewart's coverage of John McCain's "new stump speech" that was covered by the networks and the New York Times as breakmg news. The Washington Post would report what Stewart did: there was really nothing new.

"The media's biggest problem is feeding the beast," Evans said. "There's so much demand for new. When campaigns say something is new, we take it as new. We are a slave to our ratings," saying viewers won't stick around for the same headlines at 8 a.m. and 5 p.m.

Then there was campaign propaganda. The Obama campaign produced 28 new ads but 11 were rarely rotated on TV, and were covered by news organizations. The McCain campaign had 25 new ads and 12 were rarely rotated. Many of these ads were created for news media intake. It's the new sucking sound in American politics.

Were there any good trends? Evans said that many negative ads - except those during the economic melt-down - backfired. U.S. Sen. Elizabeth Dole's "Godless" ad was "the worst ever." But he added, "I don't know if that holds past this election." It was a trend we witnessed here in Indiana. While Jill Long Thompson won the Democratic



gubernatorial primary by attacking Jim Schellinger, during the general election, when Linda Pence used them against Greg Zoeller she lost. Gov. Daniels never did run a negative ad. The 9th CD Hill/Sodrel race wasn't nearly as negative as it had been in 2006 and 2004.

Indiana Democratic Chairman Dan Parker disagreed, saying that Pence lost "because the person ahead of her on the ballot (Thompson) got 40 percent of the vote."

President Daniels?

On a ride back from Kokomo in October, we asked Gov. Daniels if he would ever consider the presidency. No, he said without hesitation. He considered himself too blunt for the national media. The governor has repeatedly said 2008 was his last election. Aides tell HPI that the governor works in arenas he can impact and that the White House might be too big of a "sandbox."

What is inescapable is this: in a year when Obama carried Indiana for the Democrats, Daniels set a record as the state's top vote getter at 1.542 million votes, out-performing Dick Lugar, Evan Bayh and even Ronald Reagan. Daniels out-pollled Barack Obama by 190,000 votes.



"It was a classical match-up between the conventional vs. the unconventional," said Daniels campaign manager Eric Holcomb of the Daniels-Thompson race. "He spent years on the road, spent nights in people's homes. He was authentic and real. The writings on his TV ads and scripts were his own words."

Despite Obama on the ticket, Daniels raised his support among African-Americans from 7 percent in 2004 to 20 percent in 2008. It's those kinds of statistics that led U.S. Sen. Mel Martinez to tout Daniels on NBC's Meet the Press as the "bright star of the party," and certainly a more knowledgeable and disciplined voice than Newt Gingrich or Sarah Palin. NBC's Chuck Todd was talking the same way

about Daniels on today's Morning Joe.

Don't expect to see a "Mitch for President" campaign surface in 2010. "I'm not surprised people around the country are talking about it," Holcomb said. "They saw what happened here on Nov. 4. They can look and see how it happened here and how it can be applied." But a presidential race would take the governor away from Indiana during what looks like a recovery period from an awful economic crisis we hardly understand the magnitude of at this point.

"He'll be laser-focused on Indiana," Holcomb said.

And don't think too much about a "lame duck" Gov. Daniels between 2010-2012. "That's the conventional way to look at it, but this guy is far from conventional," Holcomb said. "He'll be working as hard on the last day as he did on his first day. If folks think he'll coast into the final day, they're wrong."

The Dan & Murray Show

Lunching with Indiana Republican Chairman J. Murray Clark found him in good humor and actually contemplating a reign beyond next March. Gov. Daniels placed Clark at the GOP helm to ensure the party was in sync behind his reelect. Clark now sees an opportunity to help Republicans refind their soul and message. It came after the Indianapolis Star's Matt Tully wrote that Clark was embarrassed by Obama's win, the first for a Democrat in

Two of a Kind.

Mitch Daniels is pictured in the Oval Office with President Bush, when he served as Bush's Budget Director, and designed some of the worst budget deficits in U.S. history.

Had enough of Bush/Daniels privatization?

Sick of policies that take care of Wall Street while our jobs are shipped overseas?

On November 4th, tell 'em what you think of Bush/Daniels economics.

PUNCH 10
The Democrats

CHANGE WE NEED

44 years.

The problem with that assessment is that Clark had urged the McCain campaign to come into the state long before he did on the eve of the election. Chairman Parker noted that if McCain had come to Indiana during the Clinton/Obama race last April or May to inject the Republican message, that might have saved the state from the blues. "There was six weeks of unanswered Democratic message," Parker said as he defended Clark. "He shouldn't take the blame of John McCain not carrying Indiana."

Clark called the Obama campaign "a very good one from a grassroots perspective." The Democrat outspent McCain "5 to 1, 6 to 1" and the message was "of very high quality." Throw in the Wall Street meltdown ("not McCain's



strong point”) and the GOP had “lost its brand.” The early voting strategy of the Obama campaign was the “difference maker.”

Parker said that Indiana’s tilt toward blue began in 2006 when the state was the only one in the union to see three congressional seats flip from Republican to Democrat (with Obama’s help in October of that year).

“That was the first sign that something was coming.” He pointed to three statistics from Democratic internal polling: in 2004 President Bush had a 61 percent approval rating; in 2008 it stood at 32 percent. In 2004, 47 percent said the economy was doing well; in 2008 it was 9 percent. The party breakdown in 2004 stood 46 percent Republican and 32 percent Democrat or a +14. In 2008 it stood at 41 percent Republican and 36 percent Democrat.

“Those three numbers really tell the story,” Parker said. In 2004, 17 percent said the economy was the main issue while “moral values” was No. 1. In 2008, 60 percent said the economy was the top issue “and 52 percent of those went to Obama.”

There were other key demographics. In 2004, the 18-29-year-olds made up 14 percent of the Hoosier electorate and Bush carried that group 52-47 percent. In 2008, that age group shot up to 19 percent and Obama carried them 63-35 percent. Suburban voters made up 45 percent of the electorate and Obama lost there by 9 percent (this is different than the MSNBC exit polling we used earlier in this story). In 2004, John Kerry lost by 30 percent. “That’s some significant switch,” Parker said.

The gubernatorial race was completely different. “The governor’s campaign was almost flawless,” Clark said. He had executed “the most controversial things” during the first two years, Some say that cost him the House in 2006. Clark believes that most of the country and state are “center/right” and said that Daniels has governed “consistent with the fun-



Chairmen Parker and Clark at the Bulen Symposium. (HPI Photo by Brian A. Howey)

damentals of his party.” Parker, who tried to forge a united front in late 2007 and earlier this year, watched Thompson defeat the establishment choice Jim Schellinger by 1 percent in the primary. While there was a Democratic facade of support for Thompson, it never materialized in much hard cash. Throughout the summer and fall, union and local party sources repeatedly told HPI how mismanaged

the Thompson campaign was. Thompson never connected herself to Obama in ads; she barely connected Daniels to President Bush. In LaPorte County, local Democrats ran a “Punch 10” newspaper ad in the Michigan City News-Dispatch and LaPorte Herald-Argus that featured a White House photo of OMB Director Daniels and President Bush. Thompson carried LaPorte County by 13,000 votes. “The JLT margin here was no accident,” said former county chairman Shaw Friedman.

What if Thompson had had the money to tether Daniels to Bush with a slide show of 2001-2002 Bush/Daniels photos statewide? It was something the Daniels campaign had braced for, but when Thompson was able to come back on the air in the final two weeks of the campaign, there was only one sentence on the subject, spoken by the candidate in the widely panned ad.

Postscript: An Obama Republican

A day after the Bulen Symposium, I spoke at a Greater Indianapolis Chamber of Commerce panel in which I forecast doom and gloom with the American economy, Secretary Paulson’s bipolar Wall Street bailout, and the imminent collapse of General Motors, I asked former Senate Finance Chairman Larry Borst if I was being “too alarmist.” Borst, a protege of the legenday Bulen and ardent admirer of Gov. Daniels’ leadership, said no. He also told me he had great faith in the coming leadership.

“I’m an Obama Republi-





A Republican role model amidst the common man

By **BRIAN A. HOWEY**

MILAN, Ind. - We had just departed the Reservation Restaurant here in the small town that gave America the legendary story of "Hoosiers" and boarded Indiana Gov. Mitch Daniels' decrepit campaign prop - RV1.

Was it just me, Governor, or did you notice the man at the table you were talking to just inside the door looked like Dennis Hopper? "A lot of them look like Dennis Hopper," Daniels responded without missing a beat.

Well, a lot of "them" propelled Republican Mitch Daniels to a second term with a record 1.54 million votes in the Hoosier State because the governor sought "them" out. Despite a GOP bloodbath amidst the Coming of Obama, Daniels had "them" deliver a landslide 58-40 percent victory over hapless Democrat Jill Long Thompson. This is a governor who never ran a negative TV ad during the three times he was on the ballot. He completely avoided the wedge issues that found Republicans baiting demographic subtargets. During the 2006 Republican self-immolation, then-Indiana Republican congressmen John Hostettler and Chris Chocola were targeting "illegal" Latinos, Daniels was recognizing they were just the latest fiber joining the American patchwork quilt, speaking Spanish to "them," frequently "Necesitas aprender ingles" (you must learn English).

The governor believes that RV1 signals the end of "TV and tarmac" campaigns. "I had formed some views long before I dreamed of doing this," Daniels said on the final leg of the 80,000 mile RV1 saga that journeyed from Milan to the Indiana Statehouse. "I had urged other Republicans to do this, never with any success. Strangely, I became the guinea pig. This is the way politics ought to be practiced." He said that Democrats have a "built-in advantage" because of the party's union and working man roots.

"From a political standpoint, if a Republican could establish a grassroots presence, we would be successful." He said that U.S. Sen. Lamar Alexander of Tennessee had told him that using the RV "will make you a better campaigner and it will make you a better governor."

Daniels spent 16 months aboard RV1 during 2003 and 2004 en route to a first term. "It was no bogus listening tour," he explained. "We did it every day for 16 months." After defeating Gov. Joe Kernan, he said, "We never stopped doing what we did." While Obama built a rapport this year in the reddest of the red states, Daniels was in heavily Democratic Lake County, Ind., doing the same thing.

This is a governor who rides Harleys with leather



Gov. Daniels chats with Bobby Plump outside the Reservation Reaturant in Milan on Oct. 30. (HPI Photo by Brian A. Howey)

and bearded Hoosiers. At a groundbreaking on U.S. 31 in Kokomo - part of his \$3.8 billion fully-funded 10-year road program made possible by the Indiana Toll Road lease - he began talking to a man wearing a Harley top. "Do you ride or just wear the shirt?" Daniels asked (the man rides).

Daniels can find comfort in country club confines where endangered Republicans gather at shrinking water holes. But he fits in perfectly without coat and tie, wearing baseball caps and just showing up in small town cafes and taverns, at roadside produce stands in the heat of the



summer, in student sections of college gridirons among sophomores in body paint. This is a governor with no entourage.

It puts him in a position to deliver, which is the point. This is no style over substance politician. He has dragged Indiana, usually kicking and screaming, into forward looking action. From the apparently small task of making license branches drop average service times from 40 minutes to 7, to big issues like property tax and telecom reform, he tackled one thing after another regardless of political consequence. And although a born activist, his conservative philosophy shines, as with a free-market approach to health care for 130,000 uninsured (paid for with an increase in the cigarette tax). But always it is jobs first.

About 20 miles up the road from Milan, Daniels delivered a 2,000 job Honda plant. The timing was impeccable: the first Civics began rolling off the assembly line a month before the Nov. 4 election. In the nearby burgh of Versailles (pop. 1,600), Daniels announced one of the first Honda suppliers beginning to invade job-starved Southeast Indiana. Belletech will start making Honda window assemblies next year. "This is a big deal for us," said Republican National Committeewoman Dee Dee Benkie, who lives nearby. Barry Lauber of the Ripley County Chamber of Commerce said that with the infrastructure in place for Belletech, they hope other Honda suppliers will come. "We're shovel ready," Lauber said, using a phrase of Daniels stemming from the 2004 campaign. "The governor made it happen down here."

While surrounding Midwestern states are dripping in red ink, have exhausted road funds and find rust gathering on their belts, Daniels has delivered two balanced budgets, a surplus, an expanding interstate quality highway system, 800 new child protective service workers, \$18 billion in new business investment and 75,000 jobs in the pipeline. Despite all of this, Daniels is bracing for a savage economic downturn that could



even see General Motors disappear. On Wednesday, he called a federal bailout of GM "throwing good money after bad."

There is a sign near the cash register of the Reservation, which is filled with 1954 Milan Indiana state basketball champ memorabilia that injected this tiny town into American sports lore.

It reads: "We no longer accept bad checks." Bobby Plump - the real "Hoosiers" hotshot - lauded Daniels for two balanced budgets and recalled his high school coach Marvin Wood who brought leadership into this little town. "We didn't have the best talent but we had the best team. And we had Coach Marvin Wood" (the real life Gene Hackman character). Looking at Daniels, Plump declared, "Here we have a leader."

It is a commodity post-Bush Republicans need to find. Daniels insists he will never seek another elected office. He believes he's too blunt. But Republicans ought to be taking notes on the Daniels experience in Indiana, with roots running deep to U.S. Sen. Dick Lugar and legendary GOP operative L. Keith Bulen. This Republicanism is inclusive, tolerant, holds a light for the huddled masses and toils within "their" midst. ❖



Daniels poses with Milan '54 stars Plump and Ray Craft and Reservation waitresses. Above, Daniels chats outside the restaurant as patrons at the table where he had just chatted reflect. (HPI Photos by Brian A. Howey)



Hill coasts on youth vote

By **MARK SCHOEFF JR.**

WASHINGTON - Rep. Baron Hill made what looked like a risky decision last spring prior to the Indiana primary. While his Hoosier House colleagues remained neutral in the Democratic presidential contest, Hill decided to endorse Sen. Barack Obama.

Obama went on to lose Indiana to Sen. Hillary Rodham Clinton, who had the backing of Democratic establishment--from Sen. Evan Bayh to party leaders of southern Indiana counties. But Hill was looking beyond this year when got behind Obama.

He saw something at Brown County High School in the fall of 2007 that convinced him that supporting Obama would help Hill build a base of support for the future. When Hill asked the students about the presidential race, they erupted in cheers for Obama.

Similar scenes occurred time and again throughout the district, according to Hill. "There was something flying under the radar that no one was seeing," Hill said in a recent HPI interview.

Although Obama barely lost the Indiana primary to Clinton, he did well enough to essentially end Clinton's presidential bid. This fall, Obama edged out Republican presidential nominee John McCain by 26,000 votes to become the first Democrat to win Indiana in a general election since President Lyndon Johnson in 1964.

Obama's showing can be attributed in part to the youth vote. He built connections to the 18-29 year old voting bloc through assiduous cultivation of online networks. His appeal for change and the diversity he embodied attracted college students and young adults.

The results were apparent on Election Day. Hill says that there was a 45-minute voting line at the polling place at Assembly Hall at Indiana University in Bloomington. Elsewhere on campus, the wait was an hour.

The enthusiasm was evident throughout the fall

elsewhere in the 9th CD. Hill said that he witnessed 20 to 30 youthful volunteers working the phones at campaign offices in Clark and Floyd counties. One week day, he walked into an office in Columbus in the middle of the afternoon, expecting it to be empty. Instead, there were six twenty-somethings making calls.

"The torch has been passed to these young people," Hill said. "I've never seen anything like it."

In backing Obama, Hill wanted to ensure that his own brand appealed to a new generation of voters as well as an older swath of the electorate that was inspired by

Obama to participate in politics for the first time.

"I wanted to embrace those kids and a whole lot of people who have never been involved in a campaign before," Hill said.

In prevailing over Republican nominee Mike Sodrel for the third time in four elections, Hill had more going for him than a youth movement. He also bested Sodrel, who won the seat in 2004, in traditional areas like outreach and money.

Hill's and Obama's campaigns shared

voter information. Obama's extensive Hoosier office operation helped him win three 9th CD counties--Monroe, Spencer and Perry. Hill also was strong on the ground.

"Our GOTV effort was as good as I've ever seen," Hill said. "My staff did a wonderful job. We didn't make any mistakes. We had the right message."

Hill raised \$2 million and spent \$1.5 million through Oct. 15, according to the Federal Election Commission. Sodrel raised \$893,554 and spent \$818,792. Sodrel, the owner of a New Albany bus and trucking company, stuck to his pledge not to use any of his personal wealth in the race.

But this year, the National Republican Congressional Committee, the campaign arm of the House Republicans, wasn't able to help Sodrel because it had severe fundraising problems.

The financial advantage allowed Hill to go up earlier and more often with television ads. Hill's first spot hit



Barack Obama embraces U.S. Rep. Baron Hill at IU's Assembly Hall in April. Hill provided a key endorsement for Obama primary to the May 6 primary. (HPI Photo by Chuck Schisla)



the air in late August. Sodrel didn't begin advertising until Oct. 7. One twist this year was that Hill and Sodrel ran positive spots--something that might be due to the fact that defining each other is moot when they each have high name identification throughout the district.

Another advantage for Hill was the climate. Sodrel, like all Republicans, suffered from voter anger about a faltering economy and their rejection of the Bush administration.

Even through Hill voted against the \$700 billion bailout of financial markets and Sodrel opposed it as well, Sodrel couldn't overcome the economic downturn.

Sodrel's predicament probably contributed to one of the farcical moments of the campaign when 9th CD Republicans tried to get Hill to agree to use a lie detector machine during the Jasper debate in late October.

It was a sign that the campaign was slipping away from Sodrel, who did not respond to two HPI interview re-

quests. After engaging in close races with Hill the first three times, one of which went to a recount, this year's contest was a blowout. Hill won 58 percent to 38 percent.

"I'm very satisfied and humbled by the large margin this time around," Hill said.

It has convinced Hill that he has the right approach to staying in touch with voters. He now travels around the district differently. When he has an event in North Vernon, for instance, he stays for at least half a day to meet with local leaders and constituents rather than rushing off to the next to win on his schedule.

"People had the impression I wasn't listening," Hill said. "I've changed the way I've managed my time, and it's worked."

It also may have closed out Sodrel's political career. He issued an elegiac concession statement Election Night.

"I have known victory and I have known defeat," Sodrel said. "I am at peace with the outcome." ❖

The Donnelly juggernaut

By JACK COLWELL

SOUTH BEND - The remarkable vote totals in Indiana's 2nd District for Congressman Joe Donnelly, D-Granger, surpass even the pluralities for former House Democratic Whip John Brademas back when Brademas won 11 terms in what was then the 3rd District.



Election night totals showed Donnelly carrying St. Joseph County with 71 percent and a plurality of more than 52,000 votes over Republican challenger Luke Puckett.

In the whole district - a 12-county district regarded as about 50-50 in its political split - Donnelly received 67

percent of the vote.

And this came not long after Donnelly risked the ire of constituents who deluged his office with opposition to what was then called a "Wall Street bailout." He voted for the economic rescue plan. He knew it was the right thing to do, for Main Street, but realized as well that it appeared then to be the wrong thing to do politically as he sought re-election.

With realization setting in that something had to be done, fast, and that more will need to be done to avert another Great Depression, the vote was to be of no harm politically.

So, the Donnelly's landslide topped even the land that went sliding as Brademas won. St. Joseph County Democratic leaders often have looked back longingly at the

legendary pluralities achieved by Brademas, who held the record for percentages and margins in a South Bend-based district.

Well, the best percentage for Brademas in St. Joseph County was 68 percent in 1974, now below the 71 percent for Donnelly. The biggest plurality for Brademas in the county was the 30,500 margin in 1964, now below the 52,000 for Donnelly.

Donnelly was expected to win big. Puckett lacked campaign funding even to get on TV during the fall campaign. But that big? No. A poll shortly before the election showed Donnelly ahead by 14 percentage points.

Puckett needed a good showing, maybe something like the 44.5 percent of the vote Donnelly got in losing in a first try that left him viable for a successful second race.

In such a competitive district, it would seem, as so often it was in the past, that any nominee of either major party would get at least 40 percent even in a bad year. Instead, the district percentages were: Donnelly, 67; Puckett, 30.



U.S. Joe Donnelly at the Indiana Jefferson-Jackson Day Dinner on May 4. (HPI Photo by A. Walker Shaw)



What happened?

No doubt Donnelly was helped by the turnout of voters enthusiastic in support of Barack Obama, even though Donnelly did much better than the Democratic presidential nominee in the district. No doubt Puckett was hurt by lack of enthusiasm among many Republicans for the campaign effort of John McCain. No doubt a lot of Republicans voted for Donnelly. In St. Joseph County, Puckett got 17,400 fewer votes than McCain.

The remarkable vote totals for Donnelly will help him in the future. If Puckett wants to try a second time,

and he does, the big Donnelly win won't exactly have Republican strategists at the national level looking at the 2nd as a district to target next time. If not Puckett, who was a personable campaigner, what other Republican will want to try against the odds?

Odds can change. That much? Doesn't seem likely. Nor, of course, did it seem likely that Donnelly could ever get two-thirds of the vote in a district like the 2nd. ❖

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

Rushing into the Obama 'white guilt' factor

By **DAVE KITCHELL**

LOGANSPORT - Sea-changing presidential elections like the one we experienced Nov. 4 aren't always happy developments for everyone.

Take Rush Limbaugh, for instance. Those who happened to tune in to his afternoon show on Nov. 5 were not treated to congratulatory testimonials of how well the Obama campaign out-raised John McCain, how the Obama campaign turned traditionally red states into blue ones, or how the rhetoric Obama used worked.



Instead, the conservative radio icon spoke of "white guilt" that elected the junior senator from Illinois, the first African-American president. Rush also said Obama never said what he was going to do if he was elected.

At first, I dismissed much of what he said like many do - they consider the source. Tuning into Rush Limbaugh and expecting to hear something positive about a Democrat is like turning on the news and expect-

ing to see Osama bin Laden buying Girl Scout cookies. Don't expect either thing to happen soon.

As for Obama's platform, if Rush hadn't watched or listened to any of the debates, heard thousands of television commercials, or gone to Obama's web site, he probably didn't know what Obama said he would do if elected. Maybe Rush didn't do any of those things.

But I also don't buy the argument that Americans simply, or indirectly, voted for Barack Obama simply because of a guilt their forefathers were responsible for fostering. Since Obama's own father was from Africa, it's hard to argue that he or his family has been persecuted or faced the kind of discrimination African-Americans have faced in the worst moments over the past 150 years.

Let's be honest: Without the white vote, Obama doesn't win the presidency. Without the African-American vote, he doesn't win. Without the votes of at least some people who voted for George W. Bush in the past two presidential elections, he doesn't win the Electoral College votes he needs to be president.

Maybe Rush, who comes from the lone state that had a compromise on the slavery issue in the 1860s, does feel some guilt because his ancestors in Cape Girardeau, Mo., didn't live in a place that stood up to the South. Historically, that's not something a lot of Missourians would be proud to claim, but many of us in other states could be even more ashamed of our heritage than those in the Show-Me State.

Using Rush's argument, would it be fair to say that voters didn't have enough sexist guilt to elect Sarah Palin our vice president, or enough Vietnam veteran guilt to make John McCain or John Kerry our president? Is it safe to say Americans had a Catholic guilt in 1960 when they elected John F. Kennedy president?

I don't think so. In fact, guilt doesn't seem to matter to many voters. Sen. Ted Stevens in Alaska is a convicted felon, yet voters in his predominantly Republican state didn't care that he faces certain expulsion from the Senate for his conviction. They elected him anyway, allowing another Republican, unknown to voters so far, to take his place rather than the Democratic challenger who campaigned for the position and may still win in a race that involved 90,000 ballots yet to be counted a week after the election.

The guilt card seems to trump very little in politics. But even if it were the high card in the 2008 presidential election, the mortgage foreclosure crisis, record corporate bailouts, the war in Iraq, the need for alternative fuels, health care access and the economy represent a house of cards that fell on John McCain when he was dealt a hand without an ace.

He needed a royal flush. Instead, he and the rest of us just have a loyal Rush. ❖

Kitchell teaches journalism at Ball State University.



2009 HPI Power 50

In January 2009, Howey Politics Indiana will publish its 10th **HPI Power 50**.

Our annual list is made up of people we believe will play a significant role in shaping events. Last year's list was heavy on those running for office and campaigns.

In 2009, the **Power 50** will change significantly to reflect the biennial budget, government reform and the new realities in Washington.

As we have every year, we invite Howey Politics Indiana subscribers to either complete their own lists, or nominate individuals. Please send along your suggestions to: bhowey2@gmail.com.

In a new feature, we will feature short lists on:

- HPI Power Lobbyists
- HPI Power Staffers
- HPI Power Press

The 2009 HPI Power 50 will be published in early January and will be featured in Brian Howey's weekly newspaper column that reaches more than 250,000 Hoosier readers in 25 publications around the state.

Below is our 2008 Power List.

- 1.) Gov. Mitch Daniels
- 2.) U.S. Sen. Evan Bayh
- 3.) House Speaker B. Patrick Bauer
- 4.) Senate President Pro Tempore David Long
- 5.) State Sen. Luke Kenley
- 6.) U.S. Rep. Baron Hill and Mike Sodrel
- 7.) U.S. Sen. Richard Lugar
- 8.) Eric Miller
- 9.) Indianapolis Mayor Greg Ballard
- 10.) Councilman Andre Carson and State Rep. Jon Elrod
- 11.) Gary Mayor Rudy Clay
- 12.) Jill Long Thompson/Jim Schellinger
- 13.) Budget Director Ryan Kitchell
- 14.) Evansville Mayor Jonathan Weinzapfel
- 15.) House Minority Leader Brian Bosma
- 16.) State Sens. Brent Waltz and Mike Young
- 17.) Betsy Burdick
- 18.) Bob Grand.
- 19.) U.S. Rep. Mike Pence
- 20.) Lee Hamilton
- 21.) Chief Justice John Roberts
- 22.) U.S. Rep. Pete Visclosky
- 23.) U.S. Rep. Brad Ellsworth
- 24.) U.S. Rep. Joe Donnelly
- 25.) U.S. Rep. Mark Souder
- 26.) U.S. Rep. Steve Buyer
- 27.) U.S. Rep. Dan Burton
- 28.) Lt. Gov. Becky Skillman
- 29.) Chief Justice Randall Shepard and former Gov. Joe Kernan
- 30.) Democratic Chairman Dan Parker
- 31.) Ways & Means Chairman William Crawford
- 32.) Chamber President Kevin Brinegar and IMA President Pat Kiely
- 33.) John Hammond III
- 34.) Paul Mannweiler
- 35.) Republican Chairman Murray Clark
- 36.) Eric Holcomb
- 37.) Farm Bureau President Don Villwock
- 38.) FSSA Commissioner Mitch Roob
- 39.) State Rep. Jeff Espich
- 40.) State Sen. James Merritt
- 41.) Fort Wayne Mayor Tom Henry
- 42.) South Bend Mayor Stephen Leucke
- 43.) Marty Morris
- 44.) Tom Sugar
- 45.) State Sens. Teresa Lubbers and Connie Lawson
- 46.) IEDC Director Nathan Feltman
- 47.) Rod Ratcliff
- 48.) Marion County Prosecutor Carl Brizz
- 49.) Secretary of State Todd Rokita
- 50.) Chamber Political Director Michael Davis



David Brooks, New York Times: It's only been a week since the defeat, but the battle lines have already been drawn in the fight over the future of conservatism. In one camp, there are the Traditionalists, the people who believe that conservatives have lost elections because they have strayed from the true creed. George W. Bush was a big-government type who betrayed conservatism. John McCain was a Republican moderate, and his defeat discredits the moderate wing. To regain power, the Traditionalists argue, the G.O.P. should return to its core ideas: Cut government, cut taxes, restrict immigration. Rally behind Sarah Palin. Rush Limbaugh and Sean Hannity are the most prominent voices in the Traditionalist camp, but there is also the alliance of Old Guard institutions. For example, a group of Traditionalists met in Virginia last weekend to plot strategy, including Grover Norquist of Americans for Tax Reform, Leonard Leo of the Federalist Society and Tony Perkins of the Family Research Council. According to reports, the attendees were pleased that the election wiped out some of the party's remaining moderates. "There's a sense that the Republicans on Capitol Hill are freer of wobbly-kneed Republicans than they were before the election," the writer R. Emmett Tyrrell told a reporter. The other camp, the Reformers, argue that the old G.O.P. priorities were fine for the 1970s but need to be modernized for new conditions. The reformers tend to believe that American voters will not support a party whose main idea is slashing government. The Reformers propose new policies to address inequality and middle-class economic anxiety. They tend to take global warming seriously. They tend to be intrigued by the way David Cameron has modernized the British Conservative Party. Moreover, the Reformers say, conservatives need to pay attention to the way the country has changed. Conservatives have to appeal more to Hispanics, independents and younger voters. They cannot continue to insult the sensibilities of the educated class and the entire East and West Coasts. Only one thing is for sure: In the near term, the Traditionalists are going to win the fight for supremacy in the G.O.P. In short, the Republican Party will probably veer right in the years ahead, and suffer more defeats. Then, finally, some new Reformist donors and organizers will emerge. They will build new institutions, new structures and new ideas, and the cycle of conservative ascendance will begin again. ❖

Sylvia Smith, Fort Wayne Journal Gazette: There might have been a case or two of Pepto-Bismol consumed by Team Souder. Instead, Souder won with a bigger percentage than two years ago (55 percent this year compared to 54 percent in 2006) and by a wider margin (15 percentage points more than Michael Montagano compared with 8 percentage points more than Tom Hayhurst in '06). I asked Souder what lessons he took from this election and

his victory despite it being an environment that favored Democrats (or at least change) and in the face of nearly \$1 million in advertising from Montagano and national Democrats. I expected him to say that the district is, at its core, Republican. Instead, he said the voters' message is that they want a congressman who works on multiple issues and delivers at least small successes on many of them. Souder likened that to a brick wall that's built brick by brick. No one brick will withstand a bailout vote, commercials that question his integrity or voter fatigue (or worse) with an unpopular president's party. He suggested that he was also well-served by not hewing rigidly to conservative orthodoxy. "I don't know if a pure conservative strategy could have held the district," he said. That's exactly the question Republicans are asking themselves as they regroup in Washington after losing the presidency, double-digit House seats and a couple of Senate seats. Some, like Rep. Mike Pence, will argue that the GOP was on the skids this year because it strayed too far from conservative purism and participated in a major expansion of government via the economic rescue plan, the creation of a prescription benefit for Medicare recipients, nationalizing education testing, etc. Pence and other return-to-conservatism advocates will be able to point to the defeat of moderate Republicans (among them, Rep. Chris Shays in Connecticut and Sen. Gordon Smith in Oregon) as evidence. But they were beaten by Democrats who, presumably, are more liberal.

❖

Doug Ross, Times of Northwest Indiana: It was disturbing to discover that about 15,000 voters in Lake County apparently cast ballots only in the presidential race. I have to give Barack Obama's campaign credit for being so successful in getting out the vote. But couldn't those voters have shown more interest in other races as well? These local officials affect the lives of everyone in the region in very direct ways. People should care a lot about who's making those decisions and what they're deciding. Obama was elected as an agent of change. He successfully convinced the voters that voting for John McCain was like voting President Bush in for a third term. So why weren't those people who were sold on change in the White House more eager for change at the local level? Specifically, why did Portage Township voters and Lake County voters in five townships keep their township assessor instead of streamlining government? In North Township and Porter County's Center Township, voters saw the wisdom of eliminating that position, just as the Indiana General Assembly did with smaller townships earlier this year. MySmartGov.org, which heavily promoted the campaign to eliminate the 43 township assessors, had good results except in Northwest Indiana and a few other urban areas. Lake County is the glaring exception. ❖





Court nullifies 2007 Terret Haute mayoral

TERRE HAUTE - A news conference has been called for 4 p.m. today in the mayor's office in city hall, following an Indiana Court of Appeals ruling this morning in favor of former Terre Haute Mayor Kevin Burke who had challenged Republican Duke Bennett's eligibility in the 2007 election (**Terre Haute Tribune-Star**). The court by a 2-to-1 decision stated that Bennett was ineligible to take office and that Burke is not entitled to fill that post as a result of the ruling, because voters were unaware of Bennett's ineligibility. Thus, the votes cannot be counted and the court ruled the office vacant. Burke lost the 2007 election by 107 votes but claimed Bennett was not eligible citing the federal Hatch Act. Bennett had been employed at Hamilton Center Inc., a mental health facility that receives some federal funding. Burke's wife, Vicky, told the Tribune-Star that her husband was enroute to Indianapolis to meet with his attorney. She said Burke will be available to comment later today after he has learned more about the ruling. A 59-page court document released today seems to indicate a special election may be necessary.



Souder, Pence divided on auto bailout

WASHINGTON - The auto industry, from the General Motors Corp. truck plant to the manufacturer that supplies bolts, is such a key part of the northeast Indiana economy that Rep. Mark Souder, R-3rd, said he's sympathetic to a government rescue plan (Fort Wayne Journal Gazette).

Other Hoosier lawmakers say they are not necessarily opposed to helping the sputtering U.S. automakers, but they are skeptical. Souder estimated that 75 percent of all manufacturing in northeast Indiana is tied to the auto-, truck- and RV-making sector. His support depends on what the proposal is, Souder said of legislation the House might be presented next week in a lame-duck session. "But based on my district, I'm a 'lean yes,'" he said Wednesday. Rep. Mike Pence, R-6th, said he's not an absolute "no" on a proposal to help the industry, "but I don't believe we can bail our way out of a failing economy." He said he would listen to the argument for a loan to GM, Ford and Chrysler, but he is "very hesitant" to use any of the \$700 billion financial-sector rescue money to help the auto industry.

Daniels sees 'good money after bad'

WASHINGTON - In Washington to accept Governing Magazine's to governor award, Gov. Mitch Daniels said that with an auto-industry rescue plan, Congress is "in very serious danger of sending good money after bad." He noted that although the auto industry is a significant portion of Indiana's manufacturing base, more Hoosiers work in the Honda and Toyota assembly plants than in the plants of U.S. automakers. Daniels said it would be "terribly sad" if GM went bankrupt, "but throwing taxpayer money at it won't make it work."

Obama may appoint auto czar

CHICAGO - President-elect Barack Obama has raised the idea of appointing a so-called "auto czar" to oversee emergency federal aid to automakers, exact tough corporate reforms and ensure taxpayers earn a return on any investment in the auto industry (Detroit News). The Obama

transition team hasn't identified who the car czar would be, but the president-elect has three auto advisers. They are economic adviser Jason Furman, Georgetown University law professor Dan Tarullo and Joshua Steiner, a former Clinton Treasury official, but none of them have emerged as the point person on autos yet.

Indiana jobless fund called insolvent

INDIANAPOLIS - Indiana is one of five states whose Unemployment Insurance Trust Fund is insolvent, according to a recent report on the preparedness of the nation heading into what could be a severe recession (Fort Wayne Journal Gazette). The fund is financed through taxes paid by businesses and provides unemployment payments to Hoosiers who are out of work through no fault of their own. The National Employment Law Project examined the trust fund balances for all 50 states as of Sept. 30 compared with their average monthly benefit payments over the past 12 months.

Klain to join Biden

WASHINGTON - Indianapolis native Ron Klain has been tapped as chief of staff to Vice President-elect Joe Biden, the Capitol Hill newspaper Roll Call reported today. A spokeswoman for Biden did not immediately respond to a request for comment. Klain, a Washington lawyer who served as Vice President Al Gore's chief of staff, was a top aide to Biden when Biden headed the Senate Judiciary Committee. The North Central High School graduate helped both Biden and President-elect Barack Obama prepare for the campaign legal debates. Klain was Gore's chief legal adviser in the 2000 fight over the presidential vote in Florida and was the central figure in the HBO movie "Recount" where he was played by Kevin Spacey.