

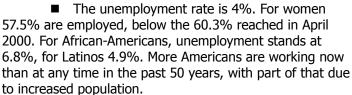
## Gauging Trump's State of the Union

While the economy roars, the president paints a dire picture on a wrong track

#### By BRIAN A. HOWEY

INDIANAPOLIS – And the State of the Union is ...?

With President Trump delivering his third State of the Union address and the final one before Special Counsel Robert Mueller issues his Russia collusion investigation report and the 2020 presidential race begins in earnest, let's look at the metrics:



■ Since January 2017, the U.S. economy created



4.9 million jobs according to the Bureau of Labor Statistics, including 436,000 manufacturing jobs. According to the Washington Post, under President Barack Obama, about 900,000 manufacturing jobs were gained over seven years from the 2010 nadir of the Great Recession. But the num-

Continued on page 4

## Redistricting and reform

#### **By BRIAN A. HOWEY**

INDIANAPOLIS – With Indiana steadily becoming a one-party state, the window is closing on redistricting reform that would need to be in place in 2019 in order to affect the 2021 reapportionment process.



This is a state that up until 2010 had at least one General Assembly chamber majority in play. During the decade following the 2001 maps, congressional seats in the 2nd, 8th and 9th districts changed hands between parties a half-dozen times.

But that all ended in 2011 with the current maps that were sold to legislators and the general public as keeping "com-





"I would say that the experience of a mayor of any city is highly relevant to leadership. It's considerably larger than the number of employees or budget of a Senate office."

- South Bend Mayor Pete Buttigieg, on MSNBC's Meet The Press Daily Wednesday





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munities of interest" together, observing county and school district lines, and "nesting" House seats into Senate seats in the General Assembly.

Since then, not a single congressional district has changed parties. In the General Assembly, Republicans have held super-majorities for three consecutive cycles. With past maps, usually by the fourth or fifth cycles there were large enough demographic changes to erode the intent of the majority party's maps.

In the 2018 Indiana congressional races, Democratic Reps. Pete Visclosky and Andre Carson drew 65% of the vote, as did Republican Rep. Jim Banks, while GOP Reps. Jim Baird, Greg Pence and Larry Bucshon drew 64%. Reps. Jackie Walorski, Susan Brooks and Trey Hollingsworth drew significant pluralities between

55% and 57%. In the only statewide race not influenced by the 2011 maps, U.S. Sen. Mike Braun defeated incumbent Joe Donnelly 50.7% to 44.8%. In 2016, Gov. Eric Holcomb defeated Democrat John Gregg 51.4% to 45.4%. Those two races more accurately reflect the true,

partisan breakdown in our state.

According to data from the Indiana Election Division website, in 2018 congressional races, Republicans carried a composite 55.3%, compared to 44.3% for Democrats and 0.4% for Libertarians. In Indiana House races, Republicans carried 54.7% of the composite vote, Democrats had 44.8% and Libertarians had 0.5%. So in the House, the GOP has 67% of House seats based on that 54.7% of the vote.

The current maps have distinctly skewed toward the GOP. Two newcomers, freshman U.S. Rep. Greg Pence and sophomore U.S. Rep. Trey Hollingsworth are so detached from the traditional process that they rarely do media interviews, take part in campaign debates or joint appear-

ances with opponents or at community forums.

In the down-ballot statewides in 2018, Secretary of State Connie Lawson defeated Jim Harper 56.2% to 40.6%; Auditor Tera Klutz defeated Joselyn Whitticker 55.5% to 41% and Treasurer Kelly Mitchell defeated John Aguilera 58.5% to 41%. Traditionally, however, even with congressional districts and the Indiana House in play, the constitutional offices have held Republican. The lone exception was Democrat Glenda Ritz's 2012 upset of controversial Supt. Tony Bennett. The GOP's Jennifer McCormick recovered that seat in 2016.

**Unlike the two** previous decades when Democratic House majorities and governors approved the statewide maps, the Democratic Party has eroded across the spectrum since

2010. Republicans control 89% of county commissioners; 80% of county courthouse offices; all of the constitutional Statehouse offices; 9 of 11 congressional seats, and 107 out of 150 General Assembly seats. In previous decades, Democrats held legislative seats in rural Indiana and in a couple of dozen county courthouses along the

Ohio and Wabash rivers. That began collapsing in 2010 when Democratic U.S. Sen. Evan Bayh abruptly pulled out of his reelection bid, and the ensuing shuffle involving Democratic U.S. Rep. Brad Ellsworth and State Rep. Trent Van Haaften, ignited a rout. In the next two election cycles, Republicans took control of county seats from Clark to Posey counties and up the Wabash Valley.

Democratic power is now confined to the urban or university counties of Lake, Marion, Monroe and St. Joseph. The party controls only 55 of the 117 mayors' offices in the state.

Republican Chairman Kyle Hupfer makes the case that the Republican brand is so strong in Indiana that it is reflected beyond the legislative and congressional districts and





into local government. Asked in December about redistricting reform, Hupfer said, "I think if you start going and looking at that, you're missing the picture. The election results and us holding these offices are the result, not the cause, in the equation. They are the result of well over a decade, 14 or 15 years now, of us moving strong Republican policy. Hoosiers like what they've seen from the Republican Party. They see recordlow employment, a record amount of job creation last year, Gov. Holcomb is on track to exceed that again in 2018, they feel real good about where the economy is at and the jobs."

**Indiana Democratic** Chairman John Zody found a shallow victory in the net four General Assembly seats in 2018 even though a "blue wave" roared across the nation with Democrats picking up more than 40 U.S. House seats and 350 legislative seats. "Going back to rural Indiana, we're going into municipal elections and we have to protect our Democratic mayors who are running again," he said, resisting the "one-party state" notion. "We'll recruit not just mayors, but city council, town council, clerk-treasurer candidates. That's where people get their feet wet in local government and learn operations. We have a lot of great Democratic mayors across the state and we can build

the bench of the party. We're not a one-party state. We've got plenty of good Democrats elected around the state."

Democrat legislative leaders Tim Lanane in the Senate and Phil GiaQuinta in the House have called for redistricting reform, but the issue didn't make the legislative agendas of Gov. Eric Holcomb, Speaker Brian Bosma and Senate President Pro Tem Rod Bray.

The weak Democratic caucuses are backing SB91 and HB1011 which would create an independent, nine-member redistricting commission. SB91, sponsored by Republican Sens. John Ruckleshaus, Jon Ford and Mike Bohacek, has not received a hearing in the Senate. HB1011, authored by Rep. Jerry Torr, R-Carmel, establishes a redistricting commission. House Bill 1386, authored by Rep. Pat Boy, D-Michigan City; House Bill 1317, authored by Rep. Justin Moed, D-Indianapolis; and Senate Bill 37, authored by Sen. Timothy Lanane, D-Anderson, all do much the same thing.

SB151, as the Statehouse File reported, "would require congressional and state legislative redistricting processes to consider how districts reflect minority voices and to minimize divisions in neighborhoods, public school corporations and other entities that would share common interests." But it leaves control of the maps in the hands of partisan legislators and political consultants who create the computer-generated maps using an array of political





analytics.

Bosma has voiced support for a redistricting commission in past cycles, and as recently as 2017 was co-sponsor for an independent commission, but he has put little of his considerable heft behind any efforts to emerge from the House. Bosma spokeswoman Erin Reece did not respond to HPI questions on the current legislation.

Gov. Eric Holcomb told the IBJ in 2018 that he is "skeptical so far in what I've read" of redistricting reform plans because "there is politics on both sides of this" and he is skeptical that the state could find truly nonpartisan people to draw districts. "It doesn't mean I wouldn't ultimately support" legislation, Holcomb said. "I've seen this not work in other places. We have a process now that's left in the people's representatives' hands."

Asked by HPI if he would support any of the 2019 reforms, his spokeswoman Rachel Hoffmeyer responded, "The governor is sharply focused on his legislative agenda. He'll monitor other legislation as it develops."

Some 25 cities and county councils and boards have adopted resolutions calling for a citizen-led redistricting

commission for Indiana. "Colorado, Michigan, Missouri, and Utah are some of the states that recently enacted redistricting reforms," said Julia Vaughn of Common Cause Indiana. "We have many models to follow, and states like Indiana can otherwise create our own path."

But the ruling power establishment in Indiana appears to be defending its dominant position. The notion that competitive congressional and General Assembly districts being carried by credible and adroit candidates and campaigns advocating good and popular policy in this traditional red state isn't enough.

Simply put, redistricting reform prior to 2021 is in precarious condition.

The question for Gov. Holcomb, Speaker Bosma and President Bray is whether their first duty is to the Republican Party, or to the citizens of Indiana who traditionally have had access to a viable, two-party system.

As for Indiana Democrats, leaders (many who have been on the Central Committee for decades but have shouldered little accountability for becoming a party approaching the Libertarian threshhold), the question for them is whether they are up to the task of becoming a viable political party. At this writing, there is little evidence they are, and whether they could even take advantage of altruistic majority leaders who understand the value of a true, two-party system. •



### State of the Union, from page 1

ber of manufacturing jobs is still nearly one million below the level at the start of the Great Recession.

- President Trump said Tuesday night, "Wages are rising at the fastest pace in decades." According to the Labor Department's Employment Cost Index for civilian workers, wages rose 3.1% in 2018. According to the Census Bureau, median wage increase is about 75% since 1974 for those 65 years and older, about 28% for ages 55-64, 17% for those 45-54, about 5% for ages 35-44, and flat for ages 25-34. The Millennials are not happy campers.
- President Trump said, "The lawless state of our southern border is a threat to the safety, security and financial well-being of all Americans. We have a moral duty to create an immigration system that protects the lives and jobs of our citizens." Border apprehensions stood at 1.6 million in 2000, declining to 400,000 in 2018. According to freshman Texas U.S. Rep. Dan Crenshaw, border agents have told him they apprehend about one in three people attempting an illegal crossing.
- The President said he wants to increase legal immigration. According to Politico, the number of visas for temporary stays in the U.S. fell 13% in fiscal year 2018 compared to 2016, the last full year under President Obama. Immigrant visas, which allow a person to apply for a green card, dropped by 14% over the same period. According to

the State Department, F-1 student visas fell to 363,000 in fiscal year 2018, a 23% decline from fiscal year 2016.

- Americans without health insurance were about 18% in 2013, fell to 11% in 2017 and were 13.7% in 2018.
- U.S. life expectancy has dropped two consecutive years, to 78.7 years, which is 1.5 years lower than the

life expectancy of developed nations that include Canada, Germany, Mexico, France, Japan and the United Kingdom.

■ The Centers for Disease Control and Prevention said that a total of 63,000 people died from drug over-

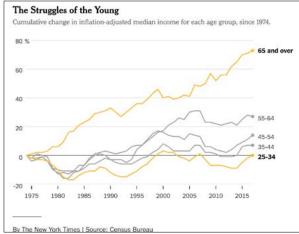
doses in 2016, up 21% from 2015. Opioid-related overdoses surged 28%, killing 42,249 people, mostly in the 25-to-54 age group. In 2017, some 1,852 Hoosiers died of drug overdoses for a death rate of 29.4 per 100,000, well above the 21.7 per 100,000 national average.

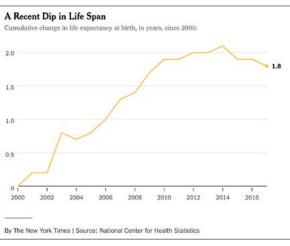
- The U.S. birthrate dropped 2% between 2016 and 2017, to 60.2 births per 1,000 women ages 15 to 44. It continues a downturn that started with the Great Recession of 2008 and represents the lowest fertility rate in 30 years.
- The U.S. abortion rate is in freefall, declining 24%, from 842,855 in 2006 to 638,169 in 2015 according to the CDC.
- According to the U.S. Department of Health and Human Services, in 2016, there were 20.3 births for every 1,000 adolescent females ages 15-19, or 209,809 babies born to females in this age group, which is down 9% from 2015, and down 67% from 1991 when it was at a record high of 61.8 per 1,000.
- Home ownership in the U.S. stood at 64.4% in July 2018, up from 62.9% in July 2016 after reaching an all time high of 69.20% in the second quarter of 2004 and a record low of 62.90% in 1965.
- According to the FBI, the violent crime rate fell 49% between 1993 and 2017; the Bureau of Justice Statistics (BJS) puts the decline at 74% over the same period. Property crime fell 50% between 1993 and 2017 according to the FBI, while BJS reports a decline of 69% during that span. However, even though the data show that violent and property crime rates have declined by double-digit

percentages, a 2016 Pew Research survey showed that 57% of registered voters believe crime in the U.S. had gotten worse since 2008.

- On the right/wrong track, the Real Clear Politics (RCP) composite shows 33.6% believe the U.S. is on the right track, 58.5% say we're on the wrong track.
- President Trump's RCP composite job approval is 41.2% approve, 55.3% disapprove. On President









Trump's 2017 tax reforms, 42.2% approve and 42.2% disapprove. Vice President Mike Pence stood at 41.7% approve, 44.8% disapprove in the RCP composite. Congressional approval stands at 18.3% approve, 71.1%

Polling Data					
Poll	Date	Sample	Right Direction	Wrong Track	Spread
RCP Average	11/9 - 2/2		33.6	58.8	-25.2
Politico/Morning Consult	2/1 - 2/2	1993 RV	35	65	-30
Rasmussen Reports	1/27 - 1/31	2500 LV	31	63	-32
Economist/YouGov	1/27 - 1/29	1313 RV	33	60	-27
IBD/TIPP	1/24 - 2/1	905 A	35	63	-28
Reuters/Ipsos	1/23 - 1/29	2958 A	28	61	-33
NBC News/Wall St. Jrnl	1/20 - 1/23	900 A	28	63	-35

disapprove. Speaker Nancy Pelosi is at 36.7% approve, 49.3% disapprove. Senate Majority Leader Mitch McConnell is at 25% approve, 45.5% disapprove. Senate Minority Leader Chuck Schumer is at 29.4% approve, 42.2% disapprove. Conclusion: Americans don't like their current political leadership.

■ In 1978, mid-term voting participation stood at 39%, rising to 41.1% in the 1994 GOP tsunami, to 41% in 2010, and finally 50.3% last year.

#### **HPI's analysis**

On the basic metrics of employment, a modest increase in wages, relatively low inflation and interest rates

(though the Fed has ratcheted them up three times in the past year), President Trump should be much more popular. It's noteworthy that we are not in a "hot" war, though we have taken casualties in Syria and Afghanistan in recent weeks.

There are troubling statistics with the decrease in life expectancy and birth rates, and the extremely troubling rise in overdose deaths.

It's noteworthy that violent and property crimes are down significantly, but President Trump began his 2016 presidential campaign painting a dystopian view of safety in America, continuing through his Republican National Convention acceptance speech, his 2017 inaugural address and Tuesday's State of the Union. He continually

## TRUCKING DRIVES THE ECONOMY



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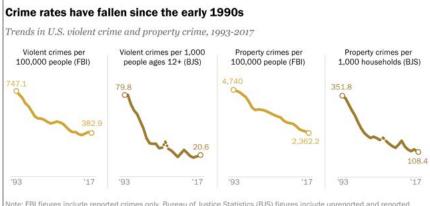


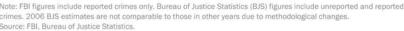


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used words like "horrible" and "terrible" in portraying the threat from immigrants, as well as crime rates.

In his inaugural address, Trump declared that "for too many of our citizens, a different reality exists" before declaring, "This American carnage stops right here and stops right now." In his GOP acceptance speech, he declared, "I alone can fix it."

**On Tuesday night,** Trump rightly projected the economy, saying, "Our country is vibrant and our economy is thriving like never before. On Friday, it was announced that we added another 304,000 jobs last month alone —

almost double the number expected. An economic miracle is taking place in the United States."

But then he shifted to that which is gnawing at his approval, saying, "The only thing that can stop it are foolish wars, politics or ridiculous partisan investigations. If there is going to be peace and legislation, there cannot

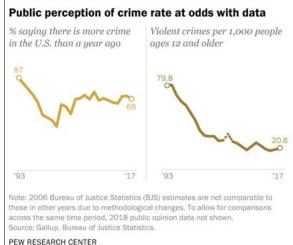
be war and investigation. It just doesn't work that way!"

Some in Congress took that assertion as a threat. From my perspective, he took his chief attribute with the economy and wedded it to the circumstances that are casting deep shadows on his approval, the Russia collusion probe and the array of investigations into his family organization, businesses and inaugural committee conducted by the Southern District of New York.

His best line of the night was, "Great nations don't fight endless wars."

There was that weird moment when he said, "As we work to defend our people's safety, we must also ensure our economic resurgence continues at a rapid pace. No one has benefited more from our thriving economy than women, who have filled 58% of the newly created jobs last year." This brought the white-clad House Democratic freshman class to their feet.

"You weren't supposed to do that," a flustered Trump said. "Thank you very much. All Americans can be proud that we have more women in the workforce than



ever before." As the freshman class continued to cheer, Trump rebounded, saying, "Don't sit yet, you're going to like this. And exactly one century after Congress passed the constitutional amendment giving women the right to vote, we also have more women serving in Congress than at any time before. That's great. Really great. And congratulations."

In making his case for the border wall, Trump put it in the context of an "urgent national crisis" saying, "Congress has 10 days left to pass a bill that will fund our government, protect our homeland, and secure our very

dangerous southern border." He said he had ordered "another 3,750 troops to our southern border to prepare for the tremendous onslaught" and then cast it as a "a moral issue. The lawless state of our southern border is a threat to the safety, security and financial well-being of all America."

**He used El Paso** as his proof point, portraying it "as one of our nation's most dangerous cities." It earned the rebuke of El Paso Sheriff Richard

Wiles, who said, "The facts are clear. While it is true that El Paso is one of the safest cities in the nation, it has never been ... considered one of our nation's most dangerous cities. El Paso was a safe city long before any wall was built. President Trump continues to give a false narrative about a great city that truly represents what this great nation is all about."

That is either bad staff work or ignorance.

Trump warned of "ruthless coyotes, cartels, drug dealers, and human traffickers" and added, "As we speak, large, organized caravans are on the march to the United States." It was a similar tactic he used during the homestretch of the mid-terms, and while he preserved the GOP Senate majority due to the red-state cycle advantage, he saw more than 40 seats lost in the House.

On the tariff front, Trump said he was working on a trade deal with Chinese President Xi while a deadline approaches in March that could see increased tariffs continue to hammer Hoosier manufacturers and farmers. On this front, Trump is clearly on the clock. He also harkened the



"catastrophe known as NAFTA" and invoked "the men and women of Michigan, Ohio, Pennsylvania, Indiana, New Hampshire, and many other states whose dreams were shattered by the signing of NAFTA." But if you talk to Hoosier agriculture and manufacturing

leaders, NAFTA is considered a net positive. They are relieved that Trump evolved NAFTA into a new trade accord with Canada and Mexico.

**In the final portion** of his speech, Trump curried favor with his evangelical base by criticizing the current New York abortion law and lauding his decision to move the U.S. embassy in Israel from Tel Aviv to Jerusalem.

On the foreign policy front, he announced a Feb. 27-28 summit in Vietnam with North Korean despot Kim Jong Un. He denounced "socialism." And he advocated what is essentially a new arms race with the Russians after pulling out of the INF Treaty late last week.

"While we followed the agreement to the letter, Russia repeatedly violated its terms," Trump said. "It's been going on for many years. That is why I announced that the United States is officially withdrawing from the Intermediate-Range Nuclear Forces Treaty. We really have no choice. Perhaps we can negotiate a different agreement, adding China and others, or perhaps we can't — in which case, we will outspend and out-innovate all others by far." That decision has brought alarm from experts on U.S./Rus-

sian relations such as former Sens. Richard Lugar and Sam Nunn, who spent decades working to limit nuclear, biological and chemical weapons across the globe (See page 9).

The White House tried to set expectations for an address seeking "bipartisanship" and "comity." With a second shutdown looming in just days, Senate Republicans sounding alarms and warning him not to declare a national emergency over the southern border (which he didn't Tuesday night), and Trump's penchant for the "art of the deal" missing in action, this address could be seen as a missed opportunity by the president to burnish the good economy and relative security in the minds of voters and secure a deal to keep the federal government open.

We shall know soon enough. .



## **Trump and Coats**

#### By BRIAN A. HOWEY

INDIANAPOLIS — The last time I was with Dan Coats, we had breakfast at the Republican National Convention in Cleveland. He looked and sounded like a man ready to retire and enjoy his grandkids. He had been a public servant since 1980, his career taking him through the U.S. House, Senate and abroad as ambassador to Ger-

many; he took that post just hours before the Sept. 11, 2001, terror attacks.

Coats was a late supporter of Donald Trump. He and his wife, former Republican National Committeewoman Marsha Coats, had concerns about candidate Trump. Marsha wrote Trump a letter, hand-delivered by her husband, and at a subsequent appearance in Fort

Wayne, Trump "sought her out," the senator said. Trump promised, "Marsha, I will not let you down." This Donald Trump listened and asked questions.

**But Coats understood** the political attraction of Trump, awed that he could draw 20,000 people to an arena. As for Trump's style, Coats told him, "If you change your speech, you might draw 250 people. I think you really

need to be Donald Trump, but what I see now is a Donald Trump who listens and asks questions."

Coats didn't retire at the end of 2016. By appeal from Vice President-elect Mike Pence, Coats became director of national intelligence. He is guardian of the American empire, boss to spies and spooks, assessor of the plethora of threats we face and our ardent defender.

**His complicated relationship** with President Trump conspicuously came to a head last July when Trump met with Russian President Putin alone for two hours.



Asked if he believed U.S. intelligence services or Putin over whether the Kremlin assaulted the 2016 U.S. election, Trump responded, "My people came to me, Dan Coats and others, they said they think it's Russia. I have Putin, he just said it's not Russia. I will say this, I don't see any reason why it would be. I have great confidence in my intelligence people. But I will tell you President Putin was



extremely strong in his denial."

Appearing before a congressional hearing Tuesday with FBI Director Christopher Wray and CIA Director Gina Haspel to assess threats facing the United States, U.S. Sen. Ron Wyden asked Coats if knew what Trump and Putin talked about. "This is a sensitive issue and an issue we ought to talk about this afternoon and discuss in a closed session," Coats responded.

When Coats testified about the threats facing America, he, Wray and Haspel contradicted Trump on an array of fronts. The president has said that North Korea is no longer a nuclear threat, ISIS has been defeated, and Iran is defying its nuclear agreement.

What were Coats' assessments?

"We assess that foreign actors will view the 2020 U.S. elections as an opportunity to advance their interests," Coats said of Russia. "We expect Russia will continue to wage its information war against democracies and to use social media to attempt to divide our societies. The Kremlin has aligned Russia with repressive regimes in Cuba, Iran, North Korea, Syria, and Venezuela, and Moscow's relationship with Beijing is closer than it has been in many decades."

Has ISIS been defeated? "Remaining pockets of ISIS and opposition fighters will continue to stoke violence," Coats said. "The conflicts in Iraq and Syria have generated a large pool of skilled and battle-hardened fighters who remain dispersed throughout the region."

Is North Korea no longer a nuclear threat? "We currently assess that North Korea will seek to retain its

WMD capabilities and is unlikely to completely give up its nuclear weapons and production capabilities, because its leaders ultimately view nuclear weapons as critical to regime survival," Coats said.

Is Iran in violation of the denuclearization accords? Coats explained, "We do not believe Iran is currently undertaking the key activities we judge necessary to produce a nuclear device."

For those of you who won-der what the big

deal is with the weird and troubling Trump/Putin relationship, hours after Coats testified, the Financial Times reported the two met alone (with just a Russian translator) at the G20 Summit in Buenos Aires, with video emerging of the two hand-signaling each other at dinner.

Coats offered this kicker: "We assess North Korea, Russia, Syria, and ISIS have all used chemical weapons over the past two years, which threatens international norms and may portend future use."

And about that "emergency" of the "caravan" in Mexico, Coats did not describe a dire threat as Trump and Vice President Mike Pence have. "High crime rates and weak job markets will continue to spur U.S.-bound migrants from El Salvador, Guatemala, and Honduras," is how Coats put it.

Following his testimony, Trump tweeted, "The Intelligence people seem to be extremely passive and naive when it comes to the dangers of Iran. They are wrong! Perhaps Intelligence should go back to school!""

My final thought? Dan Coats is anything but passive and naive. He is learned and connected. He has a firm grip on the danger that surrounds us and, potentially, dangers that threaten us from within. I'll repeat what I said in a column last July: We should all be thankful Dan Coats is where he's at and pray that he stays there for the next two years. ❖

The columnist is publisher of Howey Politics Indiana at www.howeypolitics.com. Find him on Facebook and Twitter @hwypol.





# Lugar, Nunn see INF pullout as 'misguided'

#### By BRIAN A. HOWEY

INDIANAPOLIS — The "doomsday clock" of the Bulletin of Atomic Scientists remains at two minutes to midnight. For most Americans, the yellow and black bomb shelter signs that used to adorn public buildings have disappeared and school students no longer cower under their desks during nuclear drills, practicing "active shooter"

exercises instead.

But according to former senators Richard Lugar and Sam Nunn, along with other Cold War veterans and nuclear experts, President Trump's decision on Friday to pull out of the Intermediate **Nuclear Forces Treaty is** "gravely misguided," in Lugar's words. "Withdrawing will not make us safer, it will rob us of leverage essential to our own security and power," the former Senate Foreign Relations Committee chairman said in October, "It will foolishly play into the hands of Russian propagandists by focusing global attention

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Sen. Richard Lugar and Sam Nunn with Rosatom Director Sergey Kiriyenko, the former Russian prime minister, in Moscow in 2007. (HPI Photo by Brian A. Howey)

on our rejection of the treaty instead of Russian violations. And it will make the world a more dangerous place."

In announcing the pullout, Secretary of State Mike Pompeo explained that Russia has been in violation of the INF, a fact recognized by Presidents Clinton, Bush43 and Obama. "We provided Russia an ample window of time to mend its ways and for Russia to honor its commitment," Pompeo said. "Tomorrow that time runs out. Russia has refused to take any steps to return real and verifiable compliance over these 60 days. The United States will therefore suspend its obligations under the INF Treaty effective February 2."

**Asked for comments** in wake of Trump's decision, The Lugar Center referred back to the former senator's Oct. 25, 2018, statement. "Withdrawing from the treaty will not force Moscow into compliance," Lugar said. "Just the opposite will occur. We will open the door to a renewed Russian build-up of intermediate-range nuclear weapons. That would pose a far greater strategic threat to us and our allies than this violation, which gives Russia no military advantage."

In a letter to President Trump dated Nov. 7, 2018,

Lugar and Nunn, former Defense Sec. William Perry and former Secretary of State George Shultz urged the president to "direct your team to redouble efforts to negotiate technical solutions to U.S. (and Russian) compliance concerns. A senior adviser to President Putin has said that Russia is still ready to address "mutual grievances' related to the treaty. We urge you to pursue this option."

**Nunn, who along with Lugar** drafted the 1991 Nunn-Lugar Cooperative Threat Reduction Act in an effort to contain a decaying nuclear arsenal after the collapse of the Soviet Union, in an op-ed article of Ernest Moniz of the Nuclear Threat Initiative, called the Pompeo comments the

> "latest wake-up call that relations between the world's nuclear superpowers are dangerously off the rails."

According to Nunn and Moniz, the "foundation of decades of nuclear dialogue" has disappeared. "Today, many of those mechanisms have atrophied," they write. "The relationship between the U.S. and Russia is fraught and communications are feeble. Western sanctions placed on Russia in response to Vladimir Putin's acts of aggression have further frozen relations, special counsel Robert Mueller's investigation into Russian interference in America's 2016 elections continues to

roil American politics, and Donald Trump's administration is imperiled if it touches anything related to Russia."

**Joseph Cirincione, a nuclear** weapons policy expert and president of the Ploughshares Fund, writes in a Washington Post op-ed that National Security Adviser John Bolton pushed Trump toward the INF suspension. "America will pay a high price for this rigid ideology," Cirincione said of Bolton's long history of opposing nuclear arms treaties. "President Trump walking out of Reagan's treaty is a gift to Russian President Vladimir Putin. It doesn't fix the problem; it makes it worse. Now, there will be no restraints whatsoever on Putin's ability to deploy hundreds of missiles, should he desire. The United States will likely be blamed for the collapse of the treaty, widening the split within the North Atlantic Treaty Organization. Europeans are already shaken by the U.S. withdrawal from the Paris climate accord, the Trans-Pacific Partnership and the Iran nuclear deal. This will increase their doubts about U.S. commitment to their security."

Cirincione adds, "All this plays into Putin's hands. It raises serious questions about whether Putin and Trump discussed this in any of their five secretive meetings.



Whatever Bolton's ideological agenda, this is certainly helping, not hurting, Putin's Russia."

At a congressional national intelligence briefing last Tuesday, National Intelligence Director Dan Coats was asked about whether he knew what Trump and Putin discussed alone for two hours last July in Helsinki, and at four other meetings between the two with no top aides present and no readouts. "This is a sensitive issue and an issue we ought to talk about this afternoon and discuss in a closed session," Coats responded.

In addition, the threat of cyberespionage and hacking have the potential of compromising command and control mechanisms of all nuclear powers. A new arms race on top of that compounds the danger. "Military technologies are advancing rapidly, and the risk that cyberattacks could target nuclear warning and commandand-control systems is ever-increasing," Nunn and Moniz explained. "The threat of catastrophic terrorism has greatly increased nuclear dangers. Meanwhile, U.S. and Russian military forces are again operating in close proximity, with increased chances that an inadvertent collision — or a deliberate act of aggression, accident, or terrible miscalculation — could lead to the fatal use of nuclear weapons for the first time in nearly 75 years.

"The U.S. and Russia are sleepwalking toward a nuclear disaster, and America's best hope of avoiding catastrophe is reengaging with Russia now — with Congress taking the lead," Nunn and Moniz explain.

In December 2015, candidate Trump didn't know what the term "triad" (nuclear armament via aircraft, submarines and silos) meant. Pressed during a debate by conservative commentator Hugh Hewitt on the concept, Trump responded, "I think we need somebody, absolutely, that we can trust, who is totally responsible, who really

knows what he or she is doing. That is so powerful and so important." When Hewitt followed up asking which "of the three legs of the triad" was Trump's priority, Trump responded, "For me, nuclear, the power, the devastation, is very important to me."

As a candidate, Trump also asked foreign policy experts why the U.S. couldn't use its nuclear arsenal.

#### The news isn't all

bad, however. Trump and North Korea despot Kim Jong Un have gone from comparing nuclear button sizes in 2017 to becoming BFFs and "in love," as the American president put it. They summit on Feb. 27-28 in Vietnam. In the summer of 2017, both U.S. Sens. Joe Donnelly and Todd Young were talking about "wrapping our minds" around a potential nuclear conflaguration. •



# Biden's praise for a Republican!!!

#### By JACK COLWELL

SOUTH BEND – Joe Biden, a Democrat, said something nice about Fred Upton, a Republican. How dare he! So, does that rule out Biden as the 2020 Democratic presidential nominee?

You would think so if you read the New York Times story detailing what Biden said in Benton Harbor, Michigan,



last year. The article suggests that "the episode underscores his potential vulnerabilities in the fight for the Democratic nomination and raises questions about his judgment as a party leader."

I don't know if Biden will run or whether he could win. That's not the point.

The point is that daring to praise a Republican, even amid the partisan hatred in our election campaigns,

shouldn't rule out Joe Biden or anybody else, especially when the praise was for bipartisan cooperation.

Nancy Jacobson, co-founder of No Labels, a group encouraging problem solving rather than eye gouging in Congress, said of the "breathlessly reported" tale of bipartisan language: "This sad little vignette exemplifies exactly what is wrong with American politics today."

The facts as reported in The Times story are accurate. No fake news. It's the interpretation that's sad. Here are the facts:

The former vice president had words of praise for Upton, the veteran Republican congressman from Michigan's 6th District, in a speech to the Economic Club of Southwestern Michigan, a group that has brought presidents, world leaders and stars from the entertainment field and national news media for speeches in Michiana.

**He commended Upton** for key promotion of a bipartisan medical-research law for the fight against cancer and called the congressman, who often has worked on bipartisan efforts, "one of the finest guys I've ever worked with."

The speech was just three weeks before the election last fall. Upton was in a tough reelection race that he won. Biden didn't endorse Upton for reelection. He just said nice things about Upton's work on the medical-research legislation that was important personally to Biden after the death of his son, Beau, from cancer. Nor did the former vice president respond later to Democratic requests for a public endorsement of Matt Longjohn, Upton's opponent.



Upton, of course, cited Biden's words of praise in his campaign.

It certainly helped Upton. Some. He had endangered his long-time image of a moderate willing to compromise as he sought and obtained a powerful House Republican chairmanship and used it to push relentlessly for destruction of the Affordable Care Act. Biden's kind remarks brought to mind Upton's bipartisan side. But Upton won by 4.5%, surviving the powerful blue wave in Michigan. And Biden's few words couldn't have built up a margin like that.

**Longjohn didn't like it.** Of course. He had a right to be displeased.

There is no indication, however, that Biden was seeking in his praise for bipartisanship to help defeat Longjohn. At the time, virtually all political projections were for another win by Upton, long popular in the district. There is no indication that Biden was looking to impact the 6th District race.

But that's not the point. Biden responded with characteristic humor. "I read in the New York Times today . . . that one of my problems if I run for president (is) I like Republicans," Biden said. "Well, bless me father for I have sinned."

**He made clear that he** doesn't regard "bipartisan" as a dirty word and doesn't regard all Republicans as evil. He likes some.

A Biden spokesman stressed that the former vice president "believes to his core that you can disagree politically on a lot and still work together in good faith on issues of common cause – like funding cancer research."

Point well taken. It's a point that the eventual Democratic nominee, whether Biden or one of many other prospects, could use to create a contrast with President Trump and to draw votes. •

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



# Mayor McDermott's art of the deal

#### By RICH JAMES

MERRILLVILLE – Talk about the art of the deal. No, this one doesn't involve Donald Trump. Instead, it's Hammond Mayor Thomas McDermott Jr.



McDermott may have let the cat out of the bag the other day when talking about the potential site for a Lake County convention center.

The possibility of a convention center has been bandied about for at least a decade. Most of the focus has been to build such a facility near Interstate 65 and U.S. 30 in Merrillville.

It is at that intersection that the late Dean White operated the Radisson Hotel and Star Plaza

Theatre. White was the wealthiest man in Indiana. Since his death, his hotel and theatre have been razed. Plans are in the works by White's heirs to build a new complex on the property.

**It was because of White** that Speros Batistatos was named president and CEO of the South Shore Convention and Visitors Authority many years ago.

Because of his dedication to White, Batistatos never let talk of a convention center stray from I-65 and U.S. 30.

McDermott, who always is looking for publicity,

spilled his guts during his recent State of the City address. McDermott said he and Batistatos are working on a deal to have a convention center built on the Hammond/Highland line along Interstate 94. "Speros and I are working on a big project that will not cost taxpayers. It's a great idea. We're making a deal on this," McDermott said. "I am all in. I am all in."

McDermott said the idea is to use legislation that was created when his father was Hammond mayor. "And we are going to try to tap into this and do something special," McDermott added. "You'll be hearing more about this as it scoots down the line."

**Not so fast, Batistatos** said, adding that the two are in the early stages. "I want to be clear, this is not a done deal," Batistatos said. "We are very excited about the project, but funding is starting to become the critical discussion point." Batistatos added that he has been talking to several area mayors about the possibility of a convention center.

A feasibility study that evaluated nine sites was completed last August. The key issue with any of the sites has been financing.

There long has been a push to use a county food and beverage tax as the main source of money. Many of the convention centers in the state are funded in that manner. But, the Lake County Council, which would have to enact the tax, is pretty much in opposition.

McDermott said he would like to use sales tax increment financing, which would be less invasive than a food and beverage tax.  $\diamondsuit$ 

Rich James has been writing about politics and government for 40 years. He is retired from the Post-Tribune, a newspaper born in Gary.



# Could Mayor Pete win the Indiana primary?

#### By BRIAN A. HOWEY

INDIANAPOLIS – If South Bend Mayor Pete Buttigieg builds a viable presidential campaign and somehow lasts until the May 2020 Indiana primary, would he carry the state? My initial answer: Perhaps.

Mayor Pete is attempting a political trajectory that is completely untraditional for a presidential hopeful. Most



candidates build up a statewide organization as a power base, or at least in a major urban area like Barack Obama did in Chicago, and then attempt to extrapolate it into a national context. But that is not the case with Buttigieg.

He was seen as a rising star when Indiana Democrats nominated him to run statewide for treasurer in 2010. He took on an ascendant Republican incumbent Richard Mourdock, who was already making plans to challenge U.S. Sen. Richard Lugar in 2012. Mourdock was a persistent presence in the unfolding Tea Party movement, traveling statewide to build up his base.

Mourdock pasted Buttigieg, 62.5% to 37.5%. It

wasn't too damaging to the Rhodes Scholar. His ticket mates, Vop Osili for secretary of state and Sam Locke for auditor, only polled 37%. Democrats had little success winning the statewide constitutional offices since the 1990s when Pamela Carter and Jeff Modisett won attorney general races (both had the advantage of running under a Democratic governor). In Modisett's case, he won the year of Gov. Frank O'Bannon's 1996 upset and had served as prosecutor of Marion County in Indiana's largest media market.

Buttigieg parlayed his 2010 statewide run into an overwhelming victory in the 2011 South Bend mayoral race, emerging from a crowded Democratic primary to win the general with 80%-plus of the vote. As mayor, he dominated the South Bend/ Elkhart media market, which ranks 95th in the nation (with 319,000 homes with TV) but covers less than 10 counties in Indiana. Prior to his runs for state treasurer and mayor, Buttigieg had interned for Jill Long Thompson's 2nd CD campaign in 2002 and later served as an adviser to her 2008 gubernatorial campaign.

It's worth noting that South Bend Democrats in the television era have rarely projected themselves statewide. Sen. Dick Bodine lost the 1968 gubernatorial nomination, as legend has it, when some of his local delegates opted for the hotel pool as opposed to the convention floor. The most conspicuous South Bend politician was Gov. Joe Kernan, who joined Frank O'Bannon's ticket in 1996 and served as lieutenant governor, but in late 2002 opted out of the 2004 gubernatorial race after a dispute with O'Bannon over the selection of Peter Manos as state Democratic Party chair. Manos was indicted and resigned, then O'Bannon died in September 2003 and Kernan re-entered the race, only to become the first incumbent governor to lose, in 2004 to Mitch Daniels.

As for statewide networking, Buttigieg was a popular presence with Accelerating Indiana Municipalities (AIM) and has a potential network of some 55 Democratic mayors who know him. But as for building a statewide brand, that's a route the mayor bypassed. He was not featured as a Jefferson-Jackson Dinner keynoter. Nor did he establish a presence as a campaigner for Democrats across the state in the way that John Gregg has lately and others like Evan Bayh and Frank O'Bannon did to build up a statewide organization.

As Democratic minorities in the General Assembly diminished into super-minority status, along with the atrophy of Democratic officials at the county level during the popular governorships of Mitch Daniels and now Eric Holcomb, Buttigieg was often on the list of potential gubernatorial and congressional prospects. But he had no desire to serve in Congress, and, as a gay man in Indiana,

saw little prospect of becoming a viable challenger to Holcomb.

While the Indiana Democratic Party has come a long way since its Copperhead era during the Civil War, there remains a level of intolerance on both the racial and LGBT fronts. When U.S. Rep. Baron Hill endorsed Barack Obama for president in April 2008, he was shocked at some of the criticism from Democrats in his 9th CD. Obama lost that primary to Hillary Clinton (which had the support of the Bayh machine) but won the

Mayor Pete Buttigieg

(D) SOUTH BEND

MAYOR PETES 2020 PITCH

POWERHOUSE

BORDER TALKS STALL AGAIN

state that November by just 1%.

In the late 1990s, a number of prominent General Assembly Democrats supported efforts to declare marriage between a man and woman, as well as a pro-life wing that included Democrats like Gregg and Sen. Joe Donnelly. The party has come a long way from the 1990s to 2014 when the U.S. Supreme Court made same-sex marriage legal. But as with race, the notion of a gay official is still an uncomfortable concept in some warrens around the state.

There has been a dissonance between the longentrenched Democratic establishment and voters. The most glaring example was the party hierarchy backing Hillary Clinton in 2016, while Socialist Sen. Bernie Sanders won the primary with 53%. So, Hoosier Democrats



are a dysfunctional bunch without a clear and widespread progressive streak, as evidenced by Sen. Joe Donnelly's unsuccessful reelection bid that angered some progressives. In the Bayh/O'Bannon era, successful statewide Democrats have been "Conservative Lite." Buttigleg is cut from a different philosophical cloth.

If your home state doesn't afford you a realistic shot at winning a gubernatorial or senatorial race, what's a politician to do? Run for Democratic National chairman

or president, with a potential shot of a cabinet post as a consolation prize, as Buttigieg is doing today.

Widely considered a long shot, let's say that Mayor Pete catches fire the way Jimmy Carter did in 1976 or Bill Clinton did in 1992. Remember, this is the Trump era where "anything can happen." Most likely by May of 2020, only two or three contenders will remain. Could Buttigleg carry his state in a hypothetical race with say, former vice president Biden or (pick one) Sens. Kamala Harris or Amy Klobuchar?

We give it that emphatic "perhaps." There would be the notion of coalescing around a native Hoosier, as Republicans did with Abraham Lincoln in 1860 at a time when many perceived him as an uncouth country lawyer.

South Bend Tribune columnist Jack Colwell told HPI, "I think it's impossible to tell now whether Pete would carry Indiana in the primary. He must do well in the first tests, especially Iowa, to have a chance to move on as a serious contender and be viable by the time of Indiana. Do well? Can't set a percentage yet, but when the field is set and Iowa polls start coming out, we can look at possible percentages for survival. If he were a top contender by the time of Indiana – a long short, of course – he would do well here."

Buttigleg passed on building a brand across Indiana, working the Jefferson-Jackson circuit or major media markets leading up to his current exploratory committee, which will now focus on Iowa, New Hampshire, South

Carolina and other early primary

states.

#### **Buttigieg discusses** socialism on MTP Daily

Mayor Buttigleg appeared on MSNBC's Meet The Press Daily Wednesday. Host Chuck Todd asked him about President Trump's vow against "socialism" during his State of the Union address, Buttigieg responded, "Socialists in this context has become more of a name for name calling than

an actual concept. Generations view this differently and for my generation, that remark is incredibly out of touch. I understand for an older generation living through the Cold War, when socialism was associated with communism and communism was associated with totalitarism, calling something socialism could be a killswitch and shut down any debate with any idea that would have merit. I think my generation just wants to know if an idea is good and asserting that something is socialist, which is something

> they did even for basic conservative market-oriented ideas like Obamacare. That spell cannot be cast on our generation because we don't live in a time when you have capitalism and democracy on one side and socialism and communism on the other. My generation is just grappling with the ways where capitalism and democracy are coming into tension with each other."

Todd asked, "Is capitalism broken?"

Buttigieg answered, "I

come from the industrial Midwest. I'm from a city that has experienced horrible blows from what happened from the economic change over recent decades but also is finding its way to a different future. What we've learned is the system is not working. To put it another way, if the system were working for everybody, we wouldn't be here. We wouldn't be in a situation economically where we have the income inquality that we have today and frankly we wouldn't be in a situation politically where the current president could get elected. Clearly something is broke. Something is broke in our economy, and something is broken in our democracy and we have to shore both of those up. Not by nibbling around the edges, not by looking in the past, but finding arrangements that will serve people well in our every day lives."

Todd asked how a mayor of a city of 100,000 people with a budget of \$380 million and 1,000 employees can make the jump to running a country with a \$4.4 tril-



ONE-ON-ONE WITH MAYOR PETE BUTTIGIEG

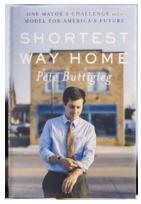


lion budget and several million employees?

"There is no way to have less experience than this president," Buttigieg resoponded. "I would also say that the experience of a mayor of frankly any sized city in America is highly relevant to executive leadership. You know those numbers you just cited, hundreds of millions of dollars every year I have to oversee, over a thousand employees, obviously it's a leap to the federal government. It's also considerably larger than the number of employees or the budget of a Senate office. You could be a very senior senator and never managed as many people as a mayor or a relatively small community. When it comes to executive leadership, I have not only more government service than the president, but I have more years of executive experience than the vice president, and more war time military experience than anybody to walk into the Oval Office on the first day of the job since George H.W. Bush. Everybody is coming into this office with a different level of experience. Look, there's something a little audacious, a little obscene of any mortal thinking they belong in that office. People have risen to the office time and time again."

#### **Buttigieg heads to Iowa; book coming**

Buttigieg is heading to Iowa this week to continue his exploration of a Democratic presidential candidacy. On Friday, he will conduct a meet and greet at the Cafe Diem in Ames, another at Iowa State University, a third at the Drake Community Library in Grinnell and, at 6:15 p.m., another at Ankeny. On Saturday, he will head to Johnston for a 10:30 a.m. house party hosted by the Syroka family. Buttigieg's book, "Shortest Way



Home: One Mayor's Challenge and a Model for America's Future" will go on sale nationwide Feb. 12.

#### A week of 'extremes' for Buttigieg

Mayor Buttigieg described his week of "extremes" in an email to supporters, detailing his presidential exploratory kickoff, the death of his father, and the brutal weather that descended on his city. He said he was "amazed by the immediate, positive response" to his decision to seek the presidency. "These are not ordinary times, and the truth is that there's audacity in anyone who believes they could belong in the Oval Office, yet everyone to hold the office has been a human being," Buttigieg said. "No one has superpowers in the real world. What matters is your ideas, your experience and what you bring to the table. And what I have to offer is not like the others." After addressing the U.S. Conference of Mayors in Washington, he rushed back to South Bend. "I cut my trip short and headed home that night because my father was in the

hospital and losing his battle with cancer," the Democratic mayor said. A "few days earlier we had been celebrating my birthday with him and Mom at their house. Now he was in intensive care. It was time to get back to Dad. When I got to Dad's bedside, all he wanted to hear about was the trip to Washington and the launch. He was proud and excited. But we were also facing the crushing reality that he was not going to make it. In the end he couldn't speak, but when we were getting ready for the end on Sunday morning he wrote us one last note: 'It's been a good trip.' Later that day he passed away, surrounded by family, with Mom and me holding his hand." Finally, there was the polar vortex. "In 2016, South Bend experienced 'a 1,000-year rainfall event.' Then, the next year, a '500-year river flood.' Now, a polar vortex is engulfing the region with dangerous record-breaking cold temperatures," he said. "Supposedly once-in-a-lifetime climate events are beginning to feel routine. For a mayor, this means emergency preparation and response, more often than ever. More and more conference calls, incident plans, more time urging residents to take steps to keep safe."

#### Mayor Pete backs single-payer

Buttigieg was on ABC's "This Week" Sunday, and the mayor said Democrats need to get more comfortable talking about freedom. He said the discussion has to be about more than freedom from issues, like regulation and government (WIBC). "When we talk about freedom, I think Democrats need to get more comfortable getting into that kind of vocabulary," he said. "Conservatives care a lot about one kind of freedom, and it's 'freedom from.' Freedom from government, freedom from regulation. Certainly in my lifetime there are many things, besides government, that can make you unfree." He was asked about his stance on healthcare in the wake of controversial comments made by Democrat presidential candidate Sen. Kamala Harris of California last week. Harris said she believes in doing away with private health insurance companies in an effort to expand access to health insurance. Buttigleg, who said he is for a "single-payer" health insurance system, said private insurance companies should still be allowed to play a role in the country's healthcare system, whatever system that ends up being. "I studied in the UK, where there's not only single-payer, but nationalized medicine, which we are not calling for," Buttigieg said. "Even there, there is a role for the private sector. I just don't believe leaving Americans to the tender mercies of corporations is the best way to organize the health sector in this country."

#### **Nation**

#### Schultz to speak at Purdue

Former Starbucks CEO Howard Schultz is making a stop at Purdue University to deliver a speech as he weighs a presidential bid in 2020. The 65-year-old Seattle billionaire is scheduled to speak at 1 p.m. today at Fowler Hall in



Purdue's Stewart Center. There's limited space in the 388seat Fowler Hall for Thursday's speech, but a livestream will be shown at Purdue's Loeb Playhouse, which is open to students, faculty, staff and the general public.

#### Kasich speaks at DePauw

"It's up to us, not somebody else," John Kasich said of moving beyond the divisive politics in modern America. "And I can tell you this," the former governor of Ohio and two-time candidate for president of the United States declared last week in an Ubben Lecture at DePauw University. "If you work with others (and) become part of a large mosaic that can unify us rather than divide us, we'll restore the soul of our country."

In a speech that was heavy on life advice and light on politics, Kasich noted, "The fact is that people are fed up with all of this division and anger and hatred. We are fed up with, and we've gotta stand up against it  $\sqrt{}$  each and every one of us, whenever we can."

As he took the stage at DePauw's Kresge Auditorium 17 days after finishing his second term as Ohio gov-

ernor, Kasich said, "Tonight probably a lot of people came here to talk about politics," Kasich said as he walked the stage. "Politics bores me. Let me just say that there are so many people who are worked up – some are worked up about Donald Trump, some are



now worked up about Nancy Pelosi – we wring our hands and we even had times when Trump was first elected that families couldn't even have Thanksgiving dinner together because they were yelling at one another. And I want to just bring something to your attention: Do those people really matter that much to you? I mean, in your daily life living here in this sweet, sweet town and this wonderful school – and I'm not just saying it, I really mean it, these are some of the nicest people I've met here today – does it really matter how the president of the United States or some other big time leader is affecting you?"

He continued, "Most of the time they don't. You know what does affect you? ... You're motivated by the people you are around. For students, it's like can I get my courses, do I like my teacher, is my professor treating me fairly, how are my roommates, and what's going on at home? Those are the things that really affect us on a day-to-day basis. And you know what's so great about that? It means we have the power ... and somehow in our country we have been losing sight of the fact that we call the tune, not somebody else that lives in a far away place that we will never even see, let alone meet."

Kasich did state, "What disappoints me about politicians today is that they're worried about their reelection rather than their job."

#### **Mayors**

#### **Indianapolis: Merritt blasts snow job**

State Sen. Jim Merritt, Republican candidate for Indianapolis mayor, has raised critical questions about the Hogsett administration's response to the snow that fell Jan. 30. "Weather forecasters had been predicting the snow for days, so it was not a surprise," Merritt added. "What surprised me was how unprepared the city was to deal with removing a couple of inches of snow. What happens if we get hit by a significant ice storm or a major blizzard? How will the city deal with those situations?"

#### Carmel: Glynn to challenge Brainard

A county councilor who just staved off a primary and general election challenger plans to take on Carmel Mayor Jim Brainard in May (IBJ). Fred Glynn, a Carmel resident who represents District 1, including parts of Carmel, on the Hamilton County Council, announced Tuesday morning he plans to run against Brainard, who is seeking his seventh term, in May's Republican primary. Glynn, a mortgage lender, was just reelected to his second term on the county council, where he's known as a fiscal conservative. In his campaign for mayor, Glynn is targeting spending by Brainard and the current Carmel City Council. Carmel's current debt obligations total \$1.32 billion, according to the Indiana Department of Local Government Finance. That's higher than any of the other Hamilton County municipalities. "It is a false narrative that we have to choose between good government and fiscal responsibility," Glynn said in a prepared statement. "My time on county council proves you can do both."

#### **Noblesville: Baker 4th candidate**

A fourth candidate has entered the Noblesville mayoral race (Quinn, IBJ). Vince Baker filed to run in the Republican primary Friday. He joins local business owner Mike Corbett, city councilor Chris Jensen and former Noblesville School Board member Julia Kozicki in a race to replace Mayor John Ditslear, a Republican. Candidates have until Feb. 8 to file to run in May's primary. Baker is Noblesville's urban forester, responsible for the care of trees in city's right of way. Those duties include planting and pruning trees, removing them when necessary and dealing with storm damage. He also communicates with Noblesville residents about tree issues and helps the street department with snow removal and leaf pickup when necessary. Baker said he is running for mayor because he is passionate about Noblesville and the people and businesses that make up the community. He pledged to run an honest, positive and transparent campaign, and to listen to concerns and issues that face residents.



#### **Muncie: Bailey files**

Terry Whitt Bailey, the city of Muncie's community development director, has announced she intends to file to run for mayor. She would be the ninth candidate in the mayoral race (Olhenkamp, Muncie Star Press). Bailey told the Star Press she had never considered running until after current Mayor Dennis Tyler announced on Jan. 11 that he would not seek reelection. The weekend after

that announcement, Bailey said she began getting asked repeatedly about running, and she began to give it sincere consideration. What finally convinced her was speaking with her husband and mother, both of whom gave her full support in her bid. "Because the two people closest to me were supportive, I knew I'd be just fine," Bailey said. Bailey plans to hold an election campaign kickoff at 5 p.m. today at Vera Mae's Bistro. •



# Monopoly is not just a game anymore

#### By MICHAEL HICKS

MUNCIE – Monopoly is again becoming interesting, and I don't mean the board game. Over the past few years, both academic and policy researchers have found growing evidence of market concentration or lack of competition in many business sectors. For a variety of reasons, this will



likely emerge as a campaign issue in the next national election, so it is helpful to understand what economists mean when they talk about competition.

Economists favor competitive markets over monopoly-like markets because competition yields much better outcomes to both consumers and producers. However, this remains a hard concept for many to grasp. It's likely that everyone understands that competition

yields lower prices, higher levels of production and, over the long run, more innovation. It also yields more efficient use of inputs such as land, talent and capital. Competitive firms also adjust more quickly to consumer demand, supplying everything from water or gasoline in a natural disaster to high-end consumer goods in the place and time people want to buy them.

**Markets don't always work** perfectly, which is what this column is ultimately about. But, when they work well, no other human contrivance is as effective at matching desires to goods and services and workers to the jobs they want. What often confuses folks about competitive markets is that individual firms don't want to be in a competitive market.

For individual businesses, it is better to avoid competition and operate in markets with few rivals. Individual businesses go to great lengths to deter rivals, secure some capacity to set price and protect themselves from competition. However, firms in competition hire more workers and produce more goods than those who can protect themselves from competition. So, it is better for commerce as a

whole to operate in competitive markets. That part slips by many people who view the economy as simply the aggregate experience of a bunch of individual firms, which it is not.

**The United States has long** led the world in policies designed to protect against monopolies. The Sherman Act of 1890 outlawed direct collusion between firms. Since then, the U.S. has developed a streamlined and economically informed set of laws and legal precedent that promote competition. We just have not used them as much as we might.

Over the past 25 years or so, competition in the U.S. has dwindled. New firm creation has plummeted and the share of employment in the largest few firms in each industry has grown significantly. This is known as market concentration and is a big signal of growing monopolization.

The biggest concern over market concentration has long been its effect on the price and availability of goods and services. Monopolies and monopoly-like market conditions are among the few places where the bulk of economists believe warrant market intervention. Indeed, almost the only disagreement about the scale and scope of government intervention comes in our ability to judge effectively when a market possesses too little competition.

For example, in many cases monopolies are transient. Facebook, for example, developed very deep market concentration in social media. However, if my teenagers are to be believed, Facebook is now nothing more than a reliquary of childhood vacation pictures accessed mainly by an ancient race of people aged 40 and older. This is not a recipe for sustained monopoly, so natural market forces alone may be as effective as government in promoting competition in this market.

More recently, there is growing evidence that less competitive markets are influencing more than just prices, and may now play a role in suppressing wage growth. In rural places and small towns, this has likely been the case for some time, but several recent studies suggest the problem is broader than has long been thought to be the case.

Right now, there is growing evidence that lack of competition in labor markets is a broad problem. Still, this is an area where politicians on both the right and left are likely to see policy concerns. If so, state policies toward business should be among the first to see pressure for



reforms. I see two major policy concerns.

First, state policies that funnel workers into specific occupations will face much more scrutiny than they currently do. These policies likely restrict wage growth while overwhelmingly benefitting just a few larger firms. Because these policies face almost no oversight today, this would be an easy problem to address. Second, there is likely to be a growing discomfort with tax incentives. Large businesses are disproportionate beneficiaries of tax incentives, which is ironic since larger firms already benefit from low-capital costs in ways small firms cannot.

**As with many state policies,** special advantages given to large firms often come at the expense of their smaller, less well-connected competitors. Worse

still, neither workers nor taxpayers seem to benefit much from these policies. So, in a world where small firms are a shrinking share of the economy and wage growth is sluggish, there should be growing call for change. That change should probably start here. •

Hicks, PhD, is the director of the Center for Business and Economic Research and the George and Frances Ball distinguished professor of economics in the Miller College of Business at Ball State University.

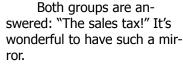


# Sales tax? It's the next frontier

#### **By MORTON MARCUS**

INDIANAPOLIS – Some politicians use a magic mirror to ask: "Which is the fairest tax of all?" Likewise, some economists and other social agitators look into the same mirror to ask: "Which tax, currently in use, is the

most regressive tax of all?"



Some fair tax people are devoted to the sales tax. After all, with exemptions for the barest necessities, like food and medicine, a sales tax discourages consumption, which is a sin. They contend responsible people, regardless of income level, save. You must put away money for that inevitable day

when ill fortune brings unemployment, accident, illness, or college education. Those savings are to be invested in corporate America via mutual funds or other stock market instruments.

**Sales tax proponents oppose** an income tax, which they say discourages work. Income of any sort is, however, the deserved reward for virtue. A progressive income tax, where the percentage of income taxed rises as income increases, is both an insult to virtue and contrary to the work ethic.

Our second group of moralists see the sales tax as regressive, meaning it results in the poor paying a higher percent of their income as a tax on their non-exempt consumption.

If a Hoosier earning \$10,000 buys a chair for \$100, he or she is taxed 7% and pays \$107 or 1.07% of income. A person earning \$100,000 buys a chair for \$500 and pays \$535 or just over one half of 1%. Where's the fairness in that?

Fairness is a thought, a concept, a belief. It is never a fact. No instant replay can confirm fairness.

**Indiana levies a 7% sales** tax with a list of items exempted. Recently, for the Super Bowl, I bought candy and nuts. The candy was taxed, but the nuts were without tax. Both are snacks. The candy was in the form of mints to freshen my breath, a desirable social objective I've been told. The nuts are considered nutritious food, until someone comes up with contrary evidence.

Over time, Indiana has raised its sales tax and lowered its income tax. This is considered virtuous in some quarters and vicious in others. The result may be revenue neutral, but tends to favor the wealthy and rests disproportionately on the less than wealthy.

At 7%, Indiana has the second highest state sales tax rate in the nation. According to the Tax Foundation, only California is higher.

**But we don't have any** local sales tax, as do 37 states, including Illinois and Ohio. The result is our ranking for sales tax rates declines from second highest to 23rd place.

Today many Hoosier localities, particularly urban centers with major shopping facilities, are seeking local sales tax options. It would open a new field of battle among neighbors. •

Mr. Marcus is an economist. Reach him at mortonjmarcus@yahoo.com. Follow his views and those of John Guy on "Who gets what?" wherever podcasts are available or at mortonjohn.libsyn.com



# Tallian's family leave bill advances

#### **Howey Politics Indiana**

INDIANAPOLIS – State Senator Karen Tallian's (D-Ogden Dunes) proposal on paid family leave, Senate Bill (SB) 496, was approved with a vote of 10-1 in the Senate Pensions and Labor Committee. Sen. Tallian had the



following comments on the bill's progress: "I'm very happy that this important legislation to establish a voluntary family leave insurance program was approved by the committee today. "My bill directs the Department of Insurance (DOI) to

develop a proposal for an insurance program that would provide wages for those who need to take leave. By tapping into DOI's expertise, we can design an affordable family leave program available to any Hoosier." SB 496 now moves to the full Senate for further consideration.

#### School bus safety bill advances

A legislative panel is backing tougher penalties for drivers who pass stopped school buses after members heard from relatives of three children fatally struck while crossing a northern Indiana highway (Davies, AP). An Indiana Senate committee voted unanimously Wednesday to endorse a bill that would suspend the driver's license for 90 days the first time someone recklessly passes a stopped school bus. It would allow \$1,000 fines against repeat offenders recorded by school bus cameras.

#### Bill would raise tobacco age

Indiana lawmakers are considering a bill to increase the age for people to buy tobacco and e-cigarettes from 18 to 21. The proposal comes with exceptions for service members and veterans (Lindsay, Indiana Public Media). A common argument against raising the minimum age on tobacco to 21 is if people are old enough to fight for their country, they should be old enough to smoke. Rep. Randy Head (R-Logansport) authored the bill. He included the exemption because he's heard this arguement. "For consistency sake it would probably be better the other way but I'm trying to eliminate reasons that people are opposed to the bill and it was a practical consideration," says Head.

#### **Gun bill advances in House**

A panel of House lawmakers unanimously approved legislation Wednesday that would allow guns in churches on school grounds (Smith, Indiana Public Media). The committee also changed parts of the bill that relate to gun licenses. The bill would allow property own-

ers – whether it's a house of worship or a school – to decide whether churchgoers can carry guns at a service. The measure also originally eliminated the fee for a lifetime handgun license. The bill's author, Public Policy Committee Chair Rep. Ben Smaltz (R-Auburn), changed it. Now, fees for short-term handgun licenses would be eliminated.

#### **Gary casino move advances**

Spectacle Entertainment unveiled plans Wednesday to construct a \$300 million boutique casino, including a 200-room hotel, along the Borman Expressway in Gary, if the General Assembly permits the Majestic Star to move off its Lake Michigan dock (Carden, NWI Times). John Keeler, Spectacle general counsel, told a Senate committee that a Gary land-based casino could generate \$75 million annually in net new revenue for the state and create 400 jobs at the new location, growing Majestic's current workforce by one-half. That requires, however, the Legislature to approve a sprawling gaming proposal that, in addition to relocating the Gary casino inland, would send the second Gary casino license to Terre Haute without any payment to Gary, legalize sports wagering statewide, eliminate casino ownership caps and alter some gaming tax distributions. Senate Bill 552 was unanimously approved by the Senate Public Policy Committee following more than three hours of public testimony, many from Northwest Indiana, both supporting and opposing the legislation.

#### Charter school build could include stadium

The fingerprints of the state's largest public school district are all over a wide-ranging charter school bill. House Bill 1641 would relax restrictions on when school districts can sell unused school buildings, making it easier for Indianapolis Public Schools to strike a lucrative redevelopment deal for its shuttered Broad Ripple High School campus (IndyStar). The bill's author, Rep. Bob Behning, also said IPS is behind another provision that would give private schools a break on scooping up unused public school buildings. •

# ANTELOPE CLUB 615 N. DELAWARE ST. - DOWNTOWN INDY antelopeclub@hotmail.com >>> Lunch & dinner 6 days a week >>> Cigar lounge >>> Beautiful view of Downtown from our 2nd floor patio YOUR FRIENDS ALL HANG OUT HERE... DO YOU?



Russ Pulliam, IndyStar: Now that he has been named chairman of the National Republican Senatorial Committee, Sen. Todd Young will have to talk about Donald Trump and hot button issues. He'd rather direct attention to a conservative war on poverty. He calls it his Fair Shot agenda. As committee chairman, his task is to elect as many Republicans as possible to the Senate in 2020. For a Republican, though, he takes an unusual interest in anti-poverty efforts, frequently visiting urban projects in Indianapolis and smaller cities in Indiana. In elections Democrats carry most of these districts by wide margins. He's not looking for votes when he visits these projects. He recently highlighted an inner-city housing initiative of former Colts football star Marlin Jackson, as Jackson builds homes to help revitalize lowincome neighborhoods. Young thinks conservative **COLUMNISTS** Republicans should engage in a civil debate with liberals about what works when tackling poverty. He prefers a free-market emphasis and sees ef-

fectiveness in faith-based options. Young is picking up the mantle of what was called compassionate conservatism in the generation of President George W. Bush. Indianapolis Mayor Steve Goldsmith tried one version of the idea as a big-city mayor in the 1990s, asking churches and nonprofits to tackle social problems government could not resolve. Then Sen. Dan Coats offered initiatives along these lines in Congress. Young has political credentials for this task, as well as the Senate Republican assignment. He beat Evan Bayh in 2016, after Democrats invited Bayh into the Senate race at the last minute because he had never lost a statewide race in Indiana. .

**Gary Truitt**, Hoosier Ag Today: A recent study has concluded that domestic demand for food is not growing. "The domestic consumption growth rate of animal protein over the last five years has plateaued," said Will Sawyer, animal protein economist with CoBank's KED. "With the cow herd at multi-year highs and pork and poultry processors expanding capacity, exports will likely underpin further industry expansion for the U.S. in the years ahead." As a result, the export market will become vital for the continued viability of the livestock sector. In 2018, the U.S. exported 12 percent of beef production, 16 percent of chicken production, and 23 percent of pork production. While these figures are far higher than where the industry was 20 years ago, further growth in exports will be needed if U.S. producers want to expand production in the coming years. "While the need for increasing exports is clear, it's frequently met with concern or skepticism among producers and all links throughout the supply chain," said Sawyer. "Concerns lie primarily in the fear that, the more exports play a role in supply and demand, the more exposure producers and industry participants have to increased market volatility and lower margins." This skepticism about exports has been fueled by the Make America Great philosophy that helped put Mr. Trump in the White House. While

foreign markets may pose a threat to industrial sectors, that is not the case for agriculture. In fact, growing foreign markets for agriculture benefits our home-grown industry and actually helps make America great. Skeptics will point to the volatility we have seen this year from trade disruptions cause by tariffs. Yet, the CoBank analysis shows that, in the long run, prices and profits rebound after such interruptions. \*

#### Franz J. Sedelmayer, New York Times:

INDIANA

President Vladimir Putin of Russia celebrated the New Year

by having an American tourist, Paul Whelan, arrested as a spy. Mr. Whelan was in Moscow to attend a wedding. But Mr. Putin needed a hostage as a potential trade for a Russian woman with Kremlin connections, Maria Butina, who had pleaded guilty of conspiring with a Russian official "to establish unofficial lines of communication with Americans

having power and influence over U.S. politics." So Mr. Putin grabbed Mr. Whelan, who has not been released. Of course Mr. Putin did that. I've known him since the early 1990s. As a businessman in St. Petersburg, I spent scores of hours with Volodya, as he was known in those days, while he was the city's deputy mayor. At his request, I built, trained and equipped St. Petersburg's first Westernstyle K.G.B. SWAT team, in preparation for the 1994 Goodwill Games there. From our conversations in 1992, I realized that Mr. Putin understood that it was not the West, but the Soviet socialist system that was responsible for the social and economic downfall of the Soviet Union. For me, a different moment of change came in 1996, when my company and the headquarters in which I'd invested more than \$1 million was expropriated by President Yeltsin. Volodya shrugged and told me there was nothing he could do to help. And I began watching him metamorphose from a minor bureaucrat into the authoritarian four-timeselected president of Russia. I can tell you the Mr. Putin that Americans read about today is nothing like either the Mr. Putin I knew at first or the one I know now. The Mr. Putin I know is in many ways similar to President Trump. Like him, Volodya makes decisions based on snap judgments, rather than long deliberation. He's vindictive and petty. He holds grudges and deeply hates being made fun of. He is said to dislike long, complicated briefings and to find reading policy papers onerous. Like Mr. Trump, the Mr. Putin I know reacts to events instead of proactively developing a long-term strategy. But in sophistication, he is very different. A former K.G.B. officer, he understands how to use disinformation (deza), lies (vranyo), and compromise (kompromat) to create chaos in the West and at home. Something else I've discovered since moving is that many of America's Kremlin-watchers don't understand that Mr. Putin is running scared these days. His recent election may have been guaranteed; his future is anything but. Why? Because Volodya has no one watching his back. .



## Urban League con coming to Indy

INDIANAPOLIS — Indianapolis will once again host the largest civil rights conference in the country following a 25-year absence. The National Urban League announced a return to Indy this summer (CBS4). The conference brings political, business and community leaders together to address different challenges. It will

likely bring many of the Democratic presidential contenders to the city. The year's theme is "getting to equal – united not divided." National Urban League CEO and

former Mayor of New Orleans Marc Morial joined officials Wednesday to discuss its impact on the Circle City, with thousands expected to attend. This year's conference will take place July 24-27. The National Urban League advocates against racial discrimination through economic empowerment, helping 15 million people improve their quality of life in the last decade.

TICKER TAPE

## House to probe Trump finances

WASHINGTON — Congressional Democrats' war with President Trump is about to get personal (Axios). House Democrats, led by Chairman Adam Schiff's House Intelligence Committee, are about to begin investigating Trump's family business. The Democrats are hiring staff with deep expertise at tracing cash flowing through complicated property transactions. Democrats are marching across the red line Trump drew for Special Counsel Robert Mueller. Rep. Eric Swalwell of California, a senior Democrat on the House Intelligence Committee, laid down the marker to Swan last night after the committee deliberated behind closed doors earlier in the day. "We are going to take an MRI to any Russian financing that the Trump Organization and the

president may have had," Swalwell said. Swalwell added, "Without knowing whether Mueller is investigating money laundering through the Trump Organization, we do have the ability to look at whether that has occurred or is ongoing, and we are going to fulfill that responsibility."

## Rokita takes a job at Apex Benefits

INDIANAPOLIS — Former U.S. Rep. Todd Rokita, who ran last year for a U.S. Senate seat from Indiana, has joined Apex Benefits in Indianapolis. Rokita, a Republican from Brownsburg, has been named general counsel and vice

president of external affairs for Apex Benefits, which manages employee health benefits plans. His job will include overseeing corporate legal strategies and advocating for clients on public policy initiatives. Rokita, 48, is a former two-term Indiana secretary of state who represented west-central and northwest Indiana in the 4th Congressional District from 2011 until this year. Rokita opted for a losing U.S. Senate primary bid instead of reelection

## Young encouraged by shutdown talks

WASHINGTON —Some light consensus seems to be apparent on Capital Hill regarding border security, but it's not clear exactly what that consensus might be (WIBC). Yesterday, House Speaker Nancy Pelosi, a Democrat, said she would support whatever bill lawmakers from both the House in the Senate produce from the Border Security Conference Committee. Encouraging words, says Indiana's Republican Senator Todd Young. "I like to hear those words and I'm encouraged by that language," Young said on Fox News. "The people back in my home state of Indiana, like so many others across the country, want results. They want to make sure that we secure that border." It's unclear if

a bill will be produced by the February 15th deadline. Once February 15th arrives the government will be partially shutdown for a second time unless a long-term spending bill is passed. President Trump wants \$5 billion in border security funding a part of that bill. "Walls, or barriers, or structures, whatever you want to call them, do indeed work when properly and intelligently placed," Young added. "I hope that is part of the package that we can agree on."

## Dems challenge Indy candidates

INDIANAPOLIS — Two Democrats who planned to seek Indianapolis City-County Council seats in this year's municipal elections may have their efforts quashed over concerns about their party affiliation, days ahead of the candidate filing deadline and party convention (IBJ). Belinda Drake, who wants to replace Democrat Stephen Clay in District 13, and Derris Ross, who wants to replace Democrat La Keisha Jackson in District 14, both have filed their paperwork for office and launched their campaigns. **But Marion County Democratic Party** chairwoman Kate Sweeney Bell told IBJ she plans to challenge their candidacies because they don't meet party-affiliation requirements. The candidate filing deadline is Friday and the withdrawal deadline is Monday. At issue is that counties determine party affiliation in municipal elections by using candidates' past primary votes and neither Drake nor Ross ever has voted in a primary election.

#### Black caucus disinvites Hill

INDIANAPOLIS — At a time when other elected officials have cut off communication with embattled Attorney General Curtis Hill, the Indiana black legislative caucus had scheduled a meeting with him - and invited legislative staffers and interns. When IndyStar began asking about it, the caucus chairwoman disinvited him.