THE HOWEY POLITICAL REPORT

The Weekly Briefing On Indiana Politics

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Republicans have lost their soul

Gingrich, Indiana Senate stray on taxes

INDIANAPOLIS - The Republican Party has lost its soul.

Both nationally and in Indiana, the GOP is floundering on a series of issues that could cause them problems in the 1998 election cycle.

When history is written of the so-called "Republican Revolution" and House Speaker Newt Gingrich, Indiana's three members of the historic class of '95 - David McIntosh, Mark Souder and John Hostettler - will have played key roles in the drama. Souder and Hostettler were at the epicenter of beginning of the end of Gingrich. Not only had the first Republican Speaker in 40 years been upstaged by a White House photo on Air Force One, but Souder and Hostettler rebuked him over a budget vote and a subsequent cancelling of fundraisers in Evansville and Fort Wayne in January 1996.

This past month, it was Souder who was one of 11 Republicans who embarrassed the Republican hierarchy by rejecting an increase in committee funding. That was followed by scathing attacks from William Kristol and McIntosh over Gingrich's position on no tax cuts until the budget is balanced.

On the state level, it was only four years ago that new Republican Chairman Al Hubbard confronted Republican members of the Indiana Senate about enacting a cigarette or hospital tax. History has proven Hubbard correct, as the state sits on a surplus of almost $2 billion (pension liabilities not included). Yet Indiana Senate Republicans have pushed through a series of legislation that can be only described as bad politics.

The first was a gasoline tax hike, which in light of a $2 billion surplus is an absurdity because recent Republican anti-tax dogma. Then came Senate Finance Committee Chairman Larry Borst's 36 percent legislative pay hike, and the ramrodding of a telecommunications reform package that independent analyses has been deemed a

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"QUOTE" OF THE WEEK

"That is not in my memory...."

- State Auditor Morris Wooden, to the Indianapolis Star, on whether he had been warned by staffers to check into allegati ns of sexual harrassment by his deputy, Tom Williams.

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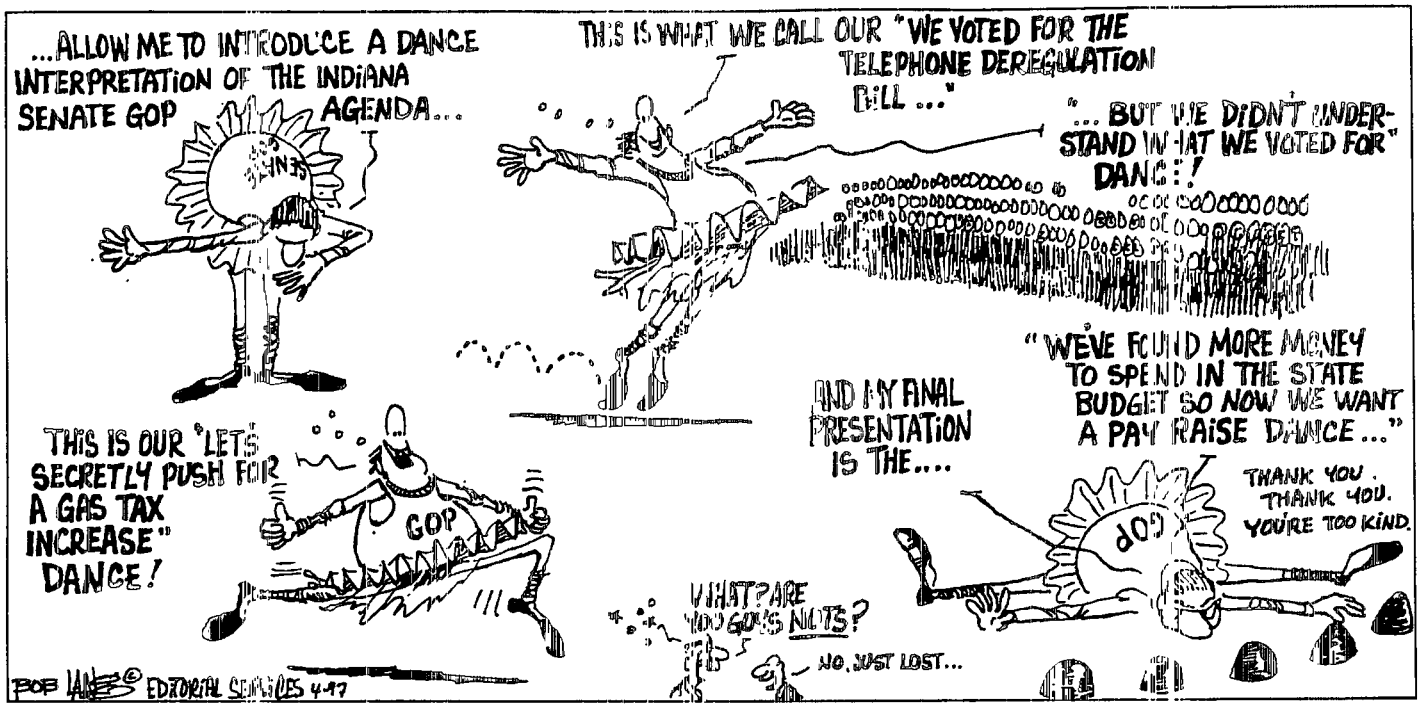

TICKER TAPE

PLAY OF THE WEEK: House Democrats fold the cards on Senate Bill 426, the telecommuication reform bill. This paves the way for a good populist issue to work on during the 1998 legislative races.

■ ■ ■

Gov. Frank O'Bannon is finding Lake County a cornucopia of difficult political problems. Speaking before The Times editorial board over the terrible congestion on the Borman Expressway, O'Bannon said he hoped that tolls could be lifted in Lake and Porter counties on the Indiana Toll Road during the six-month construction season. That prompted INDOT to scamble with an explanation that the idea probably

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8th CD Democrats meet for five hours to plot 1998 strategy against Rep. John Hostettler

VINCENNES - Last Saturday, 90 Democrats from the 8th CD gathered to coalesce a united front against U.S. Rep. John Hostettler.

The five-hour meeting drew former congressman Frank McCloskey, most of the district's Democratic mayors, and state party officials like Mike Harmless and Robin Winston.

As HPR reported more than a month ago, State Rep. Brian Hasler has emerged as the concensus candidate. Hasler is a freshman from Greene County who comes from a family with a lengthy political history. Hasler had served on the staff of McCloskey.

"Hasler is still the guy that most people are energized about," said Democratic consultant Chris Sautter. "The Posey County people said the party shouldn't endorse a candidate and that's because they are pushing Weinzapfel."

Jonathon Weinzapfel, the 1996 nominee who lost by just over 3,000 votes, attended the meeting and debriefed those present. While he was non-committal on his plans, he is considering a run for the Indiana Senate or House.

All this comes amidst a new $700,000 AFL-CIO television and radio ad blitz against Hostettler and 18 other Republican congressmen. "We're kind of building on what we did last year, holding representatives accountable on working family issues," AFL-CIO spokeswoman Deborah Dion told Gerard Shields of the *Evansville Courier*.

Curt Smith, Hostettler's chief of staff, told HPR, "The AFL-CIO is attempting to prove to the world they didn't waste $35 million last year. They are continuing a program that was less than successful. It seems they are trying to set up the issues mix.

"They want to talk about education and corporate welfare. Few congressmen have a better record on corporate welfare than John Hostettler."

Smith noted the the 1996 ad campaign against Hostettler began in June. "This is unprecedented in that they've started three months earlier this year."

And Smith estimates the AFL-CIO spent $1 million against Hostettler in TV, cable, radio, direct mail and people on the ground during 1996.

As for 1998, Smith said, "It looks like a very strong year for Republicans. We have every reason to believe the White House problems will escalate."

McIntosh ducks Senate; Gilroy wants to debate

HORSE RACE

TRENDLINE: U.S. Rep. David McIntosh hasn't slammed the door completely shut, but he told the *Anderson Herald-Bulletin*, "Most people in the district said they liked the job I was doing as congressman and wanted me to stay. I have not ruled it out, but chances are I will not run for the Senate. I should be focusing on becoming a good congressman with the White House investigation and other activities." As for Secretary of State Sue Anne Gilroy, sources say she had intended to return from her Florida vacation with a decision on whether to make the Senate race or run for re-election. Gilroy has accepted an invitation to "debate" other potential Senate candidates Peter Rusthoven and Fort Wayne Mayor Paul Helmke at 9 p.m. Thursday April 17 on WIBC-AM in Indianapolis. The show will be hosted by WIBC political reporter Eric Bermen.

■ ■ ■

THE NEWT AND BILL SHOW: It's time to check and see how the potential national millstones are faring in the latest public opinion polls. In the latest CNN-*USA Today*-Gallup Poll (whew!), House Speaker Newt Gingrich reached an all-time low with a 25-percent approval rating. In the same polling sequence, President Bill Clinton was basking in a 59-percent approval rating (1,009 people; March 24-26, +/- 3 percent). Roll Call's Morton Kondracke posed the question: "How come scandals haven't hurt President Clinton? Two explanations come to mind: 1.) It appears the public doesn't trust the press or Republicans, and 2.) at least so far, no one has produced solid evidence of serious presidential wrongdoing." As for who a clear plan for solving the country's problems, 15 percent said Clinton, 12 percent said the Republicans, 29 percent said both, and 41 percent said neither. Finally, on taxes, the question was, "Should Republicans postpone tax cuts in budget plan? " 70 percent said no and 21 percent said yes.

2000 REPUBLICAN PRESIDENTIAL RACE: A February survey conducted by pollster Anthony Fabrizio had the race like this: Colin Powell 22 percent; Jack Kemp 14 percent; Elizabeth Dole 12 percent; Dan Quayle 9 percent; George W. Bush 7 percent; Steve Forbes 6 percent; Pat Buchanan 4 percent. The poll had some bad news for Quayle. "Thirty-five percent of those surveyed said there was no way they would support Buchanan, while 24 percent said that about Quayle. In contrast, only 15 percent said they would not support Kemp."

OLD HORSE RACE: We recognize that this particular horse item may be ready for the glue factory. But here goes, anyway. This is how the four legislators likely to sit as conferees on campaign finance reform - Republicans Becky Skillman and Robert Behning and Democrats Earlene Rogers and Thomas Kromkowski - fared in their last campaigns:

44th SD		3rd SD		91st HD		7th HD	
Skillman (R)	24,922	Rogers (D)	31,384	Behning (R)	11,491	Kromkowski (D)	11,886
Pritchett (D)	16,075	Unopposed	0	D. Brown (D)	5,851	Unopposed	0

FINALLY, HORSE RACE HEARD this joke last week: President Clinton and wife Hillary were opening presents on Christmas morning. Said the president, "Oh, honey, how sweet of you to frame the subpoenas." This joke comes on the heels of *New York Times* columnist William Safire acknowledging that all the scandals have prompted a case of "subpoena envy."

TICKER TAPE

wouldn't work. "We believe it would be very, very difficult to lift tolls," said INDOT's Phil Schermerhorn. "I don't think it's going to work out." O'Bannon also suggested a deal with the federal government might be worth pursuing to waive the $2 one-way fees on the Chicago Skyway. The Chicago Tribune responded to that idea saying that while O'Bannon's idea has some merit, it would be foolish to lift the tolls there now that the Skyway is finally profitable. The Tribune suggested reducing the fare to $1.50.

On the second Lake County front, O'Bannon has raised the ire of St. John residents steamed about his decision to update the county's 1997 property tax rates which will cost many homeowners $1,000 over 1996 levels. O'Bannon said last week he had no legal authority to ask the State Board of Tax Commissioners to recalculate Lake County's property taxes. That prompted a group of St. John residents to distribute more than 500 copies of a form letter addressed to O'Bannon. "How can he not have something to do with this?" asked resident Chris Wallace. "He's the governor." (Robin Biesen, The Times).

Further evidence that Indianapolis Mayor Stephen

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Rep. Hasler preparing for run at Hostettler in 'the Bloody 8th' CD

" This is going to be a very expensive race. Both sides spent roughly $500,000 last time and I think that will be the case if not more this time...."
- Rep. Brian Hasler

INDIANAPOLIS - The "Bloody 8th" Congressional District is already shaping up as one of the premier races in 1998.

As reported on page 2, 8th CD Democrats gathered in Vincennes last weekend to discuss ways to defeat two-term U.S. Rep. John Hostettler, who won last fall with only 50 percent of the vote. State Rep. Brian Hasler is the candidate Democrats appear to be coalescing around. Hasler represents half of Indiana Democrat's "Southern Strategy." In the neighboring 9th CD, former State Sen. Baron Hill has emerged as a consensus candidate, meaning the party will probably be able to avoid any significant primary contests along the Ohio River.

HPR caught up with Hasler in the balcony of the Indiana House, where the Greene County native is serving his first term.

HPR: Where do you officially stand on an 8th CD candidacy in 1998?

Hasler: I have received a great deal of encouragement from Democrats and even some Republicans to look at the 8th District race. My plan is to take a look at it after the session is over, after adjournment, and to meet with party activists and county chairmen and those people who worked with me in my campaign. I like what I am doing now. I really like my work in the General Assembly, but I do feel I need to look at this, considering the encouragement I've received.

HPR: How do you feel your background benefits a congressional candidacy?

Hasler: I did work with Congressman McCloskey for eight years in the district, for most of that time as his director of economic development. Prior to that I worked for Congressman Lee Hamilton and also a congressman from Texas. I worked two sessions of the General Assembly up here. I also have worked for the Indiana Department of Commerce under Frank O'Bannon when he was lieutenant governor. That experience prepares me with a greater understanding of the district to be able to get things done for the 8th District.

HPR: Who has been encouraging you to make this race?

Hasler: That includes former elected officials, current elected officials, county chairmen, and party activists, some in labor and some in business.

HPR: What kind of conversations have you had with Jonathon Weinzapfel and any other person who might be interested in running?

Hasler: I've talked with Jonathon and he's leaving the door open for a possible run. My hope would be that if I choose to enter the race he would be supportive of me.

HPR: Is there an active plan to keep it a one-candidate primary?

Hasler: There's a lot of interest in the 8th District to avoid a primary; to focus resources behind a single candidate and my hope would be that I would become that consensus candidate. We need to conserve our resources in order to take John Hostettler out in 1998. And that's one of the ways we can accomplish that.

HPR: What kind of conversations have you had with Chuck Deppert and the AFL-CIO, which is already running an ad blitz against Hostettler?

Hasler: I have had some discussions with Chuck Deppert and other representatives from labor to let them know that I am interested in the race. I will be talking to people about it and if the finances and support are there, I will be a candidate. Generally the response has been pretty positive. They have a high degree of interest in John Hostettler taking an early retirement and they're looking for a candidate who can do that.

HPR: Where do you see Hostettler being most vulnerable during the 1998 election cycle?

Hasler: I don't think John Hosettler has a good grasp on what it takes to be an effective congressman. He's won by 52 and 50 percent of the vote. He has not consolidated his position in the district. He has missed many opportunities to bring funding and successful projects back to the district. I don't believe he has been attentive to the needs of working people and constituents

and constituent issues, which was something Frank McCloskey was excellent at. I don't think he's been a very effective congressman when you look at Doppler radar and the I-69 issue and others. It's time we elected someone who can do a much more effective job as congressman.

HPR: What do you think Rep. Hostettler should be doing on I-69?

Hasler: Hostettler has sworn off any effort to identify and secure designated funding for the project. He's sworn off demonstration projects and invested himself solely in the effort to redirect the highway trust funds into projects like I-69. That's all well and good if that can be accomplished, but my sense is that there will be a major increase in the budget deficit and I don't believe the will is there to accomplish that. So if that's not successful and he swears off demonstration projects, I-69 is dead in the water.

HPR: The AFL-CIO ads are trying to soften Rep. Hostettler up on education and corporate welfare issues. Do you see him vulnerable there?

Hasler: I think he is. I don't believe he's been very attentive to the needs of working people. He's not been aggressive in seeking job creations for the 8th District, which is something I did for McCloskey and Frank McCloskey was very active on. I think there is a sense among the public that we need to hold corporations accountable. We see too many companies packing up and going overseas like Thomson in Bloomington, taking jobs out. We need to institute greater safeguards. John Hostettler's weak on that position and that is certainly something I would push in Congress.

HPR: President Clinton and Speaker Gingrich could have a major impact on this election and many others. Where do you see that impacting this race? Will Bill Clinton hurt you? Will Gingrich hurt Hostettler? Or is it a wash?

Hasler: There's concern about the six-year itch election.

HPR: I was going to get to that next.

Hasler: You were? OK. I think 1998 is going to be unique in that the Democrats control the White House and the Republicans control Congress. I think it's very significant that a Harris Poll this week shows that 60 percent of the public are not happy with the job the Republicans are doing in Congress. So in essence you have two incumbent parties and that opens up opportunities for challengers on both sides.

HPR: Does the specter of Clintonian scandals concern you, that they t might nationalize the race ?

Hasler: If the situation deepens with the president, that could be a problem on the national front. However, the Republicans have similar problems with Newt Gingrich, Dan Burton and others in the Congress. I think there's going to be an increased interest in campaign finance reform and I think John Hostettler's on the wrong side of that issue. I would support the provisions laid forth in McCain-Feingold and I think we have to stop the runaway costs of these campaigns. In terms of affecting the district, most people look to the congressman to be responsive to the needs of the area and I think that will be the battleground in this race.

HPR: Hostettler has rejected PAC money. Would you take a similar stance?

Hasler: Political action committees are representative of working people. They are an alternative to corporate and large contributor dollars. I certainly accept PAC dollars in this race. It is deceptive for Hostettler to say he doesn't accept PAC money. He does accept PAC money; it's just redirected through other sources.

HPR: Soft money?

Hasler: Soft money. This is going to be a very expensive race. Both sides spent roughly $500,000 last time and I think that will be the case if not more this time.

HPR: Rep. Hostettler has put some distance between himself and Gingrich. What is you perspective on that?

Hasler: He has done a somewhat effective job of giving the impression that he is independent of the speaker. However, when you look at his votes, 95 percent of the time he votes with Newt Gingrich. If anything his efforts at independence on the re-election of the Speaker may hurt him and I would be surprised if Newt Gingrich would work hard for him when it comes to choose what races he'll work hard.

TICKER TAPE

Goldsmith is serious about a second run for governor. At the Allen County Lincoln Day dinner earlier this month, Goldsmith joined U.S. Sen. Dan Coats and former Govs. Bob Orr and Doc Bowen on the dais. He also went table-to-table, working the crowd. It was a departure from Goldsmith's campaign mode when he would often breeze in, give his quick 10-minute speech, and breeze out.

State Rep. Esther Wilson of Portage has announced that she will not seek re-election. The news prompted Chuck Moseley, president of the Portage Township School Board, to announce that he will seek the Democratic nomination in 1998.

Fort Wayne fire investigators were looking into the March house fire that severely damaged the home of Republican City Councilman Marty Bender.

Gov. Frank O'Bannon told Susan Dillman of the South Bend Tribune that he won't need the help of the legislature in blocking a land-based casino proposed by the Pokagon Band of the Potawatomi Indians. O'Bannon said he believes he must give the OK for casinos to be established. "And I won't give it," O'Bannon said.

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TICKER TAPE

Craig Whitney of the Hudson Institute will be leaving his post as vice president for external affairs in May to join Dan Quayle's Campaign America PAC. Whitney has worked for Quayle before, as well as the 1996 presidential campaign of U.S. Sen. Richard Lugar.

U.S. Rep. David McIntosh has begun to come under fire from Democrats looking to soften him up as a key investigator in the White House database scandal as well as a potential 1998 Senate nominee. The Wall Street Journal's Gerald Seib noted that campaign contributions from Eli Lilly, Phillip Morris, American Airlines, Amoco and the National Auto Dealers Association came after representatives sought hearings before McIntosh's subcommittee. "That correlation between subcommittee contacts and political contributions fits a broader pattern," Seib wrote. "A check of meetings listed on the subcommittee's internal reports as well as Mr. McIntosh's campaign contribution lists for the past two years shows that a number of companies and associations contributed to the McIntosh re-election effort around the time of the meetings with the subcommittee, often within a month." The story quoted McIntosh spokesman Chris

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COLUMNISTS ON INDIANA

Dave Kitchell, *Logansport Pharos-Tribune* - In the 1980s, Kewanna High School, struggling for acceditation, was closed. A few years later, the elementary school closed. But what happened after that, whether Kewanna parents knew it or not at the time, was a progressive thing. Students and their families were given the choice of attending one of three school corporations - Rochester, Caston or Eastern Pulaski. Twelve states now have school choice, but Union Township in Fulton County is one of only two places in Indiana where students have a choice of school corporations. In Kewanna and Union Township, students have virtually divided themselves into thirds, each attending one of the three school corporations. Less than 5 percent of the 242 students transfer to another school. Checker Finn, an education analyst for the Indianapolis-based Hudson Institute, says what Kewanna and Union Township have is not the kind of school choice that really matters. "At this point, it's sort of a hollow form of choice," he says. "It's sort of like being able to say you can go to any McDonald's you wish."

Harrison Ullmann, *NUVO Newsweekly* - Think about it. One of Unigov's 11 school districts is closing schools while the rest of Unigov's school districts are building schools. Think about it! Instead of busing white kids into empty schools in the city, we're busing black kids to fill new schools in the townships. Think about it! We are wasting enough money on these useless schools to finance a new arena for the Simons and a new deal for the Irsays, with enough money left over to repave our streets and rebuild our sewers. So, now you know a few reasons why black people in Indianapolis believe they are surrounded by a bunch of white people who are so crazy with racism they will spend millions by the hundreds to keep 11 school districts that cost too much and don't give us anything that's worth the money. And now you also know why they say fools and their money are soon parted. By the time I was done writing how we've been parted from our money, I knew I was one of the fools. Now that you are done reading these words, you know you're one of the fools, too. I don't like being a fool. How do you feel about being a fool?

David Mannweiler, *Indianapolis News* - I don't know how much our legislators spent to get elected the last time, but I'm sure it was more than $11,600. A Senate committee has proposed a 36 percent pay increase for legislators. Sounds like a lot, but they haven't had a pay raise since 1985. Most voters, I bet, got a pay raise in the last 12 years, and maybe some of them even got 36 percent more in compensation. I liked comments made by Sen. Earline Rogers last week. Rogers said she doesn't think the public wants lawmakers to lose money by being public servants. She said that after noting she's paying $1,200 a month in rent during the legislative session. Silly me. I would have thought cheaper digs would be available. She can live at my house for $500 a month.

Brian Howey, *HPR* - Proponents of class basketball point out that attendance at high school games has dropped by 16 percent over the past 10 years. In a world of dozens of TV channels, video games and the Internet, the IHSAA never figured out that a good marketing campaign trumpeting our treasure might have solved that problem. Think of what a good rotation of TV ads featuring the stars of the past and those presently yearning for glory could do in the weeks leading up to a single class tournament? The NBA, the NFL and the Olympics are robust because their events are marketed. What the IHSAA in all its backwardness and ignorance has done is turn its back on the remaining fan base. A poll recently conducted by TeleResearch in Marion, Hancock, Hamilton, Boone, Hendricks, Morgan and Johnson counties revealed that 64 percent "strongly disagree" with the new four-class system Another 12 percent "somewhat disagree." "If you redesign your product and four out of five of your consumers hate it, that's a problem," said Jeff Lewis of TeleResearch.

Legislators providing plenty of 1998 campaign fodder this session

INDIANAPOLIS - This 110th session of the Indiana General Assembly is entering the home stretch and it will not go down in history as one of the more productive sessions.

But there are issues emerging that will likely have an impact when both parties will wage furious attempts to capture the 50/50 split Indiana House. Democrats also have to be thinking about making inroads in the Indiana Senate which has been the scene of a number of controversial votes and schemes. Included are:

■ **The pay raise issue.** Senate Finance Chairman Larry Borst authored legislation that was raise legislator's pay 36 percent, from $11,600 to $15,775 annually. Factor in the daily per diem rates that would boost total compensation from $25,000 to $40,000. Now that will certainly be fodder for a TV ad Democrats will aim at Republicans. Network Indiana's conservative talk radio host Mike Pence reported receiving many calls from outraged listeners over the issue. Borst was the perfect person to author the raise. He hasn't had a competitive opponent in decades.

■ **Telephone deregulation.** Sen. Morris Mills said with a straight face that since both sides of the issue were angry, Senate Bill 426 must be a good bill. It passed the Indiana Senate by a 34-16 margin. Despite the lobbying firepower of Michael K. Phillips, Louis Mahern, Sam Turpin, Lacy Johnson and Chip Garver, the bill that would have fended off local carrier competition for Ameritech and GTE fell prey to a report from the Office of the Untility Consumer Counselor Anne Becker, who called the bill "the worst of all worlds" for Hoosier phone customers. That prompted House Commerce Committee Chairman James Bottorff to scrap the measure earlier this week. Last week, House Speaker John Gregg called the legislation "dead meat" and reportedly sent emissaries to watch over Bottorff's committee to make sure it didn't get out. The Citizens Action Coalition also documented $200,000 in campaign donations to legislative and gubernatorial candidates from the Team Ameritech PAC and GTE during the 1995-1996 campaign cycle. Again, the telecommunications bill will provide Democrats excellent populist TV and direct mail content for the 1998 legislative elections.

■ **Cincinnati Reds v. Colorado Rockies.** A House Commerce Committee meeting scheduled for 3:30 p.m. April 2 was held an hour early where legislators stripped SB 426 of most of the provisions Ameritech had sought. Then some committee members, including House Majority Leader Paul Mannweiler and Speaker John Gregg had Michael K. Phillips take them out to the ballgame. While Gregg can show that he was not kow-towing to Ameritech's pressure, it demonstrated some poor judgment on the close ties between lobbyists offering freebies and legislators. We're not sure how this one will be spun during the 1998 elections, but undoubtedly someone will find some use for it.

■ **The Blue Ribbon Committee on Tax Reform.** Here's the Republican's ace in the hole. On the same day Mannweiler was headed to Cinergy Field with Phillips, he and his 49 House colleagues were lambasting Gov. O'Bannon over property tax reform. A letter was distributed with 50 signatures that read, in part, "The appointment of your citizen's commission to study property tax reform is a statement that tax relief, fairness and equity for Hoosiers can wait. By establishing a report date for the committee of December 1998, you have ensured that there will, in all likelihood, be no property tax reform and no reduction in property taxes in Indiana before 2000. Hoosiers were expecting change in 1997. You are saying they cannot have it for three more years." Actually, Gov. O'Bannon is pushing some property tax reform this year. It will be interesting to see if the GOP sandbags that to create a palapable TV and direct mail campaign next year. That issue alone might be enough for the GOP to pick up a House seat in Lake County, where a property tax revolt is simmering.

TICKER TAPE

Jones as saying, "Frankly, he and the subcommittee are willing to meet with anybody who's got a good idea, be they Democrat or Republican. We don't care who has given money to whom."

McIntosh told reporters in Anderson, "I expect to come under attack. I realize that is part of the job."

Last month, the Democratic Senatorial Campaign Committee issued a press release complaining that McIntosh aide Devin Anderson was improperly raising money on behalf of the Faith, Family & Freedom PAC. "If McIntosh won't be forthcoming with this information, then they should recuse themselves from any further campaign finance investigations," said DSCC spokesman Paul Johnson.

Meanwhile, U.S. Rep. Dan Burton has issued a flurry of subpoenas incouding those of former associate attorney general Webster Hubbell.

Congressional Quarterly's Stephen Gettinger writes that congressional investigations have catapaulted pols like Harry Truman, Estes Kefauver and Richard Nixon into national prominence. "But others such as Thaddeus Stevens and Joseph McCarthy have seen their repu-

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TICKER TAPE

tations smudged." As for the current investigation, Gettinger wrote, "Republicans have kept matters firmly partisan, particularly in the House where chief inquisitor Dan Burton has been so rabid in his pursuit of Clinton that his credibility is open to question."

Burton appeared at a series of town hall meetings in the 6th CD this past week. At one point, during a televison meeting carried on C-Span, Burton pointed out to the audience a reporter from the Los Angeles Times.

U.S. Rep. Lee Hamilton challenged the Indiana General Assembly to help restore public confidence and regulate campaign contributions and spending. "In American politics today, access is bought and sold and dollars speak louder than ideas," Hamilton told the Indiana House.

New Albany Mayor Doug England is under fire for creating a committee seeking contributions for reasons he refuses to discuss.

Republicans, from page 1

consumer nightmare. The Senate-passed version of SB 426 smacks of a sweetheart deal at the tuggings of big-time lobbyists. The Citizens Action Coalition observed that Indiana's telephone monopolies and trade associations spent more than $207,000 on legislative and gubernatorial campaigns. More than a 2-to-1 margin went to Republican candidates.

Then earlier this week, the Senate passed a budget that would spend $450 million more than the House-passed version. This comes after Senate Republicans criticized the House budget for leaving too little of the surplus. "It's a little unusual, yes," Sen. Morris Mills told Barb Albert of the *Indianapolis Star/News*.

These pieces of legislation create a warm, moist environment for Democrats to create a big stink in the 1998 elections. While Republicans will almost certainly be able to retain the Indiana Senate, such fodder could cripple the GOP from breaking the 50/50 split in the House.

Nationally, the Republican Party is split between supply siders and deficit hawks, social conservatives and what CNN's Bill Schneider calls "Volvo Republicans - affluent, well-educated, fiscally conservative and socially moderate."

Sens. Borst and Mills epitomize Hoosier Volvo Republicans (even though they might not own Volvos).

This split in the Indiana Republican Party has already been catastrophic. Within the Goldsmith campaign for governor last year, some advocated a heavy push on social issues such as abortion and a repeal of no-fault divorce laws. Yet almost of all of Goldsmith's campaign thrust came on economic issues and attacks on Frank O'Bannon's tax record. Missing was Goldsmith's stellar record on reviving neighborhoods and his affiliation with Eric Miller's Citizens Concerned for the Constitution, the Christian right and the issues that would have energized that constituency.

Since the campaign ended, there has been finger pointing between senior Goldsmith campaign officials and the CCC about the lack of an energized Christian constituency on Election Day.

What has happened?

What has happened to the Indiana GOP? One difference is the styles of Hubbard, an ideologue who ran Vice President Dan Quayle's White House Council on Competitiveness, and current Republican Chairman Mike McDaniel, who has been reluctant to step into the multitude of GOP riptides that have buffeted the party through the antagonistic 1996 primary and bizarre convention, an odd relationship with the Goldsmith campaign, and the archaic and quirky leadership in the Indiana legislature.

Sen. Dan Coats has become the party's conscience, but his lame duck status has reduced his influence in a potential struggle for his Senate nomination. Reps. McIntosh, Souder and Burton have been consumed by the events in Washington that reveal even deeper splits between factions of the GOP.

Until a Senate nominee emerges, the role of guiding light will bounce toward Sen. Richard Lugar, the party's patriarch, who is still viewed by some social conservatives as too moderate.

Please make a note of it....

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