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Mourdock made right call

Indiana Treasurer Richard Mourdock did the right thing by asserting that the executive branch of the federal government must follow the law and centuries of legal precedent like the rest of government and its people must.

Mourdock appealed the U.S. Court of Appeals in New York decision on behalf of Indiana's retired state police and teachers, causing the U.S. Supreme Court to put a shot hold on the sale of Chrysler to the Italian automaker Fiat.

"Now we're finally going to see the points of law get debated," the Hoosier treasurer said.

Unfortunately, the Supreme Court rejected the claim late Tuesday, saying that the groups had not made a serious enough case for the high court to hear the full appeal.

It has been a particularly effective tactic of the Obama administration to cast particular issues, perhaps life in America itself, as being in the throes of a great emergency and needing complete renovation — now. That is simply not true.

We have problems of great import that need fixing. But fairness and common sense should be part of the mix and sometimes those factors require listening to people outside of the administration.

The three Indiana funds — for retired state police officers and teachers, as well as the Major Moves construction fund, totaling $42 million — are secured creditors with Chrysler. Indiana pension funds purchased Chrysler's debt at 43 cents on the dollar, but "now we're being told that we're getting 29 cents" on the dollar, Mourdock said.

Secured creditors, who invested nearly $7 billion in Chrysler under contracts requiring them to be repaid first in the event of bankruptcy, were offered 29 cents on the dollar. Unsecured investors, meanwhile, would receive 59 cents on the dollar, with the United Auto Workers gaining a lot of control of the company control and Fiat getting 20 percent ownership without being a creditor.

How does that work?

President Barak Obama called the secured creditors greedy last month for not going along with his plan. There is nothing greedy about objecting to buying an investment at a price that includes the guarantee of security should the worst happen. And then, after the worst happens, being told that the rules have changed and you are the loser after all.

How can anyone properly assess the risk of any investment if the executive suddenly has the right that comes from — nowhere — to invalidate the way the law has worked.

Despite the outcome, we are glad someone stood up for the regular joes who will be affected by Chrysler's sale.