

The Howey Political Report



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“QUOTE” OF THE WEEK

“Anybody’s welcome. The West Side will take anybody’s money. It’s not just a bipartisan decision. It’s a business decision.”

- Gov. Joe Kernan, after Mitch Daniels showed up at the West Side Democratic Club in South Bend on Dyngus Day, to the *Indianapolis Star*

Bush’s ‘Texified’ nation building

‘Stay the course,’ with few details

By **BRIAN A. HOWEY** in Indianapolis

This morning, visitors to *Drudgereport.com* found a photo of a military transport plane filled with a dozen American flag- draped coffins. The evening newscasts are filled with the seemingly haywire events in Iraq. The *New York Times’* Jeffrey Gettleman, now on his second stint in Iraq, reported in Sunday’s editions, under a searing photo of insurgents rabidly celebrating an American military convoy in an inferno, “The atmosphere in Iraq has completely changed. In just a week, a fading guerrilla war has exploded into a popular uprising.”

On Tuesday night, a somber and resolute President Bush made his case to the nation on why Iraq is important. “We’re at war,” Bush said. “Iraq is a part of the war on terror. It is not the war on terror; it is a theater in the war on terror. And it’s essential we win this battle in the war on terror. By winning this battle, it will make other victories more certain in the war against the terrorists.”

Bush then made the case in virtually biblical terms. “It’s important for us to spread freedom throughout the Middle East. Free societies are hopeful societies,” he explained. “A hopeful society is one more likely to be able to deal with the frustrations of those who are willing to commit suicide in order to represent a false ideology. A free society is a society in which somebody is more likely to be able to make a living.”

“Freedom is the Almighty’s gift to every man and woman in this world. And as the greatest power on the face of the Earth, we have an obligation to help the spread of freedom,” said the embattled President.

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Covering 10 years of Indiana politics

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KERRY LEADS BY 2 IN RASMUSSEN TRACKING: A Rasmussen Reports poll (4/14) of 1,500 likely voters nationwide, conducted over April 8-10 (+/- 3%) using an automated polling system, shows 47% would vote for John Kerry; 45% would vote for George Bush; 3% would vote for another candidate; 6% were not sure. On the generic congressional ballot, 43% would vote for the Democratic candidate in their district; 36% would vote for the Republican candidate; 5% would vote for another candidate; and 16% were not sure. In addition, 51% approve of Bush's job performance, while 48% disapprove. Meanwhile, a Rasmussen poll of 500 likely Florida voters, conducted on April 13 (+/- 4.5%), shows 47% would vote for Kerry; 46% would vote for George W. Bush; 2% would vote for another candidate; 5% were not sure.

KRUSE ELECTED TO SENATE: Republican delegates from Allen, DeKalb and Steuben Counties elected State Representative Dennis Kruse as the new State Senator for District 14. Senator-Elect Kruse will fill the remainder of the late Senator Charles "Bud" Meeks term in office (HPR). "Tonight's election represents another small step in the healing process following the passing of Sen.

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Texification of War

In Kevin Phillips' book "*American Dynasty*," the conservative columnist presents some fascinating context to what Americans are witnessing today and its nagging comparisons to Vietnam.

"From the Gulf of Tonkin Resolution in 1964 to the 2003 attack, all three of the nation's major offensive overseas combats -- first in Indochina, the second and third with Iraq -- were begun or critically escalated by chief executives from the Lone Star State. Besides the Persian Gulf relevance of Texas' oil and gas preoccupation, the state's large military presence, Alamo tradition, belief in U.S. manifest destiny, barely uninhibited gun culture, and male bravado all served up related encouragement."

Phillips notes the historical ties in the current administration to Vietnam and the first Gulf War. When Saigon fell in April 1975, Donald Rumsfeld was President Ford's chief of staff, Dick Cheney was deputy chief of staff, George H.W. Bush was posted in China. "The neoconservatives ... were equally stamped by failure in Vietnam and the vulnerability they believed the mid-1970s foreign policy implosion created for Israel and the United States.

After the first President Bush ousted Saddam Hussein and Iraq from Kuwait in 1991, the end result a little more than a year later was a politically defeated president while Saddam remained in power. Phillips notes, "With Saddam Hussein free to thumb his nose again, the Bushes, Rumsfeld, Cheney, together with their neoconservative acolytes, would have to confront the aging ghosts of 1960s ineptness, fumbled bombing halts, a cruel April 1975 in Saigon, and the muddled *Mayaguez* rescue on another set of Middle East battlefields a decade later."

And, Phillips notes, the presidency of George W. Bush included controversial first Bush appointees: Elliott Abrams,

John Poindexter, John Negroponte (to be named the first ambassador to Iraq). He explained, "The younger Bush also promoted the 1989-92 Bush warhawks most eager to follow-up with Iraq -- Paul Wolfowitz and Douglas Feith -- and likewise selected his father's Gulf War defense secretary, Richard Cheney, as vice president."

While Bush disdained the concept of "nation building" during the 2000 campaign, Phillips notes that, "Planning for the second invasion of Iraq seems to have begun well before election day in the Washington meeting rooms of the Project for a New American Century, the neoconservative think tank for which Cheney, Rumsfeld, Wolfowitz, Florida Gov. Jeb Bush, and Lewis Libby, Cheney's chief of staff, completed a detailed Pax Americana blueprint in September 2000."

That blueprint stated, "The United States has for decades sought to play a more permanent role in Gulf regional security. While the unresolved conflict with Iraq provides the immediate justification, the need for a substantial American force presence in the Gulf transcends the issue of the regime of Saddam Hussein."

This despite that fact that notable generals such as Charles de Gaulle, Douglas MacArthur, and Dwight Eisenhower, "had opposed or been leery of U.S. military commitment to an Asian land war in the 1960s." With President Johnson and Vietnam, Phillips observed, "He did not just escalate the war, he Texified it - applying a coat of good-ole-boy rhetoric that whetted loathing on campuses from New England through the Great Lakes and west to the Pacific."

The underlying reason was oil. In 2000, two-thirds of Persian Gulf oil went to Western industrialized nations. By 2015, the CIA estimates that 75 percent of that oil will go to Asia, chiefly to China. Phillips writes, "American hands would have to be on the pumps," led by a president whose family has four generations of ties going to royal oil families in the

Persian Gulf

The terror attacks on Sept. 11, 2001 provided the pretext to implement the neocon blueprint. Thus we have Richard Clarke's assertions in *"Against All Enemies"* of President Bush seeking a connection between Saddam and Al Qaeda. While such a link was never exposed, the Bush administration promoted that tie, and by April 2003 a CBS News poll revealed 53 percent of the American public believed in such a tie. In March 2003, as President Bush prepared the nation for war in Iraq in a nationally-televised news conference, the *Christian Science Monitor* counted eight references to Sept. 11. Bush centered his case on weapons of mass destruction, Saddam's sheer evilness, and the democratization of the Middle East, which at the time counted only one Islamic country -- Turkey -- with any democratic tradition.

"So convinced, citizens were primed for another Iraq war, at least for one that succeeded and involved few U.S. casualties," Phillips wrote.

Stay the course

On Tuesday, Americans heard President Bush offer Reaganesque imagery to the images of chaos, kidnapping and viciousness. "My message today to those in Iraq is: We'll stay the course; we'll complete the job," Bush said. "My message to our troops is: We will stay the course and complete the job and you'll have what you need. And my message to the loved ones who are worried about their sons, daughters, husbands, wives, is: You're loved one is performing a noble service for the cause of freedom and peace."

Asked about the "Vietnam analogy," Bush responded, "I think the analogy is false. I also happen to think that analogy sends the wrong message to our troops, and sends the wrong message to the enemy. And yet, we must stay the course, because the end result is in our

nation's interest."

Asked about the lack of WMD, Bush explained, "The people know where I stand. I mean, in terms of Iraq, I was very clear about what I believed. And, of course, I want to know why we haven't found a weapon yet. But I still know Saddam Hussein was a threat, and the world is better off without Saddam Hussein."

Ron Brownstein of the *Los Angeles Times* commented afterward, "For all the attention President Bush devoted to the war in Iraq at his news conference Tuesday night, his message boiled down to three words: Stay the course. Long on goals and short on means, his performance left even some supporters wondering whether he had found a formula to reassure the growing number of Americans expressing doubt in polls about his course."

Said conservative strategist William Kristol, "I was depressed. I am obviously a supporter of the war, so I don't need to be convinced. But among people who were doubtful or worried, I don't think he made arguments that would convince them. He didn't explain how we are going to win there."

On ABC's *Nightline*, Ted Koppel observed, "The questions were tough, although there was none that the President and his staff could not have anticipated. Still, he repeatedly seemed off-guard."

Phillips observes that "George I failed to go all the way to Baghdad in 1991, mistakenly letting Saddam Hussein survive. That lesson learned, George II did go all the way in 2003, proudly toppling Baghdad's great statue of Saddam. Unfortunately, he then wound up in a different but also unsatisfactory set of circumstances. Essential services broke down; guerrilla warfare broke out; American soldiers kept dying in ambushes and suicide bombings. All were reminders that the Bush dynasty's predilection has been for covert action, not nation building." ❖

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Meeks," said Indiana Republican Party Chairman Jim Kittle, Jr. "I know Senator-Elect Kruse will work tirelessly to represent Northeast Indiana, bring change to our state, and fulfill the legacy of a great Hoosier leader." Said Senate Pro Tempore Robert Garton, "Sen. Meeks and I were friends and colleagues. I will miss his presence in our caucus and in the Senate Chamber. I look forward to working with Senator-Elect Kruse. His 14-years experience in the General Assembly will be invaluable to his constituents and his fellow members in the Senate." Details about Senator-Elect Kruse's swearing-in ceremony are forthcoming. Rep. Phyllis Pond and Tim Smith of New Haven; Dennis Worman of Leo-Cedarville; and Sen. Meeks' son, Brian Meeks of Fort Wayne, also sought to complete the term, which ends in 2006.

VISCLOSKY SEES 'MOST IMPORTANT ELECTION': "This is the most important election of your life," said U.S. Rep. Peter Visclosky, D-1st, "if you hope for any kind of future security." Visclosky spoke to Democrats in Highland Wednesday. Taking aim at the economic policies of President Bush and Bush's former budget director, now Indiana Republican guber-

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natorial challenger, Mitch Daniels, Visclosky warned listeners that "by this fall, all we're going to hear about are guns, gays and abortion." Noting that the chances of any Democratic presidential candidate carrying Indiana in November were "not very good," Visclosky urged calling friends in the other 49 states, "except maybe Texas," to help defeat Bush.

KERNAN-DAVIS TO HOLD OPPORTUNITY CONFERENCE MAY 10: On Monday, May 10, Gov. Joe Kernan and Lt. Gov. Kathy Davis will host the inaugural Opportunity Indiana Conference in Indianapolis. The conference will highlight projects the state will be undertaking in the next two years and beyond. With advance notice of Indiana's coming needs in the areas of information technology, professional services and capital projects, more Indiana businesses will have the time to position themselves to compete for state procurement contracts. Kernan and Davis created the Opportunity Indiana initiative in November 2003 to maximize the opportunities Indiana companies have to do business with the state. Since that time, the Indiana Department of Administration has distributed more than 104,000 postcards to Hoosier busi-

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2004 Racing Form

Indiana 2004 Gubernatorial

Governor 2004: Republican: Mitch Daniels, Eric Miller. **Democrat:** Gov. Joe Kernan. **1996 Results:** O'Bannon (D) 1,075,342, Goldsmith (R) 997,505, Dillon (L) 35,261. **2000 Results:** O'Bannon (D) 1,230,345, McIntosh (R) 906,492, Horning (L) 38,686. **2004 Forecast:** Miller and Daniels will take part in a debate, April 22 sponsored by WISH-TV. The debate will be broadcast live from 7:00pm - 7:30pm and affiliates around the state. Kernan's campaign disclosing it raised just over \$2 million since Jan. 1. The campaign reported \$4.7 million cash on hand as of April 9th. Daniels is expected to file his report within hours that will show \$3 million cash on hand and \$1.6 million raised since Jan. 1 from 5,000 contributors. Miller expects to file a report today showing he has about \$387,000. "Gov. Kernan's candidacy is continuing to generate a lot of excitement and enthusiasm. The more Hoosiers see Joe Kernan

lead and hear how he wants to move Indiana forward, the more they are eager to show their support," said Kernan campaign manager Bernie Toon. "Hoosiers are responding to Gov. Kernan's optimism, his vision, and his efforts to bring positive change to state government."

Kernan received 1,680 contributions during the pre-primary period and disclosed that 91 percent of contributions were from Indiana, again showing a strong response from Hoosiers around the state. Daniels unveiled a proposal Tuesday to make health care more affordable, but the plan would need local governments and charities to help pay for it (*Fort Wayne Journal Gazette*). Daniels, who announced the plan outside the Matthew 25 Health and Dental Clinic for low-income people, said the plan would offer basic, no-frills health insurance for those at or below 200 percent of the federal poverty level, which is \$18,850 for a family of four. Daniels said the cost of that coverage would be lowered by dropping most state requirements, such as all-or-nothing coverage for people with pre-existing conditions. He said seven other states offer such plans with premiums of \$35 to \$50 a month. The cost would also be lowered by the plans being sponsored by local governments or non-profit groups, though that sponsorship would be voluntary for cities and counties that could afford it. "The idea's not that (local governments) would pay for it, it's just to sponsor it," Daniels said. "They may contribute if they have the money." State money would not be used, he said. Kernan campaign spokesman Scott Downes said Daniels' proposal has no substance. "If he's proposing local governments shoulder the cost, I don't know how workable that is," Downes said. "I don't know if local governments could afford this." Daniels' new TV ad is a message to Republican voters. Daniels looks into the camera and explains that he wants "a quick word with members of my own party." He said that while he has not run for office before, "There are somethings I won't do to win it, like compromise a core principle or attacking a person's character for political advantage." Daniels added, "Our campaign won't be about party at all. It's all about leading a comeback for all six million Hoosiers. If that's your goal too, then maybe I'm your man." Miller unveiled two new TV ads this week. One is from Indianapolis Chevy dealer Gary Pedigo, who says, "I've known Eric Miller for over 20 years. I support Eric for his character, integrity and his ability to lead. I think Indiana businesses need a leader like Eric Miller." Miller's second TV ad began airing on Monday. It opens with the bad economic news hitting Indiana, including the state leading the nation in bankruptcies, mortgage foreclosures and ranking "dead last" in job creation. "I am excited to share our message with Hoosiers. Indiana needs a leader who can lead them in the right direction. By working together we can help Indiana be an even better place to live, work and raise a family," Miller says, looking into the camera. It's been more than 30 years since America pulled out of Vietnam, but the echoes of that war are reverberating in politics today, including Indiana's race for governor (Mary Beth Schneider, *Indianapolis Star*). Miller, one of two Republican candidates for governor, was a 19-year-old freshman at Indiana University on Dec. 1, 1969, when the federal government held its first draft lottery since World War II. His number? A low 71, a number that guaranteed service. Miller -- who had turned down

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an appointment to West Point -- enlisted in 1970 in the Indiana National Guard. He didn't join to avoid Vietnam, he said; staying in college would have accomplished that. "All my buddies were joining," he said. "And it was a way to serve my country and still go to college." Daniels turned 20 in 1969. He'll never forget his lottery number, he said: 147. Men with numbers up to 195 were drafted, but he, like the others, was in college. By the time he got out of Princeton University in 1971, the war was being scaled back. That year, no one with a number higher than 125 was drafted. Asked if he ever wishes he had military experience, Daniels said: "I think the honest answer is yes." Kernan said a college deferment let him finish his degree at Notre Dame. But he knew military service was inevitable. He had his pre-induction physical his junior year. Facing the draft, he volunteered for the Navy. He wanted to be what his father had been: a naval aviator. "That's the environment I grew up in," he said. "You were going into the service one way or the other." In an e-mail pitch for campaign cash, Kernan told thousands of supporters that Daniels might spend millions "of his own personal fortune in an effort to try and buy this election" (Mike Smith, Associated Press). The Daniels campaign said Friday that the statement was a personal attack and cheap ploy to raise money. "Fund-raising rhetoric can be aggressive at times, but for this to go over the governor's signature is very, very surprising to me, and the charge is baseless," said Daniels' campaign manager Bill Oesterle. "It is a personal attack to say that he would try to buy the election. We can say definitively that Mitch is not going to spend millions of his own personal dollars to influence the election." Downes said the e-mail simply pointed out what Daniels was capable of doing, and that it was "far less negative" than some things Daniels has said and done. He said that included "talking down" Indiana, referring to Kernan's administration as the "same crew, same shipwreck." Daniels listed his net worth a few years ago at \$15.7 million. Downes said he did not know how much Kernan was worth, but it was less than \$1 million. Indiana's crowded and cash-strapped prison system likely will prove a challenge for the winner of this year's governor's race. But all three of the candidates say it can be improved without spending more money (*Louisville Courier-Journal*). The \$1 billion system houses about 23,000 adult inmates, despite a capacity of less than 17,500 beds. There are hundreds more inmates housed in private facilities outside Indiana, plus another 1,800 in county jails — despite newly constructed space the state says it can't afford to open at two state prisons. Kernan has convened a group of state leaders who toured two packed prisons in an effort to facilitate some discussion about possible solutions. Republicans say they believe the problem with the Indiana Department of Correction is inefficiency, a lack of creativity and an unwillingness to look at the prison system as a whole. "We need to take a look at the entire operation of the Department of Correction system and say: 'We have this prison overcrowding. What are going to do about it?'" said Eric Miller. "We don't have a coordinated system." Daniels said the department is top-heavy with management. He said there is not enough emphasis placed on getting inmates the services they need, including drug rehabilitation. **Republican Primary Status:** *Likely Daniels; General Status: Tossup.*

Indiana 2004 Congressional

Congressional District 2: Republican: U.S. Rep. Chris Chocola, Tony Zirkle.

Democrat: Joe Donnelly. **Geography:** South Bend, Michigan City, Mishawaka, Elkhart, Kokomo, Plymouth, Logansport; LaPorte, St. Joseph, Starke, Marshall, Pulaski, Fulton, Cass, Carroll and parts of Howard, Porter, Elkhart and White counties. **Media Market:** South Bend-Elkhart, Indianapolis, Lafayette, Chicago. **People:** Urban/rural 73/27%; median income\$40,381; Poverty 9.5%; Race 84% white, 8% black; 5 Hispanic; Blue/white collar: 34/50%. **2000 Presidential:** Bush 53%, Gore 44%; **Cook Partisan Voting Index:** R+5; **2002 Result:** Chocola 95,081 (50%), Long Thompson 86,253 (46%); **2004 Money:** Chocola was in South Bend Tuesday to donate five new computers to a youth and community center (WNDU-TV). Chocola made the donations after a tour of the Hispanic community center La Casa de Amistad. **Status:** *Leans Chocola.*

Congressional District 6: Republican: U.S. Rep. Mike Pence. **Democrat:** Melina

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nesses urging them to become registered vendors with the state.

MILLER, DOC SHOW UP AT PORTER COUNTY LINCOLN DAY: Eric Miller came to the Porter County Republican Party's annual Lincoln Day dinner to pick up some key local endorsements in his bid for the gubernatorial nomination (Post-Tribune). Meanwhile, Mitch Daniels, attending another event in Lafayette, dispatched Valparaiso Mayor Jon Costas and City Councilman Chuck Williams to warm up the crowd. But with his opponent away, Miller made the most of his personal appearance in front of Porter County Republicans. He showed up with former Gov. Otis Bowen, who Miller said was arguably Indiana's most respected Republican. Bowen has endorsed Miller over Daniels. The 86-year-old Bowen said before the dinner he wasn't at all tired campaigning in Miller's large RV. "When you're having fun, it isn't work," said Bowen. For one evening at least, it didn't seem as if Daniels was the front-runner. Introducing the long-time GOP activist, Porter Town Council member Sandi Snyder brought her four fellow council members to the podium to introduce Miller.

ECONOMIST EXPECTS INDIANA JOBS TO GROW:

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Indiana will "significantly" outpace neighboring states in jobs growth in a rebounding economy, thanks to its prevalence of foreign plants, Bank One's chief economist predicts (Indianapolis Star). Diane Swonk, an influential economist based in Chicago, notes Indiana has more foreign-owned plants -- which will be more likely to hire than factories supplying Detroit-based automakers. She says Indiana will fare better than struggling neighbors Michigan and Ohio. "Indiana was one of the most hospitable places for foreign investment, and that's a plus today," Swonk said. "You don't have as much bloodletting." And Indiana has more steel mills, which turn out a product in high demand, she added.

NEWSPAPER JOB ADS SURGE: On the heels of March's surge in job creation, a series of media-company financial reports in recent days indicate that help-wanted pages in newspapers are swelling again, further sign that the labor market has turned the corner (Washington Post). The New York Times Co.'s help-wanted ad revenue rose 11.1 percent in March compared with March 2003, company officials reported Monday. Employment ad revenue at Gannett Co., the nation's largest newspaper

Ann Fox. **Geography:** Anderson, Muncie, Richmond; Wells, Adams, Blackford, Jay, Madison, Delaware, Randolph, Henry, Wayne, Rush, Fayette, Union, Decatur, Franklin, and parts of Bartholomew, Shelby, Johnson and Allen counties. **Media Market:** Indianapolis, Fort Wayne, Dayton, Cincinnati. **People:** urban/rural 59/40%; median income \$39,002; poverty 9.7%; race: 93% white, 3.8% black, 1.3% Hispanic; blue/white collar 35/49%; **2000 Presidential:** Bush 58%, Gore 40%; **Cook Partisan Voting Index:** R+10; **2002 results:** Pence 118,436 (64%), Fox 63,871. **2002 Money:** Pence \$1.2m, Fox \$342,987. **2004 Outlook:** Fox reacted to President Bush's press conference Tuesday night saying, "After watching the President's news conference, I am still very concerned that he did not lay out any specifics about how and when our US mission in Iraq is accomplished Americans support our courageous troops; but, my concern in 2002 was that we did not have a clear, military objective. I believe that NATO and the UN along with the US must play a major role in securing peace." Pence wrote an op-ed article on why he voted against the highway bill. "Despite the fondest hopes of millions of Americans who look to the Republican majority for fiscal restraint, Congress has again demonstrated that wasteful government spending and pork barrel politics are truly bipartisan," Pence said. "Unfortunately, this bill was fiscally irresponsible in its size and specifics. Earlier this year, President Bush proposed to increase highway funding 17% over the next six years. The House bill will increase spending by at least 26%. But it won't stop there. The bill also contains a provision forcing an automatic spending increase in two years." **Status:** *Likely Pence*

Congressional District 7: Republican: Bob Croddy, Andy Horning. **Democrat:** U.S. Rep. Julia Carson, Bob Hidalgo. **Geography:** Indianapolis. **Media Market:** Indianapolis. **People:** Urban 99.7%; median income \$36,522; poverty 13.5%; race white 63, black 29.4%, Hispanic 4.4%, Asian 1.3%; blue/white collar 26/58%; **2000 Presidential:** Gore 55%, Bush 43%; **Cook Partisan Voting Index:** D+6. **2002 Results:** Carson 77,478 (53%), McVey 64,379 (44%). **2002 Money:** Carson \$1.099m, McVey \$1.15m. **2004 Forecast:** This is a race in which voters are being asked to pick the "real" Republican. Andy Horning is now a Republican (Jim Shella, WISH-TV). He still has a "vote Libertarian" license plate holder on his mini-van and he can't remove the bumper sticker from his 2000 Libertarian bid for governor. But he says he couldn't ignore invitations to change his party label. "I've had a lot of Republicans asking me to run as a Republican when they already had a dog in the fight," said Horning. Croddy, a first time office-seeker who has been a Republican precinct committeeman for ten years. He believes that Republicans should reject the horning candidacy. "He's been the biggest advocate for the Libertarian party over the last ten years, running five times as a Libertarian and so I take issue. I believe this is an issue for Republicans in the Republican nomination process," said Croddy. **Status:** *Likely Carson.*

Indiana 2004 Legislative

Senate District 36: Republican: Sen. Larry Borst, Johnson County Council President Brent Waltz. **Democrat:** Terry Rice. **2000 Primary Results:** Borst 7,513. **2000 General Results:** Borst (R) 24,621, Reno (D) 12,120, Williamson (L) 1,026. **2004 Forecast:** The Indiana Chamber, which has endorsed Borst, is preparing to poll this race. Waltz reports at least three Perry Township precinct officials are backing his candidacy. Waltz has sent out three mailings to date dealing with Borst's record on taxes, Waltz's signing of a new no tax pledge, and a third dealing with the lucrative pension plan legislators have. Indiana Right to Life has endorsed Waltz and some 1,185 letters are going from the campaign to RTL supporters in the district. Borst's strength is expected to be primarily in the Southport, Homecroft and Hill Valley areas, with Waltz working hard in the Greenwood area, parts of Perry Township and Center Township in Marion County. **Primary Status:** *Tossup.*

House District 13: Republican: Open. **Democrat:** State Rep. Chet Dobis, Merrillville Councilman David Uzelac. **2002 Results:** Dobis (D) 8,379, Azcona (R) 3,906. **2004 Forecast:** The tax revolt is beginning to rage in Lake County (see page 8), but thus far HD13 does not appear to be part of the growing rebellion. **Primary General Status:** *Leans Dobis.*

- Brian A. Howey ❖

Hiler, Hulbert, Dane Miller on LG speculation list

By BRIAN A. HOWEY

INDIANAPOLIS - At least three new credible names have surfaced in the Mitch Daniels realm for the Republican lieutenant governor nomination: Former Indiana Congressman John Hiler of LaPorte; former Rose-Hulman President Sam Hulbert of Terre Haute, and Biomet CEO Dane Miller of Warsaw.

Our sources say that Daniels wants to select a dynamic "outside the box, not business as usual" choice. Hiler served in Congress for 10 years from Northern Indiana's old 3rd CD is now CEO of Hiler Industries, a foundry in LaPorte.

Hiler's late brother, Bob, was a Republican National Committeeman until he died in 2003. John Hiler was part of the 1980 Reagan Revolution, upsetting then House Majority Leader John Brademas that year. He was upset himself in 1990 by Democrat Tim Roemer.

Dane Miller fits well into the context of Indiana's current life sciences initiative. Biomet is a leading orthopedic company that has experienced dynamic growth over the past decade. *Forbes* reported in 2001 that Miller has helped Biomet grow earnings at double-digit rates--even in times of economic downturn. In 2000, Biomet's profits shot up 41% to \$181 million in 2000.

Corporate Spotlight reported: Just because Biomet is a massive company doesn't mean it has to act like one. In fact, that "small company" strategy has helped it grow into a \$1.5 billion company, and preserving an entrepreneurial spirit remains a primary objective and a key to its future success. Staying personable and receptive to its customers is one of the company's secrets. "Unlike some of our competitors over the years, we haven't developed technology inhouse and then told the market that's what it wanted," said Dr. Dane Miller, CEO and one of Biomet's four founders. "We have listened to the market and responded accordingly."

Both Hiler and Miller have surfaced on past LG lists, last coming in 2000 when David McIntosh was seeking a runningmate.

Hulbert served 28 years as president of Rose Hulman, doubling its enrollment, increasing its endowment to \$180 million while constructing \$90 million in new campus buildings (*Prism*). He had initiated a 10-year plan that centered on providing new venture capital and participating in the life science industrial push.

Several influential GOP sources told HPR they are actively pushing the Hiler selection, believing that he would bring to the ticket federal and corporate job creation backgrounds. He would also geographically balance the ticket.

Our sources also confirm our hunch that Cathy Langham of Langham Transport, the Indianapolis company President Bush visited last year to tout his tax cuts and job creation, is on the list as an attractive female counter weight to Lt. Gov. Kathy Davis. Sources say that Indiana Republican Chairman Jim Kittle Jr., is lobbying hard for a female LG.

State Sen. Becky Skillman, who has been sitting in on campaign strategy sessions and is on the state platform committee. is also seen as a viable choice. Some Republicans don't see her as an "outside the box" choice and question whether she has the gravitas to be governor.

There is on-going speculation that Daniels talk of driving the legislative agenda may not sit well with long-time Senate power brokers Bob Garton and Larry Borst, should he survive his primary challenge. A Skillman candidacy cuts both ways. She has been a faithful supporter of Garton and some see her as a bridge to the entrenched powers. But Daniels has made a case for a "new crew" in the Statehouse extending beyond the executive branch and into the legislature, and it remains to be seen if Skillman could transform herself into an agent of change. ❖

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chain, leaped 22.9 percent for the quarter that ended in March, the company said this week. Nineteen of Knight Ridder Inc.'s 31 newspapers reported gains in recruitment ads in February, many of them double-digit increases, according to company financial documents released late last month. The jump in Knight Ridder's help-wanted revenue was the first since December 2000. "This is a trend that started in October and November with a slow pickup that has just continued," said Ken Goldstein, an economist at the Conference Board, a private research group that tracks help-wanted ads. "And there's no indication this is a short period that will end soon."

NICOL PONDER'S TRUCK ONLY INTERSTATE LANES: Drivers would share the road with fewer semi tractor-trailers and other heavy trucks based on a new proposal by a think tank to create special toll-based truck lanes throughout the nation's interstate system (Times of Northwest Indiana). While the plan could make for safer, less congested highways and allow truck companies to haul heavier loads, state and region transportation officials said they would need to see a lot more evidence that such lanes could be built at a price tag taxpayers could afford. Indiana Department of

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Transportation

Commissioner J. Bryan Nicol said his agency has taken some interest in the plan, which identified the Interstate 65 corridor, which goes through the region, as one of 10 ideal locations to try out the special truck lanes.

MILLER BEACH RESIDENTS SHELLSHOCKED:

Residents in the Miller section of the city have launched a legal defense fund and are considering splintering from the city or seeking a court injunction to block their pending property tax burden (Times of Northwest Indiana). Denizens of the historic lakefront neighborhood fear that soaring tax bills in the wake of the reassessment will leave them unable to afford to keep their homes. They said they are scrambling to understand how they could be stuck with annual tax bills ranging from \$10,000 to \$30,000. "I am sick to death of what is happening here," said Alice Pickford, who has lived in the Lakeshore Drive home her grandfather built since 1937. Pickford, whose home was newly assessed at \$402,000, said she is expecting her 2002 taxes to reach more than \$24,000 from the \$3,100 she said she used to pay annually.

SODREL REPORTS

\$372,000: 9th CD

Republican candidate Mike Sodrel reports raising \$372,418 and has \$254,788

Tax protests flare from Gary to Centerville

By **BRIAN A. HOWEY**

Remember that tax revolt brewing in 2003? Well, it's baaaa-aack.

Lake County mayors found themselves under siege this past week. Gary Mayor Scott King faced angry crowds in Miller Beach and Tolleston Park. In nearby Hammond, Mayor Tom McDermott got first reading approval from the City Council to use casino gaming money to offer \$500 per homestead and mortgage credits to offset some of the skyrocketing property tax bills.

The Post-Tribune's Steve Walsh reported that in Gary, a home valued at \$150,000 will have a 2003 total tax bill of \$7,075, while taxes for a \$200,000 house are \$10,234. In Hammond, taxes on houses with those values are \$4,020 and \$5,815.

Mayor King faced hundreds of angry constituents Thursday night. The Times of Northwest Indiana reported: During the rancorous meeting, marked by frequent outbursts and jeers, King laid out his tentative plans for short-term property tax relief. But his pledge to try to cut tax bills in 2004 by 35 percent was met largely with skepticism by residents who estimate their annual taxes to range from \$10,000 to \$20,000.

"We're moving," said Tommy Turner, who stormed out of the Marquette Park Pavilion as King spoke (Times of Northwest Indiana).

King was at a loss to explain why U.S. Steel's assessed valuation of 37.9 percent in 2002 has plummeted to 10.10 percent in 2003, shifting a heavy tax burden to homeowners. "We find it very difficult to comprehend," King said (*Post-Tribune*). "We're really just begun getting focus on that number."

These are scenes similar to ones that occurred in South Bend earlier this year and in the Meridian-Kessler neighborhood in Indianapolis in 2003.

Still to come will be expected fallout in Lake County communities such as

Crown Point and Merrillville. The Crown Point tax bills aren't expected to arrive until after the May 4 primary, but are expected to have State Rep. Bob Kuzman on the defensive before the November election. In Merrillville, State Rep. Chet Dobis is facing a spirited Democratic primary challenge from Councilman David Uzelac. In 2003, Dobis chastised the Merrillville Council for seeking to float a bond issue, fearful that it would exacerbate property taxes. Thus far in this primary race, the property tax issues has stayed largely in the background.

While the Indiana General Assembly passed SB1, which capped local government spending, creating budget crises in Evansville, Lafayette and Indianapolis, which faces a \$100 million deficit, the tax problems have been hit and miss.

In Indianapolis, Mayor Bart Peterson appointed his retiring fire chief to explore consolidation of IFD with township departments. And while Peterson called for early council budget talks, more county accountability, and cuts, he took criticism from the Indianapolis Star for criticizing the public defenders office for refusing to accept more cases. Public Defender David Cook reminded Peterson of a \$245,000 request for money funds, which was rejected by the City-County Council. "I've never, ever suggested this is the best way to approach this topic, but over the years, when there's been no response to resource needs, you find yourself in an ethical dilemma," Cook said (*Indianapolis Star*). In Decatur Township, school building bonds increased tax bills.

Other folks were protesting high tax bills in Grant County (late assessments with no deadline extension) and Centerville (proposed athletic bonds).

Essentially, the Hoosier M.O. from politicians is to repeat "No new taxes," ignore the problem as it festers, and then react when angry taxpayers show up in protest or the books bleed red. ❖

COLUMNISTS ON INDIANA

Albert Eisele, *The Hill* - It may not seem like a great idea, given Dan Quayle's unimpressive performance as the first President Bush's star-crossed vice president. But here's some free advice for Jim Johnson, the man in charge of finding a running mate for Sen. John Kerry (D-Mass.): Johnson should take a serious look at two of Quayle's fellow Indianans, Sen. Evan Bayh and former Rep. Lee Hamilton, while perusing the field of possible Democratic vice presidential candidates. He wouldn't have to fear finding any embarrassing things that Republicans could potentially use against Bayh or Hamilton. Both are among the most respected figures in Washington, and each would balance a ticket nicely. Bayh, only 48, is a popular former governor who won the Senate seat his father, Birch Bayh, once held by a whopping 64-35 margin in 1998. Although he's up for re-election this year, Indiana law allows him to run for both offices, so he wouldn't risk costing the Democrats a safe seat. The telegenic Bayh is a pragmatic centrist who balanced the budget, cut taxes and created 350,000 jobs in Indiana as governor. He could defuse GOP attacks on Kerry's liberalism and help him win a state that Bush won 57-41 percent in 2000. Hamilton is admittedly a bit long in the tooth at 73, but his 12 terms in the House and his experience as chairman of the Select Committee on Intelligence, on the select committee investigating the Iran-contra scandal and now as vice-chairman of the Sept. 11 commission, give him gold-plated credentials on foreign policy and national security issues. Finally, some free advice for President Bush. Should Dick Cheney's precarious health force him to step down, Bush could do much worse than turn to another Hoosier, Sen.

Dick Lugar (R-Ind.). He'd fill it nicely.



Gary Gerard, *Warsaw Times-Union* - Ever since the 9/11 tragedy, we seem to have this penchant for overreaction. A couple things reminded me of that this week. First, there was the evacuation of Fort Wayne International Airport. A suspicious metal case was found in a bathroom at the airport. Airport security staff was told there was an aluminum case in a restroom in the boarding area. An X-ray showed the case had numerous electric wires inside. Security staff called the Fort Wayne PD's bomb squad and evacuated people in the boarding area and passengers in two planes. The bomb squad determined the device inside the case was a handheld video game. The passengers were allowed to return to the planes after about a 40-minute delay. Other passengers were kept out of the boarding area until police thoroughly checked out the area. No word on whether the kid came back to claim his Gameboy. I wonder if he flew off and left it or if he was on the way home. Either way, I bet he (or she) is bummed. Then, there was the pink nonsense in Merrillville. Seems the Merrillville school district banned the wearing of pink clothing earlier this week. School officials noticed an uptick in the number of pink things being worn by students - including pink shoelaces. The officials thought this might be a precursor to some sort of gang activity so they told the kids they shouldn't wear pink. Well, either they have a gang problem up there or there is just a lot of pink clothing in the new spring lines. I was in University Park Mall in South Bend a couple weeks ago. Seems like the women's clothing stores had a lot of pink stuff. ❖

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cash on hand. Sodrel raised \$189,207 during the first quarter of 2004. "We are proud of the fact that the biggest portion of our contributions have come from individual people from within the district," said campaign manager Kevin Boehnlein.

ROKITA WARNS NURSING HOMES OF ABSENTEE BALLOT ABUSES: Indiana Secretary of State Todd Rokita this week sent a letter to the administrators of Indiana's 584 long term care facilities, outlining the laws regarding absentee voting at their facilities in the upcoming primary election. "As Indiana's chief election officer, I want to ensure that every citizen has the opportunity to vote without being pressured or intimidated by someone trying to influence the outcome of an election," Rokita wrote. "We must not tolerate abuses of the absentee ballot process, especially when seniors or other vulnerable citizens are the targets."

