



The 'Oil Presidency' not up to the energy challenge

Lugar's energy warnings in 1999 went unheeded

"Energy is vital to a country's security and material well-being. A state unable to provide its people with adequate energy supplies or desiring added leverage over other people often resorts to force." - Sen. Dick Lugar and R. James Woolsey, Foreign Affairs Magazine, January 1999

By BRIAN A. HOWEY in Columbus, Ind.

It is a shame ... a crying shame ... that we weren't toasting the election of Richard Lugar to the American presidency in 1996, or, perhaps, to the end of two distinguished terms in the White House last January.

This past week, Sen. Lugar was playing the role of the man dutifully sweeping up after the elephant parade. At the Louisville World Affairs Council, Lugar explained of the skyrocketing gasoline prices, "Supply and demand is likely to drive the price right on up as long as I live and you live. If we were serious about it, we would have done it a long time ago and we would be using it now."

At Terre Haute, home to one of the only E85 retail ethanol sites in the state, Lugar was quoted in the *Terre Haute Tribune-Star*, "The demand is rising so dramatically that there is nothing I can promise you today that will help with the price at the pump. But as some of you know, this has been a compelling interest of mine -- energy policy -- and many of yours." He suggested a continued look at ethanol, biomass, cleaner-burning ways to use Indiana coal and other methods outside traditional fuel production. "So we need to utilize our infrastructure and use our head," he said.

Lugar made this pronouncements this past week as energy prices soared. Hoosiers were paying \$2.75 a gallon in Indianapolis, more than a \$1 more than when



President Bush at his Crawford, Tex. ranch with Secretary of State Rice and Defense Secretary Rumsfeld. (White House Photo)



"This should have been on par with meeting the challenge of Sputnik or putting a man on the moon. The president's attitude has been, 'We'll just drill our way out of this challenge.'"

— U.S. Sen. Evan Bayh, on the gas price crisis, to *HPR*

The Howey Political Report is published by NewsLink Inc. Founded in 1994, The Howey Political Report is an independent, non-partisan newsletter analyzing the political process in Indiana.

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Subscriptions:
\$350 annually HPR via e-mail;
\$550 annually HPR & HPR Daily Wire.
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J. Roberts Dailey's legacy	p. 4
Kernan's tax call gets little reaction	p. 5
Horse Race: Orentlicher gets a pass	p. 6
Bayh focuses on small business	p. 7
Columnists: Wieland, Rutter, Gerard	p. 8
Ticker: Lugar on presidential mission	p. 9



the late Gov. Frank O'Bannon suspended the state's 5-cent-a-gallon gas tax in June 2000, effectively sealing his re-election.

Gas prices were up more than 40 percent from a year ago. Last week's 18-cent increase was the largest on record. The *Wall Street Journal* reported the consumer price index rose .5 percent in July, fueling inflation fears. Local governments in Indiana were grappling with already troubled budgets due to huge health care increases.

Welcome to the "Oil Presidency" of George W. Bush and Vice President Dick Cheney. It is the first time in American presidential history that a president and vice president have come from the same economic sector - big oil.

Their energy policy has been this: Invade Iraq.

Oil profits are soaring. NBC News reported that Exxon-Mobil's profits in 2003 stood at \$21 billion. In 2005, they are up to \$31 billion, a 47-percent increase. ABC News reported that BP Oil profits are up 38%, to \$6.7 billion. And Conoco Phillips up 56%, to more than \$3 billion in profits. Joan Claybrook, consumer advocate: "These profits are enormous because the public is drastically overpaying to what the oil costs to produce."

"There needed to be a sense of urgency," U.S. Sen. Evan Bayh told HPR this morning. "After 9/11 Americans were ready to ask 'What can I do? What can we do? The president didn't summon us. This should have been on par with meeting the challenge of Sputnik or putting a man on the moon. There was a lot of talk, but we haven't done anything. The president's attitude has been, 'We'll just drill our way out of this challenge.'"

While Defense Secretary Donald Rumsfeld insisted the 2003 Iraq invasion had "Nothing to do with oil, literally, nothing to do with oil," conservative columnist Kevin Phillips asserted in his book *American Dynasty*, "Oil had to be a factor in the White House calculations, even if the motivation was less about short-term U.S. oil supplies and more about future geopolitical power -- Washington's ambition to control the global oil flows without which potential rivals like the European Union and China could not challenge U.S. hegemony. In 2000, two-thirds of Persian Gulf oil went to Western industrial nations, especially Europe. By 2015, according to CIA estimates, three-quarters of the Gulf's oil will go to Asia, chiefly to China. American hands would have to be on the pumps." The problem in Iraq is the insurgency has sabotaged the pumping from the world's second largest oil reserve.

In his 1999 *Foreign Affairs*, article with Woolsey, the former CIA director, Lugar explained, "Oil is a magnet for conflict. The problem is simple: everyone needs energy, but the sources of the world's transportation fuel are concentrated in relatively few countries. This unwelcome dependence keeps U.S. military forces tied to the Persian Gulf, forces foreign pol-

icy compromises, and sinks many developing nations into staggering debt as they struggle to pay for expensive dollar-dominated oil with lower-priced commodities and agricultural products."

Lugar and Woolsey continued, "If genetically engineered biocatalysts and advanced processing technologies can make a transition from fossil fuels to biofuels affordable, the world's security picture could be different in many ways. It would be impossible to form a cartel that would control the production, manufacturing, and marketing of ethanol fuel. U.S. diplomacy and policies in the Middle East could be guided more by a respect for democracy than by a need to protect oil supplies and accommodate oil-producing regimes. Our intrusive military presence in the region could be reduced, both ameliorating anti-American tensions and making U.S. involvement in a Middle Eastern war less likely."

Sen. Bayh pointed to Brazil, a nation that made a decision 20 years ago to develop its ethanol program, using sugar as its source. "Brazil is largely energy independent. They don't have to rely on the Venezuelans," Bayh said.

Six years after the Lugar-Woolsey article was published, on Aug. 8 at Albuquerque, N.M., President Bush finally signed an energy bill.

President Bush explained, "The bill I sign today is a critical first step. It's a first step toward a more affordable and reliable energy future for the American citizens. This bill is not going to solve our energy challenges overnight. Most of the serious problems, such as high gasoline costs, or the rising dependence on foreign oil, have developed over decades. It's going to take years of focused effort to alleviate those problems."

That bill sets higher efficiency standards for federal buildings and for household products. It directs the Department of Transportation to study the potential for sensible improvements in fuel-efficiency standards for cars and trucks and SUVs. It authorizes new funding for research into cutting-edge technologies. It provides a \$3,500 tax credit on a fuel-efficient hybrid car.

"Energy conservation is more than a private virtue; it's a public virtue," Bush said. "And with this bill I sign today, America is taking the side of consumers who make the choice to conserve. I used to like to kid, but I really wasn't kidding when I said, some day a President is going to pick up the crop report -- (laughter) -- and they're going to say we're growing a lot of corn, and/or soybeans -- and the first thing that's going to pop in the President's mind is, we're less dependent on foreign sources of energy. It makes sense to promote ethanol and biodiesel."

The problem is, we are now years away from energy independence. That's years of soaring profits from the presi-



President Bush with Sen. Lugar.



dent's energy backers; years of escalating fillups and painful wintertime natural gas bills.

Lugar and Woolsey noted, "As it comes to be used to produce competitively priced ethanol, it will democratize the world's fuel market. If the hundreds of billions of dollars that now flow into a few coffers in a few nations were to flow instead to the millions of people who till the world's fields, most countries would see substantial national security, economic, and environmental benefits."

This will be little comfort to our budgets

There could have been a Manhattan Project for ener-

gy under way years ago. The key decision makers knew of China and India's coming insatiable energy needs. But the oil presidency is just getting started; their cronies headed for record profits for the next decade as our soldiers die in Iraq. This generation of American political leadership simply wasn't up to the task.

And it begs a recasting of our favorite 2005 question: When does the pain threshold kick in with voters? ❖



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Dailey's legacy still troubles Indiana today

By BRIAN A. HOWEY

MUNCIE -- The death this past week of former House Speaker J. Roberts Dailey should give all of us pause as we reflect on the idea of legacy.

Indianapolis Star columnist Andrean Neal summed it up in one word: "Power."

But how Dailey used his power has left him with a somewhat dubious legacy.

Most concentrate on his single-handed obstruction of the lottery. As HPR has pointed out in the past, Dailey is the only modern legislator we can recall who was defeated over the gambling issue. And in this case, he lost because he opposed the lottery. Dailey's defeat to Democrat Marc Carmichel in 1986 wasn't even a cliff hanger. He lost 25 of 29 precincts. That's a wholesale rejection of his position and the reason is a majority of Hoosiers have embraced gaming in some form.



Speaker J. Roberts Dailey

Since his defeat in 1986, Indiana has gone from no state-sanctioned gaming, to 11 casinos, a plethora of bingo halls, the Hoosier Lottery and two horse tracks. Gov. Mitch Daniels is signalling his willingness to consider legalization of cherry masters.

But the most damning part of Dailey's legacy was his rejection of banking reforms through the early to mid-1980s.

We are still feeling the impact of that obstruction today. Anyone who has attempted to access investment capital (as I have) knows this. That type of capital is hard to attain, in part, because much of the decision making is based beyond our state.

By the time banking reforms were passed in 1986, Indiana banks had lost a competitive edge. Our banks were picked off by bigger banks from states such as Michigan, Ohio and Illinois where leaders had had the foresight to reform years before. Neal recounted how Dailey often would kill bills by refusing to put them in committee. "There, in a highly unusual move for a speaker, he stepped down from the podium to appeal to his colleagues." The bill lost, Neal recounted, prompting Orr to declare in 1984, "The speaker is the most powerful man in Indiana government" during the legislature.

Orr was one of the first governors to truly understand the unfolding global economy, making concentrated efforts to develop Asian trade. The key to participating in that global economy was capitalization and that's where Hoosier

banks were so important and at such a disadvantage. That put Orr and Dailey, both Republicans, on a collision course.

This delay has had a lingering and devastating impact on Indiana's abilities to modernize its old-line manufacturing economy into one of life sciences, advanced manufacturing and logistics. By the early part of this century, Indiana had bled more than 100,000 manufacturing jobs and dozens of corporate headquarters.

In his book, "*Mr. Speaker*," Dailey wrote about his travels abroad and noted meeting with agricultural ministers from two European countries. He came to this conclusion: "I believe our farmers are going to have to find alternative crops and operations. I believe we must quit producing the volume of corn and soy beans that we have in the past and consider growing other products, perhaps potatoes, onion, mint, ducks or chickens."

Of course, today we know that corn and soybean crops hold two vital global economic keys: bio-fuels and protein. On Gov. Mitch Daniels recent trip to Asia, it was Indiana's agricultural prowess that seemed to offer the greatest potential of short-term export trade.

Dailey's troubled legacy should be one studied by current legislative leadership. They are defending an outdated status quo of storefront license branches and township government. The legislature gutted Indianapolis Mayor Bart Peterson's Indy Works consolidation proposals. In its wake, we find Washington Township and the city of Lawrence seeking their own consolidation with the Indianapolis Fire Department. True power, and retribution, lies with market forces. ❖

'Well done, Bob, faithful servant'

MUNCIE - J. Roberts Dailey, the former speaker of the Indiana House, used to call current Speaker Brian Bosma, R-Indianapolis, to see how he was doing and ask if he needed any help (*Muncie Star Press*). When Parkinson disease took away Dailey's ability to speak, he didn't stop calling Bosma. Hearing nothing but silence, Bosma would ask, "Bob, is that you?" Bosma knew it was Dailey on the other end when he heard the sound of a squeaky ball.

Dailey, who died Saturday at age 86, was praised as a caring, gentlemanly and faithful servant of his country, state, community, church and family during eulogies at his funeral on Wednesday. Before his death, Dailey was told by Pastor Jack Hartman, "Bob, you will hear Jesus say, 'Well done, good and faithful servant.' "

Former House Speakers John Gregg and Kermit Burrous, former Lt. Gov. John Mutz and many other politicians attended the service of death and resurrection celebrating Dailey's life and faith. ❖



Kernan calls for property tax reform; no reaction

By BRIAN A. HOWEY

INDIANAPOLIS -- When the e-mail arrived from former Gov. Joe Kernan last Friday afternoon calling for the 2006 legislative session to deal with property tax issues, we thought it was significant news.

Other than weighing in on the death penalty issue, it was the former governor's first public policy pronouncements since he was defeated last November.

We've been monitoring local government and cities, towns, counties and school corporations are all facing troubling budgets that could greatly impact property taxes.

"It is time to take another step forward toward reducing Indiana's reliance on property taxes," Kernan wrote. "The 2006 session of the General Assembly should be a time to do just that. It is a short session reserved for emergencies."

"Property taxes, and the direction they are heading, more than qualify," Kernan explained. "The equalization study being prepared by the Indiana Fiscal Policy Institute, which will be released soon, will provide important information with which to make informed decisions."

Kernan explained, "The increasing pressure on local governments and school corporations across the state to meet their obligations will put greater pressure on property taxes. With the capping of state support for property tax relief, the hit to homeowners, farmers and businesses will be higher property taxes. Not addressing these issues now, and putting them off until later, will only create a crisis situation for Hoosiers and our communities.

"As in 2002, there has to be room at the table for everyone, and no room for partisanship or finger pointing," Kernan concluded. "Leadership will be required from the public, private and not-for-profit sectors. No one believed it could happen in 2002. But we did it - all of us. It can, and should, happen again. It really is time to take another step forward. Hoosiers deserve no less."

The impact of the Kernan letter was ... nil.

It didn't generate any news stories that we've seen. Some newspapers carried it strictly as a letter to the editor.

Friends of Kernan insist the letter does not represent a potential political re-emergence.

Since Kernan left office, he was interested in buying the South Bend Silverhawks minor league baseball team, which has since been sold and the franchise is rumored to be moving.

But Kernan, the former South Bend controller and mayor, has correctly sized up the coming controversies that

local governments are facing.

Elected councils are cutting

Faced with the option of raising taxes or cutting budgets, the trend with Indiana counties appears to be the latter. Johnson County Councilmen, faced with a \$2.4 million deficit, said they have no options but to make cuts to local departments for the 2006 budget (*Johnson County Daily Journal*). Options for cuts to the budget include eliminating health insurance for part-time employees, reducing insurance benefits for full-time employees and making cuts to the largest departments in the county. In addition, council members and commissioners are going to look at getting up to three bonds for next year that would pay for items on the county's wish list.

The St. Joseph County Council, looking at a \$5.4 million deficit, is doing what *South Bend Tribune* reporter James Wensists called the "unthinkable," which is laying off employees.

At LaPorte, city employees balked at Mayor Leigh Morris' plan to offer a \$1,000 pay increase while cutting health benefits. The latest revisions to the employee health care plan call for keeping the premium at 5 cents for individuals and 10 cents for families, but the deductible for a single would be \$1,050, up from the current \$100. A family plan deductible would rise from the current \$300 to \$2,000 (*LaPorte Herald-Argus*). LaPorte Firefighter Union President A.C. Pressler said employees would wind up in the red. "It's a crock," he said Monday. "It's a lose, lose, lose situation for us any way you look at it. It's tough to swallow that you are getting a raise, but you are funding it yourself -- giving it to one hand and taking it from another. There's got to be middle ground."

At Elkhart, Mayor Dave Miller has instituted a reorganization plan that calls for 53 layoffs. "We can do this, we must do this, we will do this," Miller said (*Elkhart Truth*).

Budgets were flat-lined in Columbus and Lafayette.

School boards likely won't follow

So while municipalities and counties are seeking ways to cut budgets and employees, the real tax increase action will likely come with school corporations.

City and county councilmen and commissioners who run in bipartisan elections are motivated by potential defeat at the polls. School board members, who run in non-partisan elections, aren't nearly as vulnerable. Many Hoosiers know who their city councilman is, but probably couldn't name their district school trustee.

And school board members have cover from President Bush and his federal No Child Left Behind mandates. ❖



Anti-war vigils come to Indiana

TRENDLINE: A group of Greater Lafayette residents joined with supporters across the country Wednesday night to rally behind a California mother who lost her son during the War in Iraq. Cindy Sheehan is in the 12th day of her vigil outside George W. Bush's ranch in Crawford, Texas, where she plans to stay until the president agrees to a meeting (*Lafayette Journal & Courier*). A candlelight vigil held in the old West Lafayette Kmart parking lot was one of more than 1,350 nationwide vigils planned at 7:30 p.m. Wednesday to support Sheehan and her demand for Bush to withdraw U.S. troops from Iraq. About 40 people attended the vigil. About 125 people opposed to the war in Iraq held a candlelight vigil on Monument Circle Wednesday night, imploring President Bush to bring the troops home as soon as possible (*Indianapolis Star*). About 35 protesters gathered in Muncie. (*Muncie Star Press*).



Indiana 2006 Congressional

Congressional District 9: Republican: U.S. Rep. Mike Sodrel. Democrat: Baron Hill. **Media Market:** Evansville (11%), Indianapolis (23%), Louisville (55%), Dayton, Cincinnati (10 percent). **People:** urban/rural 52/48%, median income \$39,011; race white 94%, 2.3% black, 1.5% Hispanic; blue/white collar: 34/50%; **2000 Presidential:** Bush 56%, Gore 42%; Cook Partisan Voting Index: R+8. **2004 Presidential:** Bush 59%, Kerry 40%. **2002 Results:** Hill 96,654 (51%), Sodrel 87,169 (46%). **2002 Money:** Hill \$1.144m, Sodrel \$1.62m. **2004 Results:** Sodrel 142,197, Hill 140,772, Cox (L) 4,541. **2006 Forecast:** Glenn Murphy, Clark County GOP chairman, will augment Rep. Mike Sodrel's ground attack in 2006 with a cadre of people who are relatively new to the political process (Mark Schoeff Jr., *HPR*). Murphy said that Young Republican groups are sprouting up in counties across the district, after having only one chapter established before the 2004 race. Murphy has a special connection to the organization because he was elected national secretary of the Young Republican National Federation in July. "They are a fantastic source of grass-roots volunteers," said Murphy. The 2006 race will be Sodrel's third. "Each year,

we've built up a little stronger organization, learned a little more and become more efficient and effective," said Murphy. Former Rep. Baron Hill, Sodrel's likely Democratic challenger, is also concentrating on the ground. He said he has signed up 300 volunteers for a potential rematch with Sodrel, who beat Hill by about 1,400 votes last year. Although each candidate likely will have to raise more than \$1 million, Hill says that money won't be the decisive factor. "That's why I'm putting together this volunteer grass-roots group," he said. The Democratic Congressional Campaign Committee also likely will help Hill. "It's obviously a top-tier race for us," said Sarah Fineberg, a DCCC spokeswoman. **Status:** *Tossup*.

2006 State Races

House District 64: Republican: State Rep. Troy Woodruff. Democrat: Open. **2002 Results:** Frenz 10,516, Davis (R) 8,774. **2004 Results:** Woodruff 12,698, Frenz 12,507. **2006 Forecast:** Health care for Indiana's aging population and how it will be paid for in future years was the purpose of a visit Tuesday by State Rep. Woodruff, R-Vincennes (Schmidt, *Vincennes Sun-Commercial*). Woodruff and Mary Ann Maroon, governmental affairs liaison for the Indiana Health Care Association, visited Crestview to bring attention to extra money being returned to the state's Medicaid program thanks to a "quality assessment fee" paid by nursing facilities. "We have money (about \$1.9 million) coming back to the 64th District for nursing homes and long-term care," Woodruff said. "We have to decide how is the best way to use that money. I don't think putting it back into the till, or the general fund, will maximize the use of those dollars. We have to find the best and efficient use of that money." **Status:** *Tossup*.

House District 86: Republican: Open. Democrat: State Rep. David Orentlicher. **2002 Results:** Orentlicher 9,909, Atterholt (R) 9,872. **2004 Results:** Orentlicher 15,178, Large (R) 13,261, Goldstein (L) 585. **2006 Forecast:** Cameron Carter and John David Hoover are going to take a pass on this race, which is indicative of how Hoosier Republicans are beginning to size up the 2006 election cycle. With the war in Iraq, soaring gasoline prices and property tax problems over the horizon, some Republicans have determined 2006 is not the year to run. This should be a competitive seat. One key name to keep an eye for a challenge is Judy Singleton, who recently left a White House job and considered a run in the past. **Status:** *LIKELY D*.





Bayh's summer spent working the small business front

By BRIAN A. HOWEY

INDIANAPOLIS - This evening, U.S. Sen. Evan Bayh and his 9-year-old twin boys will venture into one of the toughest job markets on the planet: The Indianapolis Colts training camp, where getting a job and keeping it is tough business.

But this morning at Glendale Mall in Indianapolis and this afternoon at Terre Haute, Bayh was on the job creation front.

"Did you know that over the past few years, the Fortune 500 companies have created zero net new jobs?" Bayh asked several hundred people at Glendale. "Sixty to 80 percent of all new jobs were created by small business. It is small business who have created tens of thousands of jobs."

Next month, when the U.S. Senate reconvenes, Bayh intends to introduce legislation that will help small businesses defray employee training, offer health care and startup pension plans, extend tax credits, and encourage greater research and development.

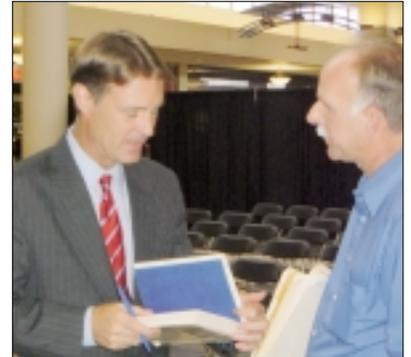
"Indiana's small businesses already employ a million Hoosiers and I'm working hard to give them the tools they need to expand and hire even more in the future," Bayh said.

Bayh said the cost of his program would be about \$2 billion. "That's less than half of what we're spending every

month in Iraq," he explained.

Earlier in the day, Bayh chatted with HPR over breakfast at Cafe Patachou in his old neighborhood.

The jobs, energy and health care themes that will mark his looming presidential campaign were the topics. His attitude was that Sen. Hillary Clinton was pretty much in a "category all by herself" when it comes to the 2008 presidential race.



U.S. Sen. Evan Bayh spoke at a jobs fair at Glendale Mall this morning, and signed a book for a fan. (HPR Photo)

"All I can do is talk about how we can move the country forward," Bayh said. "For the first time since 1952, it's going to be wide open."

Sen. Clinton poses a challenge that former Vice President Dan Quayle faced in 1999 when George W. Bush became the prohibitive favorite and raised tens of millions of dollars.

Bayh said that people in New Hampshire reacted positively to his Midwestern roots. He told a crowd in Iowa that "It seems like I could be talking to people in 60 to 70 Indiana counties." He said he wasn't obsessed with the presidency. "After the exit polls, I thought John Kerry was going to be president," he said. "We have a great country, but we've got to get our act together." ❖

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Phil Wieland, *Times of Northwest Indiana* - For years, experts have predicted gasoline will reach \$3 a gallon. Who knew this would be the year they were finally right? As with every other gasoline price spike, this one appears to have no logical explanation. Well, nothing more logical than the oil companies apparently competing to see who can gouge the most billions in profits while the Bush administration is available to provide them with ever larger tax breaks and incentives. The gasoline price makes it tough to afford a car, but the gasoline itself is causing a problem for lawn mowers. The gas price crisis might force me to use a bicycle for errands close to home. I can't afford one of those hybrid cars that get 500 miles to the gallon, so it's either start biking or start sleeping at the office. I mean, when I'm not supposed to be working. ❖

David Rutter, *Post-Tribune* - Tick. Tick. Tick. There's a time bomb ticking in the halls of the Lake County Government Center. Time will tell whether it ever explodes. County Councilman Don "Potch" Potrebic, D-Hobart, wants county government workers to punch time clocks. It's something he has done for decades at U.S. Steel. But when Potch introduced his time clock ordinance on Tuesday, some county officials were squirming like a whore in church. Potch is from the old school that believes in a day's pay for a day's work. If you're on the job, you get paid. If you aren't, then you don't deserve a check. Potch didn't call for a vote this week, but vowed to have the proposal in final form for action at the Sept. 13 meeting. "Accountability," Potch said, is the problem. There's no one minding the store. Since the majority of the elected officials treat 9-to-5 more like the movie than a work ethic, it's understandable that accountability is lacking. I used to roam those halls on a daily basis and appreciate what Potch is saying. The vast majority of the employees, however, are hard-working and religiously put in their time. And those who work the hardest are paid the least. Putting time clocks in all the offices would save the county money, but may well create additional problems for a political system that is fraught with wrongdoing. And in the end, it may cost the county more than it will save by penalizing those who come in late and leave early to make up for it. ❖

Gary Gerard, *Warsaw Times-Union* - I must have missed something back when Indiana was debating about daylight-saving time. I thought we were just deciding whether or not to turn the clock forward an hour in the spring and back an hour in the fall. Apparently, I was wrong. Apparently, we also were deciding whether to go on Central Time or Eastern

Time. Now there is this raging debate that has the state divided. South Bend wants Central Time to mate up with Chicago. Fort Wayne wants Eastern Time to mate up with, well, pretty much everybody else east and north of us. I sincerely hope Indiana doesn't make itself the laughing stock of the midwest again and go with Central Time. See, before the whole DST debate, most of Indiana was on Eastern Standard Time without observing DST. (We still are, until next spring.) Now that we have opted to observe DST, if we went to the Central time zone we would be in sync with Chicago on Central Daylight Time. That would mean the time would be exactly the same during the summer in Indiana as it has always been. Which is to say it would completely negate the effect of DST for Indiana. The sun would set at the same time as it does now. What would change is the time the sun sets in the fall. When we turn our clocks back an hour, it'll get dark earlier. It'll be dark when you get home from work. The whole point of DST is to keep it light longer in the evening. That's where the energy savings come from. If we end up in the Central Time Zone, we'd look like idiots. ❖



Sylvia Smith, *Fort Wayne Journal Gazette* - President Hillary. Bayh! in '08. Has John McCain shaken his jones for the White House? Is Kerry really thinking about going for it again? Do the Dems need an anti-Hillary? Will the GOP pick a governor from the country's bluest state? Who's ahead in the polls? The polls? You mean the 2008 presidential polls?

Yes, indeed. The presidential campaign is in full buzz mode three years before most Americans contemplate the optimum placement for a yard sign of their favorite candidate, a mere seven months after the start of President Bush's second term. In fact, it began in November. "Bush got Wednesday, Thursday and Friday," Larry Sabato, a University of Virginia political science professor, said about the news coverage and political chatter immediately after Election Day 2004, but "we were talking about '08 that weekend." Sen. John McCain, R-Ariz., was more restrained. He waited until mid-November to visit New Hampshire, the state with the nation's first primary and the focus of intense candidate attention. New Hampshire is accustomed to being wooed by presidential contenders, but not this early in the process. "We're seeing the activity in '05 that we would normally see in '06," said James Pindell, managing editor of PoliticsNH.com, an online publication that covers New Hampshire politics in detail. Pindell ticked off the indicators: Eight Republicans and five Democrats— none of whom has announced a presidential campaign, but all of whom are laying the groundwork— have been to the state since the end of the 2004 campaign. ❖



Lugar to oversee prisoner exchange

WASHINGTON - U.S. Sen.

Dick Lugar will go to North Africa to oversee a prisoner exchange between Algeria and Morocco as part of a presidential mission (HPR). Lugar will

also meet with Libyan leader Gadhafi. Western Sahara's exiled Polisario Front independence movement on Thursday plans to free all 404 remaining Moroccan prisoners of war, many held for almost two decades, sources familiar with the plan said (Reuters). President George W. Bush on Wednesday sent Sen. Richard Lugar, the chairman of the Senate Foreign Relations Committee, to oversee the release, said the sources, who asked not to be named because the exiles had not announced the plan.



Daniels wants I-69 completed by 2017

EVANSVILLE - Indiana Gov.

Mitch Daniels said Wednesday he expects Interstate 69 to be completed sometime around 2017, and suggested the Indianapolis-to-Evansville route could be funded with tolls (Evansville Courier & Press). "That plan will propose a way to finish I-69 before the plan we found was going to start it," he said, referring to a former highway plan that called for construction on I-69 to start in 2017. "We're working on something very different, with the late teens as an endpoint."

Daniels expects counties to opt for Central Time

EVANSVILLE - Gov. Daniels addressed the issue of the time zone in response to a question from the audi-

ence. Daniels said he anticipated many counties in Indiana would choose to be in the Central time zone (Evansville Courier & Press). He said confusion over what time it was in Indiana was costing businesses. He relayed the experience of an Indianapolis businessman who expected to lose about \$30,000 because a partner in Los Angeles missed a conference call because of time zone confusion. While he expects the Central time zone will be the most popular option for counties, there will still be some areas of the state that will choose differently. "Everybody on one time zone is probably not attainable, given our position on the globe."

65 percent of Allen County wants Eastern time

FORT WAYNE - More than 8,000 Allen County residents logged on to express support for a time zone, and not surprisingly, the majority wants the county to stay in the Eastern time zone (Fort Wayne Journal Gazette). The county commissioners Wednesday released the results of an unscientific online poll they conducted on their Web site from Aug. 7 to Aug. 14. Of the 8,155 total votes, 65 percent favored Eastern time and 35 percent favored Central time.

Marion council approves big raise for mayor

INDIANAPOLIS - One of the biggest raises in the city's proposed 2006 budget is Mayor Wayne Seybold's - he'll get a 50 percent salary hike if the budget passes as written. The increase in salary, from \$50,000 to \$75,000 a year, was initiated by the Marion City Council and fellow city employees. Seybold was reluctant to agree to it last month when the council's budget committee strongly supported the raise for his 2006 proposed budget. "It's not for Wayne Seybold," council member Ann Sector said. "It's for the position of the

mayor." Salary comparisons of cities similar in size to Marion. New Albany Mayor James E. Garner: \$64,200. Population: 35,000; Richmond Mayor Sally Hutton receives \$66,094. Population: 39,000; Michigan City Mayor Chuck Oberlie receives \$62,752. Population: 32,000; East Chicago Mayor George Pabey receives \$117,203. Population: 32,000.

800 show up at BMV hearing at Gary

GARY - From monetary offers to threats of civil rights lawsuits and boycotting Indianapolis, residents made known to the Indiana Bureau of Motor Vehicles their thoughts on the proposed license branch closing (Post-Tribune). More than 800 people packed Indiana University Northwest's Tamarack Theater to hear what Commissioner Joel Silverman had to say about the closing. In fact, because of its location, the bureau is eligible for a tax break; all Silverman has to do is ask, said Gary Mayor Scott King. "You've talked about a creative partnership with the City of Gary. Well, commissioner, I'm here to deal," King said as he handed a letter to Silverman stating his offer. "Your facility is smack dab in the middle of our empowerment zone, which entitles employers to up to \$3,000 on employers' tax liability. Rep. Earline Rogers pointed out to Silverman that residents don't have faith in the mail system — one of the ways suggested to Gary residents for renewing their license — nor do they have easy access to the Internet. "This is prejudice. I cannot believe the state would come into Gary and do this," Rogers said. Silverman chastised one heckler by referring to the behavior as "city mentality," which did not set well with the crowd. "City mentality? Hopefully, you'll change your attitude," said Precinct Committeeman Ron Matlock. "I'll bet if we voted Republican, you wouldn't be doing this." ❖