Ouch! MPS misses another chance for reform
BY MIKE NICHOLS

Is Madison ready for a boys-only charter school?
BY SUNNY SCHUBERT

The Class of 2010
CHARLES J. SYKES PICKS THE BEST NEW LAWMAKERS IN AN IMPRESSIVE FRESHMAN LEGISLATIVE CLASS

Ground Zero
BY CHRISTIAN SCHNEIDER

Walker’s straight talk stuns the Capitol
BY RICHARD EISENBERG
These are tumultuous and consequential times in Wisconsin. The pace of change in Madison — and the blowback — has been historic, even as the national spotlight has turned on the Badger State.

The president’s decision to come here the day after his State of the Union address underlined the obvious: Wisconsin is not only a bellwether state in presidential politics, it has become ground zero in the fight over reforming government (as well as the home of the Super Bowl Champions).

In this issue, we profile the new class of state legislators swept into office last November. They are an exceptionally talented and passionate group, and provide conservatives with their deepest bench in generations. They include business executives, certified public accountants and physicians.

“I wouldn’t be surprised if there was a future U.S. senator or governor out of this class,” says one observer.

Jeff Mayers, founder of Wispolitics.com, looks at the crucial roles that Midwestern states like Wisconsin and Ohio will play in the 2012 election. Christian Schneider, who has chronicled the remarkable ascendancies of Rep. Paul Ryan and Sen. Ron Johnson, discusses Wisconsin’s war over collective bargaining. Dave Blaska looks at the left’s ongoing tantrum over campaign finance reform and free speech.

And in contrasting pieces, Sunny Schubert and Mike Nichols look at the hopeful (and not so hopeful) prospects for meaningful educational reform: Schubert profiles a dynamic Madison-area educator, Kaleem Caire, while Nichols describes the futility of trying to fix Milwaukee’s dysfunctional schools. Some things, unfortunately, do not change.
Editor’s Note
There’s tumult for a reason.
BY CHARLES J. SYKES ..........Inside Cover

Dispatches
Winter’s big winners: Ted Thompson, Scott Walker and Cheeseheads in so many gloriously ways.
BY CHARLES J. SYKES ............... 2

Culture Con
Wisconsin finds change it can believe in. See the howls of public employee unions for evidence.
BY RICHARD ESENBERG ............. 4

Frontline Report
The troubling academic performance of black students prompts a bold call for a new charter school.
BY SUNNY SCHUBERT ............. 38

Guest Opinion
The nation could learn from the innovative policies that Gov. Mitch Daniels brought to Indiana.
BY CHRISTOPHER RUHL .......... 42

The Closer
Why ugly candidates lose elections.
BY CHRISTIAN SCHNEIDER ........ 44

Cover Story
WEAC’s unchecked success explains why the unions staged a furious Capitol showdown with reform-minded Gov. Walker.
BY CHRISTIAN SCHNEIDER ...... 20

MPS Unchanged
The school board resists closing a failing school and frustrates its new superintendent.
BY MIKE NICHOLS .......... 14

Freshman Royalty
The new class of lawmakers is primed for change. Here are the leaders to watch.
BY CHARLES J. SYKES .......... 6

2012 Kingmakers
A veteran journalist explains why everyone is watching Wisconsin and Ohio.
BY JEFF MAYSERS .......... 24

Free Speech?
Liberals can’t stand the notion that corporations have First Amendment rights.
BY DAVID BLASKA .......... 30
The winter of rebirth

Everything changed for the better, from politics to sports, in Wisconsin.

Winter was the season for transformation. A crippling blizzard paralyzed the state, but its effects were ameliorated by the Green Bay Packers’ extraordinary run through the playoffs to the Super Bowl championship. There was joy in Titletown, underlying a remarkable turnaround for Cheesehead Nation.

In Madison, the new governor pushed his reform agenda at breakneck speed, and the Legislature cranked out an array of business-friendly bills, including tort and regulatory reform, tax cuts, and a budget bill that transformed the political and labor landscape by gutting the power of public employee unions.

It was a good season...to be a Republican.

The rest of the country took note. The Washington Post chronicled Cheesehead Domination:

“The Green Bay Packers aren’t the only Wisconsin team having an impact these days,” the paper wrote shortly before the Super Bowl. “A trio of young Wisconsin politicians are now positioned to have a substantial influence on the future direction and success of the Republican Party.

Their names are Scott Walker, Reince Priebus and Paul Ryan. Walker is the newly elected governor of Wisconsin. Priebus is the newly elected chairman of the Republican National Committee. Ryan, perhaps the best known of the three, is the new chairman of the House Budget Committee....”

The Post went on to describe the three amigos as friends and “political soul mates,” who all grew up in southern Wisconsin, and shared “a worldview, a set of conservative values and a determination to show the country that conservative governance can solve many of the nation’s problems.”

It was a bad season...to be a boondoggle.

The not-so-high-speed train was not the only absurdly expensive boondoggle to bite the dust. With considerably less fanfare, the Walker administration also canceled plans for a $250 million biomass power plant on the UW-Madison campus.

The Doyle administration had opted to go with the costly plant, even though (a) the plant cost roughly twice as much as the alternatives, (b) the far-cheaper natural gas alternative scored highest on environmental and economic grounds, and (c) the regional market was already “awash in excess power,” according to the Milwaukee Journal Sentinel.

With a single stroke of the pen, Walker not only put the Doyle years further in the rearview mirror, but also likely saved taxpayers upwards of $70 million.

It was a good season...to be a Cheesehead.

Let’s count it down: In a single week, the Green Bay Packers won the NFC Championship in Chicago; American Idol was broadcast from the Calatrava wing of the Milwaukee Art Museum, showcasing the city in a way that most of America had never seen; Wisconsin Rep. Paul Ryan delivered the GOP response to the president’s State of the Union speech; the president himself visited the state the next day, underlining how Wisconsin has become ground zero in American politics; Kenosha native Mark Ruffalo was nominated for an Oscar; and freshman Sen. Ron Johnson delivered the GOP response to the president’s weekly radio address.

Think of it as Wisconsin Cool.

It was a bad season to be a Ted Thompson basher.

The Packers general manager and Packers coach Mike McCarthy enjoyed the rare pleasure of being completely, absolutely, and utterly vindicated for their decision to dump an aging interception-prone quarterback for the current Super Bowl MVP.

Brent who?
It was a bad season...for a border war with Wisconsin.

As Walker declared Wisconsin was “open for business,” Democrats in Illinois voted to raise the personal income tax by 66% and corporate taxes from 4.8% to 7%.

The tax hikes frustrated Chicago Mayor Richard M. Daley, who noted that “We have a new governor-elect in Wisconsin, a lot of competition comes from Wisconsin.”

Walker promptly revived the “Escape to Wisconsin” campaign, which drew national media attention to Wisconsin’s about-face. And the Packers beat the Bears twice — in the final game of the regular season and then in an epic NFC Championship game.

It was a bad season...for civility (at least on the left).

In the wake of the tragic shooting in Arizona, the left hammered on the need for a “new tone” in political debate, even though the shooting was unconnected with political rhetoric of any sort.

The “new tone,” however, got off to a shaky start in Wisconsin: One union website featured a cartoon comparing Scott Walker to Benito Mussolini and Adolf Hitler.

In Madison, a local theater company staged a play in which a group of smug progressives get together every week to kill a conservative. As a review in the Madison weekly Isthmus explained, the right-wingers were invited to dinner and “when their dinner conversation proves repellent, they are given poisoned wine and buried in the backyard.”

Isthmus gave the play a favorable review, but had the grace to muse that “it’s almost eerie that a play about extreme political rhetoric and vitriol would open just two weeks after the terrible shootings in Tucson.”

Not to be outdone, liberal Madison talk-show host John “Sly” Sylvester took to the airwaves to joke that Lt. Gov. Rebecca Kleefisch got her job by “giving fellatio” to talk-show hosts.

Assuming a falsetto voice, Sylvester said, “Then I got colon cancer and ran around the state to tell people: Even though I have government health care, screw everyone else.”

He and a female news anchor then joked about whether Kleefisch wore a wig as a result of her chemotherapy treatments.

The American Cancer Society was not pleased, calling Sylvester’s remarks “inappropriate and offensive to all those who have been touched by cancer, no matter their political affiliation.”

Sylvester apologized, but feminist groups, including Women in Wisconsin Government were... (cue the crickets) silent.

It was a bad season...to be a union boss.

Shortly after Walker’s election, Marty Beil, the blustery boss of the Wisconsin State Employees Union, fumed that Walker was “the plantation owner talking to the slaves.” (These “slaves” have unusually generous health care plans, pensions and civil service protection.)

“We’ve moved in Walker’s mentality from public service to public servitude,” declared Beil.

The MacIver Institute later pointed out that Beil pulled down a cool $161,847 in 2008 — more than the governor is paid.

In presiding over the dismantling of his union, Beil’s political skills seemed perfectly matched to his rhetorical prowess.

It was a good season...to be a voter.

The Legislature acted to ensure that votes were legally cast and counted, despite opposition from Democrats like Rep. Gwen Moore.

Moore charged that requiring voters to have photo IDs would suppress the turnout. A no-show at the press conference: her son, Supreme Solar Allah, who is something of an expert on voter suppression.

In 2004, Supreme and three other Democratic activists slashed the tires on 25 vans that Republicans had hoped to use to drive voters to the polls. He was convicted of a misdemeanor, sentenced to four months in jail and fined $1,000.

Moore later put Supreme on her campaign payroll as a “consultant.” As the Journal Sentinel noted: “He obviously had a soft landing. How many other criminals can walk out of jail and into a job on a congressional campaign payroll?”

Charles J. Sykes is WI’s editor.
The Walker Way

It's a shock for some: He means what he says, and he does what he promises

BY RICHARD ESENBERG

Last November, Wisconsin voters made Scott Walker their governor. They are now getting to know him.

We in MŚwaukee know Walker well and have come to understand how he responds to crisis. We know how he answers those who say that fundamental change is too disruptive and thus impossible.

The story is familiar. MŚwaukee County's elected officials had pślaged the overburdened taxpayers of a relatively poor county.

Whether by mendacity, gross negligence or misfortune met with fecklessness, county government had — on many occasūns — promised its employees medical and pensūn benefits that it could not hope to afford.

County pashas can often look forward to an early retirement spent in a luxury that belies their former status as one functūnary among many in the gray lassitude that marks the MŚwaukee County courthouse. Secretaries have — literally — become mślūnaires.

In the words of one prominent county politician, the “MŚwaukee County famśy” (by which she meant its public employees) had taken care of each other — at the expense of its shirttāš relatūns, i.e., the actual citizens whom the “famśy” came to see as its bank.

Many things happened in response. One was that MŚwaukee voters elected Walker as their county executive. For those of you outstate, a Republican carrying MŚwaukee County is a bit like Benjamin Netanyahu being elected the mayor of Tehran.

Although he promised change to a heavśy taxed electorate, he was advised to be “responsible.” To maintain his precarūus hold on office, he was told to take the MŚwaukee County kleptocracy as he found it.
Be an adult and tell the voters that what was done is done. However high they may already be, taxes and spending must continue to rise.

He said “no.” It turned out that when Walker said he wouldn’t raise taxes, he meant it. Oh, to be sure, an often hostile County Board overrode some vetoes, and his term was not without some tax and spending increases, but the trend line became relatively flat.

To evoke Grover Norquist, the beast was not starved, but it was placed on a rather stringent diet. And the voters of Tehran returned Netanyahu to office. Twice.

More important, Mšwaukee did not become Detroit. It is not yet home to no one but government supplicants and their masters, not yet a hollowed-out shell lacking economic vibrancy and a privately employed middle class. Perhaps Walker was fighting a rearguard action now to be abandoned, but he fought it.

Wisconsin is a fine state, but its government, like those of so many other fine states, is a mess. Although our constitution mandates a balanced budget, the state actually runs a “structural deficit” of billions of dollars accomplished through a combination of fiscal imprudence and accounting tricks.

While the economic downturn did not cause this state of affairs, it does make it increasingly difficult to continue. At some point we must decide what level of taxation and spending we can afford.

Walker’s budget repair bill suggests what is to come. It challenges the once controversial but now supposedly “mature” proposition that public employees ought to collectively bargain with politicians who often owe their positions to their unionized “adversaries.”

You wš find almost no manager in the private sector who wants anything to do with unUns. That’s not surprising. The economic theory behind collective bargaining is to grant labor something akin to oligopolistic power. Yet Democrats — who are, after all, elected to represent the government’s “management” — seem to want that 800-pound goršla staring at them from across the table.

It seems passing strange, but ought not to surprise. Public employee unUns keep politicians in business. In supporting them, Democrats are simply doing the honorable thing — they are, for better or worse, staying “bought.”

However, in combining decisionmakers who are indebted to the unUn with collective-bargaining protectUns, we’ve created a recipe for sweetheart deals. Outsized and unsustainable benefit and retirement packages — not only in Wisconsin but across the country — prove the pudding.

**It turned out that when Walker said he wouldn’t raise taxes, he meant it.**

What Walker has done is to go after, as the left likes to say, the “root cause.” He has declined to simply patch things up so the state can limp to the next biennium.

This is change we can believe in. We live in a high-tax state with, depending on the measure, average- to somewhat-below-average income. We find ourselves in a world in which neither businesses nor individuals are the captives of any particular state (or, quite often, of any nation). It is a world in which, quite frankly, other states do more with less.

Government spending that does not create value greater than the taxes it consumes is not only undesirable, it is harmful. This may be painful to hear, but it is no less true for that.

The Scott Walker that we came to know in Mšwaukee understands that. The rest of the state is finding out.

__Richard Eisenberg is a visiting professor of law at Marquette University. He blogs at sharkandshepherd.blogspot.com__
Bring on the New Guard.

Last November’s electoral tidal wave not only changed the party alignment in the state Capitol, it also marked the emergence of a new class of freshmen legislators, strikingly different from their predecessors.

“They are ‘Obama babies,’” says one longtime insider, “nontraditional candidates spawned by offense at Obama’s assault on the American Dream.”

“These people are citizen-soldiers,” says another observer. “They came out of the woodwork.”

As a result, he says, the Assembly Republican caucus went from “conservative and moderate to conservative and more conservative.”

This is not your traditional legislative class. The Class of 2010 includes entrepreneurs, business executives, certified public accountants and physicians — an unusually potent mix given the state’s fiscal mess and the need to address health care reform. It’s unlikely that any freshman class has ever come to Madison with as broad and deep an appreciation of the business climate or as committed to dramatic change.

Insiders describe the Class of 2010 as smart, independent, principled — and impatient. While veteran legislators still run the show, the unusually large freshman class (30 in the 99-member Assembly, eight in the 33-member Senate) will not only help shape the legislative debates of the next two years, but also provide conservatives with their deepest bench in generations.

“I wouldn’t be surprised if there was a future U.S. senator or governor in this class,” says one observer.

Their first two months have already been a heady experience. “This is a once-in-a-lifetime legislative session,” says a business spokesman. “This two-month special session will be the most productive legislative session in 30 years. They will get more done than most legislatures get done in a two-year session.”

Even so, some new members would like the pace to quicken, and they have not hesitated to push their leaders and the Walker administration to take bolder steps on issues involving public employee unions, for instance. Some have questioned whether the GOP agenda goes far enough.

“We had a group of them get together right after the election, and there was no doubt they were thumping their chest — a collective thumping,” says one insider.

With every week, says another insider, “this group is coming into its own.” Their real test, however, lies ahead, when Walker and the Legislature begin to tackle the massive budget deficit left by their predecessors.

“What makes this group different is that most are political rookies, which means they are wild cards,” says Jeff Mayers of Wispolitics.com.
Freshmen legislators are pumped and ready to rock. We pick 10 rising stars to watch. By Charles J. Sykes

Another longtime insider agrees: “It will be a real challenge to see if they can hit the right balance of teamwork versus refusing to go along to get along. But this class has an unprecedented level of actual private-sector experience, and they’re here to make a difference and not just to hold office.”

Here, based on candid interviews with Capitol insiders and observers, are ten freshmen lawmakers to watch in 2011.

State Rep. Michelle Litjens (R-Oshkosh): She brings a passionate outsider’s perspective to the Legislature.

Last year would have been a good one for Michelle Litjens even if she hadn’t been elected to her first term in the state Assembly.

Litjens was there at the beginning of Ron Johnson’s improbable bid for the United States Senate, long before it was on anyone’s political radar. A longtime Johnson friend, it was Litjens who invited him to speak at a Tea Party rally in Oshkosh and, early in 2010, began introducing the long-shot conservative to party activists and opinion makers (including the author of this article). At the state party convention that unexpectedly endorsed Johnson, Litjens placed his name in nomination.

A former third vice chair of the state GOP, Litjens, 38, is no newcomer to politics, but she brings a passionate outsider’s perspective to the Legislature. She describes herself as an “activist who grew up with parents who were doers,” and admits to being impatient with the pace of the Legislature and “frustrated at business as usual.”

One of the most outspoken conservatives in a conservative Legislature, Litjens is pushing hard to pass Right-to-Work legislation, rein in public employee unions, and repeal the prevailing-wage mandate on local governments.

Like Ron Johnson, Litjens describes the country as at “a crossroads.”

“We’ve got two directions we can go in,” she told a local newspaper. “The one with more government, more taxes, or the other path of less government, less taxes and more freedom. I think I need to do something about it.”

Says a business lobbyist: Litjens is “very hardworking and very thoughtful. She’s going places.”

Says a staffer: “She’s is in it to make a difference.”

Says a Republican operative: “She is definitely ready to hit the ground running.”

The only concern is Litjens’ impatience. “She wants quicker and bolder,” says a lobbyist. “She’s impressive in front of small and large groups. She
can wow them. I’d hate to see her fall victim to impatience.”

State Rep. John Klenke
(R-Green Bay): He’s a retired businessman who speaks for the taxpayers.

Observers are quick to cite John Klenke’s “dynamic private-sector background,” but that hardly captures how unusual it is for someone with Klenke’s corporate experience to be sitting in the Assembly.

A CPA with a master’s degree in taxation, Klenke, 52, served successively as head of Schneider National’s tax department, president of its finance branch, vice president of corporate development (which included acquisitions in both China and the United States) and finally as treasurer of the company.

A notorious workaholic, Klenke retired so he could enjoy life. For a time, Klenke spent time every week with his 85-year-old father helping him write a book “to his eight children and numerous grandchildren and great-grandchildren.”

But like other members of the Class of 2010, Klenke was drawn into politics by developments at the state and national level. “The government needs to serve the taxpayer,” says Klenke, “not the other way around. We need more dollars in the private sector and less in the government.”

“He never thought he’d go this route,” says a friend. “He was caught up in the movement that was happening.”

Says a business lobbyist: “He’s a top executive at a huge company, and he took on an incumbent who was Jim Doyle’s hat carrier on global warming…took out an incumbent in paper country. This was one of our biggest breakthroughs ever in Green Bay.”

A legislative insider describes Klenke as “a guy who got into the Legislature for all the right reasons…he wants to make a difference, and his background leads us to believe he could.”

But one friend is concerned about his transition from the private to the public sector. “I worry he won’t have as strong of an impact as he could…. He’s not an aggressive political guy.”

But Klenke is getting positive early reviews. “He gets it,” says a legislative insider. “He’s one of the guys who get the whole picture.” Another staffer describes Klenke as “very deliberate. He will be a strong voice [in the GOP caucus]. But he will be a strong voice late. He won’t make a move until he has all the chess pieces in place.”

State Rep. Erik Severson
(R-Star Prairie): He’s a phenomenal catch for the GOP caucus.

“He blew us away in caucus on tort reform,” a legislative staffer says of Erik Severson’s legislative debut. “He doesn’t look like a freshman; he looks like he’s been doing this before. With his medical background, he’s going to be a leader on health care reform.”

One of two practicing doctors on this list, Severson (who received his medical degree at the Mayo Medical School in Rochester, Minn.) has been an emergency room doctor at the Osceola Medical Center.

Health care reform drew this unconventional candidate into politics. Severson, 37, believes that Obamacare is unconstitutional and describes it as “trampling on freedom.”

“As soon as the government steps in and says you have to buy a service or a good, that’s a
trampling on our liberties,” he explained in a campaign video. “I don’t believe the government will be able to run health care much better. In fact, I think they would do much worse than right now.”

Like other freshmen members, Severson emphasizes fiscal issues, pledging to “restore the confidence of Wisconsin’s private sector and create jobs, thereby improving Wisconsin’s economy.”

A trade group representative calls Severson a “phenomenal catch for the Legislature.” But he adds: “You wonder how many of them will come out for a second term, because they get burned out by the games they play in Madison.”

Says another insider, “He will walk the walk; he ... is not interested in being a career politician. He views this strictly as a part-time venture.”

Severson has made a strong first impression. “He gets it intellectually — the theory of being a conservative as well as the need for boots-on-the-ground organization,” says a conservative activist.

Severson, he adds, could be destined for higher office.

State Rep. Chris Kapenga (R-Delafield): He's very bright, very driven.

No one questions Chris Kapenga’s skills, commitment, or intelligence. He is a Certified Public Accountant who has worked for Arthur Andersen and General Electric and has owned several businesses including Integrated Time Systems, a provider of workforce time management solutions.

But opinion is divided on his aggressiveness, at least in the first days of the new legislative session.

“He’s just cocky,” a legislative insider says bluntly. “He’s probably the most media ready and clearly came in ready to play from day one. He kind of came in wanting to be king of the freshmen. The first time they met it was great, and then the next couple of meetings they turned on him pretty quickly.”

‘I wouldn’t be surprised if there was a future U.S. senator or governor in this class,’ says one observer.

Kapenga, 39, makes no secret about what drives him. One of the “Obama babies,” Kapenga says he was alarmed by the aggressiveness of the left’s agenda. “We had elected a president and a legislature that saw bigger government and more spending as the answer to our country’s and our state’s problems.”

Kapenga is pushing an aggressive agenda to cut taxes, deregulate business, limit union power, and fix the budget mess through adopting generally accepted accounting principles (GAAP) and zero-based budgeting.

Those measures should have strong support in the GOP caucus, and some observers see Kapenga’s rough start as simply part of the learning curve. “He is very bright and very driven, and we need more of that in the Legislature,” says a Capitol veteran. “He thought he was going to turn the Legislature into a business before he even got sworn in. I think he will learn the most in the first three months about the process.” After the “rocky start,” he says, Kapenga has “cooled his
jets to the point where he is not hurting himself anymore.”

“I like his energy,” says a business lobbyist.

**State Rep. Dale Kooyenga** (R-Brookfield): *This Bronze Star recipient brings a CPA's skills to analyzing the budget.*

After working on restoring the shattered economy of Iraq, Wisconsin's problems didn't look quite so daunting for Dale Kooyenga.

From January to November 2008, Kooyenga, a Certified Public Accountant, was the 4th Infantry Division's officer in charge of economic development in Baghdad. He was awarded the Bronze Star for his service. Shortly after he returned from the Mideast, he decided to run for political office.

“My experiences as an Army officer and my civilian experiences as a CPA gave me a unique perspective,” he explains. “Losing a friend in Iraq and witnessing other acts of sacrifice made me fully understand and appreciate the true cost of freedom and liberty.”

He adds: “We did not shed blood and sweat over the past 200-plus years in a bloody civil war, and destructive wars to defeat communism, imperialism, fascism and other threats, just to destroy our great republic because of our elected officials' financial recklessness.”

Kooyenga, 31, wants to see a constitutional amendment requiring the state budget be balanced in accordance with generally accepted accounting principles.

“He's a team guy,” says an insider. “He seems to know how the process is going to work. Very impressive.”

“He deals with others very well on a personal level,” adds a legislative veteran. “I think he learned a lot from Kapenga's mistakes. Kooyenga has a little broader political view than some of the other guys.”

---

**State Sen. Tim Cullen** (D-Janesville): *This seasoned freshman is focused on job creation.*

Our sole Democrat, Tim Cullen makes up for his loneliness on this list by being the most experienced and arguably one of the most interesting freshmen in the Legislature. Cullen, 67, served in the Senate from 1975 to 1987, and for five of those years ran the place as majority leader. He returns as a member of the minority, which he admits will be a distinctly different experience.

“It took several days to sink in that I was going to be in the minority for the first time in my life,” he said in a post-election interview with the MacIver Institute.

But he brings an unusually varied background to the task: a career almost evenly divided between the public and private sectors.

Cullen was elected to the Janesville City Council at the age of 26 and worked as a congressional staffer before his first Senate tour. In a move that raised eyebrows on both sides of the aisle, Cullen left the Senate to serve as Republican Gov. Tommy Thompson’s Secretary of Health and Social Services and later became an executive with Blue Cross/Blue Shield for 20 years. After he retired, he won a seat on the Janesville School Board.
“Cullen is interesting because of his history, and [he] also worked in the health insurance industry,” notes a Republican operative. “Will he be an old-school Democrat and try to be civil and look for ways to reach across the aisle for some other reason than to stab someone in the back?”

Another observer predicts that Cullen will be back in leadership in the next session. “He’s by far the best thing they have in that caucus.”

Cullen knows that it will be different this time around. “I came here when I was 30...hoping to get elected to a higher office someday,” he said in the Maclver interview. “This time I came here for one simple reason, which is to try to help the economy of Rock County. I’m not worried about getting re-elected.”

Cullen is looking for common ground with the GOP majority and says it is vital that Walker achieve his goal of creating 250,000 new jobs. “As someone who has lived [in Janesville] my whole life, it’s almost inconceivable how difficult things are right now.”

Business groups are watching Cullen closely: “He may be the guy who brings the Dems back to some level of moderation,” says an observer. “He’s definitely not a lefty. So maybe he can bring them back from the last two years of liberalism unplugged.”

Decker, and beat him, helping deliver control of the upper house to the Republicans.

Unlike her counterparts in the Assembly, however, Galloway is the Senate’s only genuine rookie, never having served in public office before.

She brings impressive credentials to a legislative body that will have to wrestle with an array of health care issues. Galloway, 55, has an undergraduate degree from the University of Chicago and an M.D. from the Medical College of Virginia. As a physician, she specializes in the treatment of breast cancer.

“She’s here to make a difference and not just to hold office,’ says an insider.

Like Erik Severson in the Assembly, Galloway was drawn into politics by issues like malpractice reform and Obamacare. “I realized that if I wanted to change the trajectory of the government’s path toward dependence and increasing control over how I was going to practice medicine and run my business, I needed to be an active part of correcting that course,” she explains.

Galloway ran on a platform she calls CPR — “Control taxes, Promote jobs, and Reduce spending.”

Expected to be one of the leading GOP voices on health care, Galloway understands that Obamacare is not likely to be repealed in the near term but wants to focus on “empowering consumers to make their own health care choices and also using market forces to combat increasing costs.”

She explains: “Wisconsin has to create a
proactive response...to show how innovation and consumer choice can offer an alternative to socialized medicine, which the federal bill is driving us rapidly toward.”

A business lobbyist predicts: “She’s going to do really well.”

State Rep. Howard Marklein (R-Spring Green): He could star in “Madison CSI.”

Another member of the CPA caucus, Marklein brings an impressive background as a “forensic accountant.” He's the guy who tries to find out where the financial bodies are buried, an especially useful skill given the state of state finances after eight years of Jim Doyle.

A partner in the firm of Virchow Krause since 1984, Marklein, 56, has focused on white-collar-crime investigations and is a credentialed “certified fraud examiner.” As he points out, his background means he can read budgets, knows GAAP accounting and can understand deficits.

‘This is a once-in-a-lifetime legislative session,’ says a business spokesman.

Like other members of the Class of 2010, Marklein says he ran because he saw the state “going in the wrong direction.” He's committed to fixing the deficit, creating jobs and establishing a business-friendly climate in the state.

“He was one of the first of these self-realized candidates to come out after the stimulus bill passed,” says a conservative activist. “He’s very smart, ran an aggressive campaign, and won in very tough territory.”

A three-sport athlete in high school, Marklein worked his way through UW-Whitewater “to pay for his education and keep his student loans to a minimum,” and began working for Virchow Krause while still in school.

Says an outsider observer: “He’s an impressive guy on paper.... And you meet him, and he’s an accountant. He's not going to light your world on fire. [But] he’s solid and smarter than most of the people in his caucus.”

Marklein “is the Energizer Bunny,” says a legislative insider. “He can outwork anybody in the Capitol.”

State Rep. Mike Kuglitsch (R-New Berlin): Quiet but effective, he will be a power in the GOP caucus.

Mike Kuglitsch decided to run for office because “I saw the way the state was headed, and I knew that I could no longer sit on the sidelines. I have spent my entire life in the private sector employing people and creating jobs.”

Kuglitsch, 51, takes the business climate very personally. He says his son Matt, who graduated from UW-Stout last year, “was forced to leave Wisconsin because he could not find employment.”

He calls it a travesty that the state’s “young, bright minds” are taking flight “to find greener pastures in our neighboring states.”

A business graduate of UW-Whitewater, Kuglitsch is the owner and operator of Kuglitsch's
The Class of 2010

Entertainment Center in New Berlin and was also part owner of a fitness and racquet club, which he later sold but continues to manage.

With Sen. Randy Hopper (R-Fond du Lac), Kuglitsch co-authored a bill to expand the capital gains tax exemption from 60% in 2012 to 100% by 2014.

A trade group representative describes Kuglitsch as “quiet but effective and respected immediately. He chooses his words wisely; he’s not out there in caucus trying to draw attention to himself.”

Another observer says Kuglitsch is “probably the most down-to-earth legislator of the bunch. At the end of the day, he will have a big effect on the caucus. He will be the guy when the door is closed who will be a rock.”

State Rep. Paul Farrow (R-Pewaukee): He was born to run and could go far.

Given that his mother is former Lt. Gov. Margaret Farrow and that he’s been active in campaigns since he was 13, Paul Farrow’s run for office seemed preordained by the family DNA.

His experience is already standing him in good stead. Farrow immediately endeared himself to his colleagues by hosting an ice-breaking hot-dog fry on the first day of the legislative session. “The freshmen love him,” says an insider. “The older guys respect him. He knows what to do already.”

The insider says flatly: “I think he can be governor someday. The way he handles people, he’s got that charisma.”

A former school board member and current member of Carroll College’s Presidential Advisory Board, Farrow owns a home-inspection firm. He stresses his private-sector experience and his fiscal conservatism, pledging to “put Wisconsin back on the track to fiscal sanity.”

Farrow is particularly critical of the Doyle-era raids of the transportation fund and plans to be active on education-reform issues. “I plan to ‘major’ in education,” he says, “and ‘minor’ in transportation.”

“He’s quiet, bright, personable, hardworking, and wants to accomplish the conservative agenda without pissing everyone off in the process,” explains one GOP activist. “He walked into the building, knowing the angles. He has the best personality right now inside that caucus. He’s open and comfortable in his own skin and certainly conservative.”

Adds a veteran observer: “He understands how to stick to conservative principles without grabbing the pitch fork and torch at every opportunity.”

The Veteran Freshmen.

Because we focused on political newcomers (with the exception of Sen. Tim Cullen), several promising freshmen were left off this list, most notably newly elected senators Leah Vukmir (R-Wauwatosa) and Rich Zipperer (R-Pewaukee). Both moved from the Assembly to the Senate and are expected to emerge as strong conservative leaders in the upper house.

WI editor Charles J. Sykes is the author of six books and hosts a daily radio show on AM620 WTMJ in Milwaukee.
Thornton’s Losing Battle

MPS’s faãœuvre to shut a struggling charter school reveals the board’s stubborn refusal to embrace reform

By Mike Nichols

Eight months into Greg Thornton’s attempt to bring the systemic change needed to reverse years of decline in the Milwaukee Public Schools, his own fears of being stymied by a micromanaging, fickle school board are coming true.

The new MPS school superintendent was so fearful of second-guessing that his contract assuères him “individual board members agree that they will not give direction to the superintendent or any staff member regarding the management of the district or the solution of specific problems.”

Thornton stated publicly last July that if he thought he was vulnerable to micromanagement, he wouldn’t have even taken the position.

Based on what transpired at a recent board meeting, the man with the toughest job in Milwaukee may well wish he hadn’t. On that night in late January, Thornton learned a

Photographs by Allen Fredrickson
bitter lesson in how difficult it is to even take a small step, let alone a big one, to pull one of America’s lowest-performing school districts up from the bottom of the heap.

MPS has more than 180 schools, and the superintendent wanted to close just one of them — a small MPS charter high school that, according to his data, has been failing badly for more than three years.

The board’s decision to rebuff him and give the school yet another chance affects only about 100 students. Just how and why board members did so, however, illustrate why Thornton faces a Herculean struggle to improve the lives of a generation of MPS kids who, far too often, can’t even read and write.

Greg Thornton professes to love data. “In God I trust,” he is fond of saying. “Everybody else, bring me the data.”

The data he presented to the school board during an emergency review of the School for Urban Planning and Architecture’s contract in late January depicted exceedingly low levels of student achievement in a school with a myriad of problems.

A relatively small one: Someone affiliated with the school, according to the administration’s review, wasted more than $4,300 on leather furniture and a flat-screen TV. Some king-sized problems: Average daily attendance hovers around 70%. Standardized test scores, meanwhile, have been abysmal.

Only 18% of sophomores are proficient in math or English/language arts, according to state tests given during the 2009-2010 school year — well below MPS averages, which are themselves deeply troubling.

“We know we can provide a better option for these young people,” Thornton told the school board, “and I am asking the board to approve it.”

Forty minutes later, Thornton got both a “no” from a micromanaging, often emotion-driven board that lacks focus, and proof of several other reasons he appears destined to fail. These include: conflicts over the true nature of the district’s many charter schools; legitimate questions about the quality of the district’s data; and, to top it all off, rumor and gossip that Thornton says are “disruptive” and “take us off mission.”

The peek into Thornton’s battle comes at a pivotal moment. If MPS doesn’t radically change how kids are educated in Milwaukee, a new results-oriented administration in Madison certainly will. Gov. Scott Walker has discussed everything from lifting the caps on voucher schools, to rating both teachers and the schools they work in, to quickly taking action against schools that fail — something the MPS board hasn’t always been willing to do.

Reality is that MPS has been shrinking, and struggling, for decades. There were more than 133,000 students in the district in 1970. Today there are about 50,000 fewer. Many schools — traditional and charter alike — have been shut down amid criticisms that the board, in so many ways, simply hasn’t acted fast enough.
Between September and December of 2009 alone, Thornton’s predecessor, William Andrekopoulos, recommended closing as many as 20 schools, the Milwaukee Journal Sentinel has reported; the board closed only five.

Thornton has chosen far fewer battles — this school foremost among them. And he did not make the recommendation to shut it down lightly.

After all, the School for Urban Planning and Architecture once held high promise and has its share of fervent supporters.

Opened during the 2007-2008 school year in the old Walker Middle School building at 1712 S. 32nd St., SUPAR, as it’s called, touts a focus on urban planning and architecture and a strong link to UW-Milwaukee faculty and mentors.

The student body is small — only 107 at the beginning of this school year — and overwhelmingly African American and Hispanic. The students are almost all from poor families and face struggles outside the school — sometimes, in fact, right outside the school.

Cris Parr, the lead teacher, had to cancel an interview at the last minute because, she explained, one of her students “was just jumped by a group of kids waiting for her outside.”

Her colleague Christine Krzyzewski passionately defends the school. A 60% attendance rate is not bad, she suggests (the actual rate is around 70%), when it’s for a student who had a 10% attendance rate elsewhere. Moreover, seniors taking the Measures of Academic Performance test last fall, she argues, performed above the national average in reading — even if there were only seven of them.

Thornton is far from the only observer to see trouble at SUPAR. A charter school review team that included MPS board member Tim Petersens also determined that the school, based on its failure to meet educational goals, violated its contract. Nobody on the board disputed that. A majority, however, felt that failure didn’t really matter.

Board member Peter Blewett, who’s a lecturer in the UW-Milwaukee English Department, informed Thornton that closing the school “is not about numbers.” It is “about people’s lives.” He wanted to know if Thornton had polled the parents, said he needed to know what the teachers and students were thinking and suggested he didn’t believe it was his place to tell people what school they could choose.

Another MPS board member, Larry Miller, questioned whether MPS had given the charter school enough support and seemed to critique the whole notion of an education marketplace — or, perhaps, just the notion of market forces at all.

“We’re gonna just fall sway completely to market forces? Market forces haven’t done us very good since 2008,” he said. “I would contend that market forces have been the biggest problem we have faced in this country, you know maybe outside of war.”

Board member Terrence Falk — who, like Miller, is a former MPS teacher — suggested that Thornton’s
administration and the board itself were partly to blame for SUPAR's shortcomings.

“It is a failure on the part of the school. It is a failure on the part of the administration. It is a failure on the part of the board. It’s a failure. We failed on something,” he said. “And so I’d like to be in a position where we are not failing, okay?”

Jeff Spence, an MPS board member who helps run the Milwaukee Metropolitan Sewerage District, has a wholly different perspective.

Charter schools, by nature, are supposed to be autonomous, he pointed out. The schools are supposed to have the freedom and flexibility to succeed — or fail.

“It’s not really up to us to go into a charter and say, ‘Here is the curriculum you should use. Here is how you should do professional development,’” Spence says.

The primary role of MPS, as the entity that sets performance standards in charter school contracts, is enforcing compliance, he points out.

**It’s no small point. There are more than 200 charter schools in Wisconsin, according to the Wisconsin Department of Public Instruction, including nearly 50 in Milwaukee — the majority chartered through MPS.**

Most Wisconsin charter schools, like SUPAR, are “instrumentality” charters with unionized teachers who work for public school districts that are also, when appropriate, supposed to have the fortitude to quickly shut them down if they fail at their contractual mission.

Thornton was clearly irked by the board’s muddled view of charters. But he was also plainly frustrated by the board’s resistance to using data as a measure of success.

The superintendent noted that SUPAR parents, teachers and students had all been given an opportunity to weigh in. But, he added, “if we’re going to reduce ourselves to parental vote and teacher vote, we will never close a school in the Milwaukee Public Schools, and I think that is unfair to the children. I think it is unfair to the city.

“If we’re going to govern by votes of individuals and not make the best decisions that I think we’ve all been entrusted to, then I think we will continue to sit in one of the lowest positions in America with respect to student achievement — and I am concerned about that, totally.

Thornton, who did not respond to an interview request, clearly sees himself as a modern manager reliant on data and willing to make some hard, unpopular decisions.

**Like other Wisconsin schools, MPS uses the Wisconsin Knowledge and Concepts Examination to measure student proficiency.**
The tests are mandated by law and given to all students in reading and math in grades three through eight and also in 10th grade. They are, however, seen by many as a misleading measure for the simple reason that some students, particularly those with troubled family backgrounds, start with low scores.

That’s why MPS also uses value-added analysis to measure the contribution that its elementary and middle schools are making toward student growth.

Deb Lindsey, MPS director of research and evaluation, stresses the importance of differentiating between traditional measurements of student proficiency and value-added analysis.

“They are really two different things,” Lindsey says. “You can look at assessment data over time in two different ways. You can look at assessment data in terms of what percent of students are proficient, that are at grade level” and how those numbers compare to other schools and the state’s accountability target. “Or, you can look at the value added by a particular school over a period of time.”

That second point is critical in accurately revealing performance. Sometimes a suburban school with high scores really hasn’t produced much value because the kids started at a high level of achievement, while an urban school with lower scores actually produced more improvement in students who started off with abysmal achievement levels. “Value-added analysis” allows researchers to measure the growth to the school, because it separates out socioeconomic factors.

Unfortunately, MPS — for reasons that predate Thornton — does not perform value-added analysis of high schools like SUPAR. The data regarding SUPAR students, says board member Thompson, simply “was not rich enough.”

Spence, while agreeing with Thompson, cites a different bottom line: SUPAR signed a contract regarding academic progress and failed to live up to it. That poor performance just can’t be ignored, he insists.

Along with School Board President Michael Bonds, Annie Woodward and Petersons, Spence supported Thornton, voting to close SUPAR at the end of the year and try to give the students better options. Blewett made a motion to let the school stay open and — supported by Miller, Falk, David Voeltner and Thompson — prevailed. So, despite its failings, SUPAR will remain open until at least spring 2012.

The decision worries Spence, who sees Thornton frustrated by the school board’s propensity to micromanage.

“You hire a guy,” he says. “You give him a lot of money. Let him go” and do his job. “And then hold him accountable.”

Of course, it’s hard for the board to hold the new boss accountable for improving the schools when time and again it shows itself more concerned about protecting the status quo.

Mike Nichols is a senior fellow at the Wisconsin Policy Research Institute.
By now, the political lore is familiar: A major political party, cast aside by Wisconsin voters due to a lengthy recession, comes roaring back, winning a number of major state offices.

The 43-year-old new governor, carrying out a mandate he believes the voters have granted him, boldly begins restructuring the state’s tax system. His reform package contains a major change in the way state and local governments bargain with their employees, leading to charges that the governor is paying back his campaign contributors.

Only the year wasn’t 2011 — it was 1959, and Gov. Gaylord Nelson had just resurrected the Democratic Party of Wisconsin. Certain of his path, Nelson embarked on an ambitious agenda that included introduction of a withholding tax, which brought hundreds of protesters to
the Capitol. Nelson also signed the nation’s first public-sector collective bargaining law — the same law that 52 years later Gov. Scott Walker targeted for fundamental revision.

Two different governors, two different parties, and two different positions. Ironically, their assertive gubernatorial actions may produce the same disruptive outcome. By empowering the unions, Nelson’s legislation led to public-sector strikes and work stoppages. By disempowering the unions, Walker’s actions might lead to public-sector strikes and work stoppages.

In Walker’s case, union members reluctantly agreed to his pension and health-care demands, but have fought desperately to preserve their leverage in negotiating contracts. That raises the basic question of the Madison showdown: Why is Scott Walker so afraid of collective bargaining?
The answer can be found in the rise of the state's teachers unions. After the 1959 Municipal Employees Relations law passed, the Milwaukee Teachers’ Education Association became, in 1964, the state's first certified teachers' bargaining agent. Slowly, more teacher groups across the state began to organize in their districts. And in 1969, Ashwaubenon teachers became the first Wisconsin educators to hit the bricks and strike, as 83 teachers walked out for four days.

Part and parcel with these developments, a venerable professional group founded in 1853, the Wisconsin Education Association, transformed itself into a tough-talking trade union in 1972 called the Wisconsin Education Association Council, with the authority to bargain on behalf of teachers all over the state.

WEAC began collecting funds from its members ($3 apiece) to spend on supporting political candidates. According to the union, 88% of its endorsed candidates won in the 1974 elections. The union had arrived on center stage as a major player in Wisconsin politics.

Unionized teachers routinely flexed their muscle. Between 1969 and 1974, there were 50 teacher strikes in Wisconsin, despite a state law declaring public employee strikes illegal. Because there were no penalties outlined in the law, WEAC's leadership frequently convinced its members to walk out anyway.

A turning point came in March 1974, when a bitter teachers' strike in the small town of Hortonville prompted a resolute school board to fire and replace 88 striking teachers. All hell broke loose.

The strike, one of the longest in the history of American education, garnered national media attention and was litigated all the way to the U.S. Supreme Court, where the justices affirmed the school boards' right to fire the strikers.

Asked later if it was wise for WEAC to pick a fight in conservative Outagamie County, its former executive director Morris Andrews said: “I would have chosen a better place.”

**Determined to use the Hortonville defeat as a rallying cry for solidarity, Andrews began pushing for a stronger, more galvanized teachers union.** Under his leadership, WEAC hired collective-bargaining and arbitration experts and implemented “pattern bargaining” strategies. The idea was to extract as much salary and benefit increases as possible from teacher-sympathetic school boards, then use that data to pressure more stubborn boards to cough up better pay and benefits.

Notably, WEAC's post-Hortonville muscle led to passage of a 1977 mediation-arbitration law that guarantees settlement of deadlocked collective-bargaining disputes.

The new law essentially ended public employee strikes. According to the Wisconsin Employment Relations Commission, the state has had 111 municipal employee strikes since 1970; 90% took place prior to the 1977 med-arb law. Since 1982, there has only been one strike, in 1997 by Madison Metropolitan School District teachers.

The end of strikes, however, didn't mean teachers were any less aggressive in negotiating. Aided by the new law,
teachers redoubled their efforts to improve compensation. And they succeeded, judging by the costs of total pay and benefit packages.

For instance, statewide average teacher salaries increased 6% per year in the 16 years before the Hortonville strike. In the 16 years after the strike, the increase is pegged at 7% annually. Not a big difference, for sure.

But salaries are only a part of the picture. Consider that in the 16 years prior to Hortonville, average state per-pupil spending increased 6.7% per year. Post-strike, it jumped to 9.6% per year in the 16 years following the Hortonville clash.

Through collective bargaining, WEAC obtained concessions from management that appeared to have little fiscal effect, but in the long run greatly benefited its members. It was in the early 1970s, for example, that local government employees across the state started to see taxpayers picking up the full cost of pension benefits — the very practice Gov. Walker fought against in his budget-repair bill.

In the ‘70s, union leaders were figuring out the value of benefits; many of labor’s decision-makers were older and needed health and pension benefits more than the rank and file. They recognized that benefits were often not taxed, meaning that teachers usually got more bang from a buck in benefits than from a buck in pay.

Other provisions benefiting unions followed. In 1973, Wisconsin enacted the “Educational Standards Bill,” establishing that all teachers must be certified by the state Department of Public Instruction, that every school district must provide kindergarten, special education, guidance counselors, and other measures.

Also in 1973, Milwaukee teachers negotiated a benefit that paid their health care premiums when they retired — in 2016, this benefit will be worth $4.9 billion, or more than four times the size of the Milwaukee district’s current budget. Teachers represented by WEAC often demanded that their health premiums be provided by WEA Trust — their own health insurer — at a cost often greater than insurance on the private market. (Started in 1970, WEA Trust is now the fifth-largest health insurer in Wisconsin.)

In none of these cases of advancing teachers and their union were the long-term fiscal costs known. While Capitol protesters in February offered to give up some short-term financial considerations, it is this slow, steady, tectonic shift towards enriching and empowering public employees that Walker sought to decisively reverse.

Bottom line: Even in giving up ground on a few major points, the negotiating tide on work rules and other matters still favors government labor.

Today, K-12 education funding dwarfs the next-highest state spending program by a measure of 4-to-1. In 2011, Wisconsin spent $5.3 billion on public school aids, compared to $1.3 billion on Medical Assistance.

Give WEAC credit for having the most aggressive and most sophisticated bargainers. Give it credit for executing a long-term strategy to enrich its members. But the union has been so successful for so long that it has sown the seeds for a humbling comeuppance.

It was this seemingly inexorable march toward higher spending that Walker is trying to halt by disassembling an overly powerful and deeply entrenched union machine.

Upon taking office in 1959, Gov. Nelson called on politicians to “think and act anew.” And that’s exactly what Gov. Walker is doing. ■

Christian Schneider is a senior fellow at the Wisconsin Policy Research Institute.
The Coming Battle.
Can you name the two Midwestern states where the 2012 election battle may be fought the hardest?

Two states crazy about Big Ten sports.

Two states that in 2010 saw big gains by the GOP and where the statehouses are ruled by Republicans.

Two states with new governors who say “open for business” a lot.

Two states with manufacturing-based economies — dare we say “Rust Belt”? — that have had to deal with a depressed auto industry and related suppliers.

One, you have already guessed: Wisconsin.

The other: Ohio, home of the Big Ten Buckeyes, two NFL teams, the litigious Dennis Kucinich and the Rock and Roll Hall of Fame in Cleveland.

Wisconsin and Ohio are almost certain to be kingmakers in the 2012 presidential election.

In the 16 presidential elections since 1948, Ohio has only picked one loser — Richard Nixon in 1960 (John Kennedy won). Wisconsin has picked winners in all but three races — 1988, 2000 and 2004.

Both Wisconsin and Ohio went for President Obama in 2008, and to win re-election Obama will need their electoral votes — 10 in Wisconsin and 20 in Ohio.

Senatorial elections raise the stakes even higher for Wisconsin and Ohio. Both states have Democratic incumbents going before the voters in 2012. Herb Kohl, Wisconsin’s four-term moderate incumbent, is on the watch list after conservative newcomer Ron Johnson ousted Russ Feingold in 2010.

(Mark Neumann, the former 1st District congressman who lost to Feingold in 1998 and then lost to Scott Walker in the GOP gubernatorial primary of 2010, is
showing signs of a possible challenge to the millionaire Milwaukee Bucks owner.)

Political pundits already are rating Ohio’s Sherrod Brown as one of the most vulnerable Democrats in the U.S. Senate. Could a conservative Tea Party type like Johnson emerge to bump off another top progressive? It’s yet another worry for Democrats in Ohio and Wisconsin, not to mention in Washington, D.C.

For evidence, just look at the president’s frequent-flyer miles. Obama has been to Wisconsin seven times since becoming president, including a post-State of the Union visit to Manitowoc and the swing Fox Valley media market.

And Obama’s double-digit visits to Ohio caused a New York Times political reporter to write in October: “The most politically important state in America, at least in the eyes of the White House, is Ohio. President Obama arrives this weekend for one last rally of the campaign season, his 12th visit since taking office and his second in only two weeks.”

Conclusion from the political pros: Obama doesn’t win in 2012 without the Midwest, and upper Midwest voters don’t come back without an improving economy.

The economy is a big one for all concerned. Like Wisconsin’s, Ohio’s economy has been struggling. Despite the best efforts of entrepreneurs and purveyors of the new economy, manufacturing remains the core of Ohio’s economy.

As of December, the Ohio unemployment rate (9.6%) was about the same as the U.S. rate (9.4%). Wisconsin’s rate was 7.5%.

Reports indicate the loss of 419,000 jobs in Ohio since the official start of the recession at the end of 2007. Jobs are coming back, but slowly, with reports suggesting 150,000 added jobs over the next two years.

But you only have to visit places like eastern Ohio’s Youngstown to see the devastation wrought by years and years of Rust Belt decline. Janesville, once home to GM, looks and feels like a robust place in comparison. But that’s faint comfort. As of December, Wisconsin had 154,500 fewer jobs than it did three years earlier, according to the Center on Wisconsin Strategy. High-paying construction and manufacturing jobs have been particularly hard hit.

Voter unhappiness with the economy contributed heavily to Republican sweeps in both states. Newly elected governors — Scott Walker in Wisconsin and John Kasich in Ohio — are promising to shake things up.

Their states are among six states — five in the Big Ten conference — where the GOP rules the governor’s office and both houses of the Legislature, thanks to those 2010 election results. (The others are Indiana, Michigan, Pennsylvania and Maine.) Republicans in these statehouses have a lot of power to reverse what Democrats did in the 2008-10 elections and to enact an agenda they claim will make their economies the envy of the nation.

But if the 2008 and 2010 elections proved anything, it was the volatility of voters in these key states, including Ohio and Wisconsin. Experts say the lousy economy had voters wanting change.

Will a recovering economy — albeit a slowly recovering one — give these independent-minded voters enough incentive to come back Obama’s way? Early 2011 polling suggests a lot of those folks are
coming back to Obama.

“It’s really going to depend on who he runs against,” says Matt Mayer, president of the conservative Buckeye Institute, when asked whether he sees an Obama rebound similar to President Bill Clinton’s post-1994 revival. “We don’t need another geriatric candidate.” Mayer was referring to Bob Dole (the 1996 loser) and John McCain (the 2008 loser).

But which of the Republican hopefuls has the key to winning the Midwest? It will be a question tested in the first-in-the-nation caucuses in Iowa, another state where a Republican replaced a Democrat in the governor’s office.

NBC’s political team, writing in its daily “First Read” on Jan. 26, reinforced the importance of the Midwest in 2012:

“In the new NBC/WSJ poll, Obama’s approval rating in the Midwest is 56%, up 13 points [!!!] since December. Put simply, 2012 will be all about the Midwest. It’s why the president is in Wisconsin today. It’s why Vice President Biden is in Indiana.... There was no region of the country that was more important to Obama’s success in ’08 (both in the primaries and general) — and no other region where Dems took a bigger shellacking in 2010 — than the Midwest.”

Meanwhile, Reince Priebus, the new Republican National Committee chair, and Wisconsin’s GOP leader during the lows of 2008 and the highs of 2010, feels his new job should be a “net positive” for Wisconsin Republicans. But he told WisPolitics.com in late January the state would likely have been in the political crosshairs regardless.

Noting Obama’s post-State of the Union visit, he said: “Barack Obama’s map just doesn’t add up without Wisconsin.”

Priebus said winning the Badger State for the GOP presidential nominee next year is “mandatory” — easier said than done considering that Wisconsin Republicans haven’t won the state for their nominee since Ronald Reagan in 1984. That makes six straight Democratic victories at the top of the ticket, including presidential losers such as Michael Dukakis, Al Gore and John Kerry.

The Buckeye Institute’s Mayer wasn’t hopeful, even with Kasich now on the scene, that Ohio’s GOP leadership will be bold enough to do what it takes to invigorate the Ohio economy. Mayer, formerly of the Heritage Foundation, calls for a right-to-work law to “free our economy.” (Such laws undercut unionized workplaces by making union dues voluntary.)

He says the current Ohio economy is hamstrung by “forced unionization” that makes Ohio unable to compete for the new manufacturing jobs, like those of Boeing, that are streaming to the south and west.

“If we were a right-to-work state, I think we could compete,” he says, calling “right to work” the “single-biggest issue” Kasich and Republican leaders could have embraced. “I’m afraid we’re not going to be bold.”

Ohio and Wisconsin have some of the most heavily unionized public-sector workforces in the country. Both governors are unafraid to challenge their power.
Before he was sworn in, Walker successfully urged the Legislature to hold off on approving new state union contracts because he wanted state employees to pay more for their health care and pensions. In early February, using a “budget repair bill” as a vehicle, the new governor laid his cards on the table.

To fill a budget hole of some $137 million, Walker proposed that state employees pay about 5.8% toward their pension and about 12% of their healthcare benefits. This would amount to a big pay cut for state workers and save $30 million in the last three months of the current fiscal year and some $300 million in the coming two-year budget cycle.

Walker also proposed sweeping collective bargaining changes: Total wage increases could not exceed a cap based on the consumer price index unless approved by referendum; contracts would be limited to one year, and wages would be frozen until the new contract is settled; collective bargaining units would be required to take annual votes to maintain certification as a union; employers would be prohibited from collecting union dues, and members of collective bargaining units would not be required to pay dues.

Further, if the governor declares a state of emergency, the bill authorizes termination of any employees absent for three days without approval of the employer or any employees who participate in an organized action to stop or slow work.

“What the governor has created is a right-to-work state for public employees,” said Joe Wineke, a former Democratic legislator who was Democratic Gov. Jim Doyle’s labor negotiator. “I think war has been declared.”

The alternative, Walker said, was 1,500 layoffs to state employees and as many as 200,000 children bumped off Medicaid-related programs. In the next biennium, layoffs to state employees could range from 5,500 to 6,000, with similar layoffs at the local level, he said.

Union leaders called for talks. Walker said the state didn’t have a choice. “The state’s broke. Local governments are broke. They don’t have anything to offer,” he said.

The resulting uproar paralyzed state government and drew national attention to the Wisconsin showdown.

Kasich likewise wants to get rid of Ohio’s 1983 collective bargaining law. At presstime, the Ohio Senate had approved a bill prohibiting public employee unions from bargaining over health benefits, pensions and working conditions. The Ohio House is expected to concur and to send the bill to Kasich, who has promised to sign it into law. He is also looking at measures to ban public employee strikes and penalize those who walk.

Adding urgency to their agendas are budget crises in both states. Walker and Kasich have big budget holes to fill — Wisconsin’s is estimated at more than $3 billion, while Ohio’s is pegged at about $8 billion.

“We look at privatization, we look at killing things that don’t work,” Kasich said earlier this year. “There are just no options that are off the table, except tax increases, because we can’t stomach them.... And, of course, the need to have civil service reform, which is bankrupting a lot of our cities through things like binding arbitration.”
Walker and Kasich both are revamping their commerce departments, with the help of Republican majorities, creating public-private groups.

Walker’s special-session jobs agenda, designed to get the state going toward his goal of 250,000 new jobs in four years, also includes measures to limit lawsuits, streamline regulations and provide tax breaks to businesses that relocate to the state.

But liberal interest groups and Democrats are unimpressed. “It’s not a balanced approach when Gov. Walker, facing a $3.3 billion deficit and the need for immediate job creation, spends $140 million in special-interest tax breaks that will do little to create family-supporting jobs,” opines Scot Ross, of the liberal group One Wisconsin Now.

Liberals may not have the votes to stop the measures in the Republican-dominated Wisconsin and Ohio legislatures. But their rhetoric signals the coming fight for votes in the 2012 presidential election year, when Democrats will try to claw their way back into power and keep what they have in Sens. Kohl and Brown — and, most importantly, Obama.

However it turns out, you can be sure that Wisconsin and Ohio, where presidential winners are often confirmed, will be bellwethers of the battle.

‘Our state employees... should recognize that we are in difficult economic and fiscal times,’ says Gov. Walker.

Data points

Population: Wisconsin, 5.6 million; Ohio 11.5 million.

December unemployment rate: Wisconsin, 7.5%; Ohio, 9.6%; U.S., 9.4%.

Median household income: Wisconsin, $52,103; Ohio $48,011; U.S. $52,029.

Electoral votes: Wisconsin, 10; Ohio, 20.

Sources: U.S. Census Bureau, Bureau of Labor Statistics

Jeff Mayers is president of WisPolitics.com and WisBusiness.com, online news services based in Madison.
The Supreme Court’s defense of corporate politicking has sparked a fierce backlash

“Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.”

— First Amendment to the United States Constitution
On Jan. 21, Madison’s Capitol Square was gripped in the dark deep freeze of a lonely Friday evening. On the coldest day of the year, the state employees who remained downtown had retreated to the cozy warmth of the trendy boites for their after-work glasses of Chardonnay.

Huddled against zero-degree temperatures driven by a biting wind, 40 hardy souls clustered outside the State Street entrance to the Capitol, hoisting their hopes aloft in the form of homemade signs.

More daunting than the bitter cold weather, their objective was to amend the Bill of Rights to the U.S. Constitution for the first time in its 220 years.

The Madison rally was one of 41 around the nation that day protesting a U.S. Supreme Court decision on its one-year anniversary: Citizens United v. Federal Election Commission.

No high court decision has so enraged — or energized — America’s left. At the Madison protest, fiery red-haired Green Party activist Ben Manski called it the worst ruling since Dred Scott enshrined slavery in 1857. It is a comparison made by opponents from Keith Olbermann

Justice Roberts warned that upholding the ban would allow censorship of not only TV and radio, but of the Internet and any other medium that corporations and unions might use to express their opinions.

### AMENDMENTS TO THE CONSTITUTION

**Religious and Political Freedom**

Congress must not interfere with freedom of religion, speech, or press, assembly, and petition. Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridge the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances.

---

The people may keep and bear arms. A well-regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms [i.e., for military purposes] shall not be infringed.

Quarterming of Troops

Soldiers may not be arbitrarily quartered or the State, in time of peace, in any manner, nor in time of war, in a manner injurious to the inhabitants.
to Florida firebrand Alan Grayson to Madison-based Progressive magazine editor Matthew Rothschild.

They are convinced that the Supreme Court has given “a green light to a new stampede of special-interest money in our politics,” as President Barack Obama said shortly after the decision was rendered.

The ruling overturned the McCain-Feingold campaign financing limits enacted eight years earlier, thus permitting corporations unlimited spending on not only issue ads but for supporting candidates for federal office if they did so independently of their campaigns.

Critics have coalesced behind a nationwide movement calling itself “Move to Amend,” with Madison as one of its epicenters. Member organizations include activist groups such as the Green Party, the National Lawyers Guild, Women's International League for Peace and Freedom, the anarchic Ruckus Society, the Wisconsin Democracy Campaign, and People for the American Way.

They will gather in Madison for a national convention Aug. 24-28 to plot strategy. Kaja Rebane, a former co-president of the UW-Madison Teaching Assistants' Association, is one of the national leaders. She says the coalition is promoting advisory referenda all across the country. It would ask:

“Should the United States Constitution be amended to establish that regulating political contributions and spending is not equivalent to limiting freedom of speech by stating that only human beings, not corporations, are entitled to constitutional rights?”

A version will appear on the April 5 ballot in Dane County.

The movement takes as its touchstone the minority opinion of Justice John Paul Stevens: “In the context of election to public office, the distinction between corporate and human speakers is significant. Although they make enormous contributions to our society, corporations are not actually members of it. They cannot vote or run for office.”

“We want to clarify once and for all,” says Madison activist Grant Petty, “whom the Bill of Rights applies to — flesh-and-blood human beings, not fictitious legal entities whose sole original purpose was to facilitate business dealings.”

How about unions? “We don't have a union personhood problem,” Rebane answers. “We do have a corporate personhood problem.”

The Citizens United v. Federal Elections Commission case was decided by a 5-4 vote. At issue was whether a conservative nonprofit group called Citizens United could air a 90-minute movie critical of Hillary Clinton during the 2008 presidential campaign.

The Federal Elections Commission argued that doing so violated the 2002 Bipartisan Campaign Reform Act. The law, commonly known as McCain-Feingold, prohibits corporations from delivering political messages 30 days before a primary or 60 days before a general election.

During oral arguments, the Justice Department said that yes, even a 500-page book could be banned if any corporation was involved and it bore one line of candidate advocacy.
“The government claimed this power extended not only to for-profit corporations, but to non-profit corporations such as the Sierra Club, the NRA, your local Chamber of Commerce, or local humane society,” former FEC Commissioner Bradley Smith wrote on the Politico website.

That theory, Chief Justice John Roberts Jr. said in the majority opinion, “would allow censorship not only of television and radio broadcasts, but of pamphlets, posters, the Internet, and virtually any other medium that corporations and unions might find useful in expressing their views on matters of public concern.”

For the majority, the notion that “corporations aren’t people” and have no First Amendment rights just didn’t mean much when it came to the practicalities of free speech.

“Surely the dissent does not believe that speech by the Republican Party or the Democratic Party can be censored because it is not the speech of ‘an individual American,’” Justice Antonin Scalia wrote, explaining that an “individual person’s right to speak includes the right to speak in association with other individual persons.”

Scalia said that the First Amendment means what it says: “The amendment is written in terms of ‘speech,’ not speakers. Its text offers no foothold for excluding...
any category of speaker, from single individuals to partnerships of individuals, to unincorporated associations of individuals, to incorporated associations of individuals....”

This argument sails right by Mike McCabe of the Wisconsin Democracy Campaign. “Our nation’s founders never said money is speech,” he cried out post-decision. “They never said corporations are people. There comes a time when the actual words of the founders must be respected and honored.”

One might ask: If money is not speech, then why is McCabe begging for contributions? His website informs visitors: “Your donation...helps make our work for clean government and real democracy in Wisconsin possible.... There are three ways to give.”

Corporations make for swell boogeymen on our college campuses, in liberal towns like Madison and in Michael Moore movies.

In a statement to the left-leaning website Forward Lookout, Dane County Board chairman Scott McDonell warned, “Corporate interests may have infiltrated the Supreme Court and pulled the wool over Congress’ eyes.” Cue the Mission Impossible theme song.

“Thereir only stake is profit, irrespective of the interests of the citizens of Wisconsin,” says Petty, a UW-Madison meteorology professor.

Never mind that profit could very well be of interest to many citizens of Wisconsin — employers, employees, and retirement annuitants alike.

“There is a popular sense that corporations are evil and somehow have unlimited resources by virtue of their status as corporations,” says Marquette law professor (and Wisconsin Interest columnist) Rick Esenberg. “In fact, corporations are merely associations of one or more people formed to undertake a particular activity.”

It is surprising and a little discouraging that many news media voices are riding the First Amendment to deny that protection to others. John Nichols used the resources of Capital Newspapers Inc. to write on The Capital Times website that Congress should “amend the Constitution to fight corporate power.”

Chief Justice Roberts saw the irony. Such limitations, he wrote for the majority, “would empower the government to prohibit newspapers from running editorials or opinion pieces supporting or opposing candidates for office, so long as the newspapers were owned by corporations — as the major ones are.”

Do journalists have more First Amendment rights than the rest of us? If we don’t own a press, may we rent one? Justice Kennedy wrote that in an age of blogs and tweets, everyone is a journalist.

When all is said and done, the court’s decision is clouded by misconception.

Even President Obama claimed the decision overturned the prohibition against corporate donations to candidates enacted in Teddy Roosevelt’s day. That misstatement — by a Harvard Law School graduate, no less — prompted Justice Alito to mouth “Not true” during the 2010 State of the Union address.

Corporations are still prohibited from contributing
directly to a candidate’s campaign, although, admittedly, their ability to spend independently compensates. The Supreme Court’s precedent for banning corporate independent expenditures dates back only to 1990’s Austin v. Michigan Chamber of Commerce.

Too much money in politics? That did not bother Barack Obama when he unilaterally blew past public financing for his 2008 campaign so he could exceed its spending limits. The columnist George Will famously calculated that the $5.3 billion spent in the 2008 congressional and presidential election cycle was one billion less than Americans spend on potato chips per year.

“The First Amendment does not permit government to decide the ‘proper’ quantity of political speech,” Will wrote.

Nor does the biggest spender always win. Take the 2010 governor’s race in California. Meg Whitman lost the most expensive non-presidential race in U.S. history despite spending over $160 million to $40 million for the winning Democrat, Jerry Brown. Unions poured in another $28 million to independent expenditure groups on Brown’s behalf.

In Democratic New Jersey, incumbent Gov. Jon Corzine outspent his Republican challenger Chris
Christie by a 3-to-1 margin — $23.6 million to $8.8 million — and still lost.

"In practice, Citizens United worked," former FEC chairman Smith wrote in his Politico piece. "The elections of 2010 illustrate the benefits of a freer political marketplace. The campaign was one of the most issue-oriented in memory. More races were competitive than in any election since before the Federal Election Campaign Act was passed."

The critics understand the difficulty of amending the U.S. Constitution, requiring, as it does, two-thirds votes in each house of Congress and ratification by three-fourths of the state legislatures. Over 10,000 amendments have been proposed since 1789; only 27 have succeeded.

"No one has any illusions that it will be easy, as anyone who experienced the heartbreak of the Equal Rights Amendment can attest," editor Rothschild wrote.

Even more daunting, only four constitutional amendments have reversed Supreme Court opinions, "and most had to do with expanding rights, not restricting them," observes UW-Madison political science professor Donald Downs.

Still, there may be latent public support for the amendment. An August 2010 Survey USA poll found that 77% of voters see corporate spending in elections as akin to bribery.

Nearly 80% of voters feel that corporations have an unfair advantage, according to a public opinion poll released in January by the Democratic polling firm Hart Research Associates.

Whether that translates to active support for a constitutional amendment is another question.

The movement to amend the Constitution poses a disturbing question: When did America’s political left become the enemy of free speech?

Before Margaret Thatcher, Britain’s Labourites seized the commanding heights of the economy. Those who support “Move to Amend” want to control a commodity much more valuable than coal. They’re wagering that citizens — “restive, frightened and easily manipulated,” Capital Times columnist Bill Berry called them — cannot be trusted to sift and winnow the truth for themselves without the careful ministrations of good progressives to regulate, ration, and redistribute political speech.

“This movement implies a distrust of citizens and wide-open free speech,” Downs agrees.

“I would put ‘Move to Amend’ in the ‘be careful what you wish for’ category," says UW-Madison journalism professor Robert Drechsel.

“Some of the very organizations supporting the effort — not to mention the foundation through which donations are to be sent — operate in corporate form,” he points out. “So do innumerable other ideological organizations and journalistic organizations. I can’t believe that Move to Amend’s supporters intend to put their own speech rights in jeopardy, but that could certainly be one outcome.”

David Blaska has been a Capital Times reporter, gubernatorial aide to Tommy Thompson and Dane County supervisor. Blaska’s Blog is a popular feature at TheDailyPage.com.
Kaleem Caire is tired of waiting. He has watched in frustration as yet another generation of young black men fail to reach their potential, as the achievement gap continues to widen, as the economic disparity between blacks and whites continues to grow.

“We have failed an entire generation of young men of color. We have not provided them with an education, and that is why so many of them end up in jail. It has to stop,” he says.

And if that means taking on the educational establishment and the teachers union, Caire is ready.

“In public schools, you are so strapped by rules and regulations. If teachers work outside the rules of the union, they get slapped,” he says.

Caire believes he knows how to address the needs of minority children in school, because he himself was on the verge of failing and turned himself around to become a national leader in educational reform.

Now, as president and chief executive officer of the Madison Urban League, he believes it’s time for a radical change. He wants the Madison School District to make a giant leap past all the half-steps, the liberal hand-wringing, the well-meaning but ineffective programs, and try something bold: Madison Preparatory Academy.

Madison Prep would be a charter school in the Madison School District, but it would be run by the Urban League, not the district.

It would be an all-male middle school. The young men will wear uniforms.

It would have a longer school day and a longer school year than other public schools.

It would employ the Harkness method of teaching, used in many of the nation’s top prep schools, where

‘Everybody thinks boys are tough, but they’re not. They’re incredibly fragile,’ says Caire. ‘We plan to use teamwork and peer support to make them strong academically.’

“That just irks me,” he says.

**Madison Prep would follow the rigorous** International Baccalaureate curriculum, currently used by only 13 schools in Wisconsin. In Madison, only the prestigious Madison Country Day private school uses IB.

It would employ the Harkness method of teaching, used in many of the nation’s top prep schools, where
instead of standing in front of the class to teach, the teacher and students sit around an oval table. “Students can’t get lost in the back of the room,” Caire says.

But most of all, Caire says, Madison Prep would be “black male fail-proof.”

When Caire talks about his own life, it’s as though every single experience has been preparing him to undertake this challenge.

Michael Caire, 39, was born and raised on Madison’s south side. His father was in and out of prison; his mother lived on the street. Caire was raised by his aunt Gretchen.

She was the one who yanked him out of his neighborhood public school and sent him to St. James Catholic School.

“I have nothing but good to say about St. James,” Caire says. “The discipline was hard, and they taught you to work, but they did it in such a way that you felt loved. I felt like I was part of this community.”

In eighth grade, he switched to Jefferson Middle School, and that feeling of community disappeared. Caire began a downhill slide that accelerated throughout his high school years at Madison West, where he felt alone, ignored, invisible, and increasingly angry.

He graduated in 1989 with a whopping 1.56 grade point average, which wouldn’t get him into college, but it was fine by the U.S. Navy. Caire enlisted, was trained as a sonar tech, and was sent to sea inside a submarine.

“I joined the Navy to see the world, and I ended up seeing exactly three ports,” he recalls. “I was at sea for 72 days, most of it underwater.”

Caire credits the Navy with awakening him to his abilities and honing his leadership skills.

Caire chose Norfolk, Va., for his next naval assignment because of its proximity to Hampton University, a historically black college. Caire had been told it had a good supply of exceptionally pretty girls.

While assigned to the Norfolk naval base, he took classes at Hampton, and sure enough, an exceptionally pretty girl caught his eye: Lisa Peyton. A year later, they married.

At Hampton, Caire became interested in African studies, changed his name from Michael to Kaleem, and began studying the causes of today’s black underclass in America.

He and Lisa returned to Madison in 1993, and both enrolled at the UW-Madison. Over the next eight years, he earned a bachelor’s degree in education; worked as a consultant for the Madison schools and state Department of Public Instruction; won awards for his volunteer work; and coordinated a UW-Madison orientation program for minority students.

Lisa, who had earned a master’s degree in education administration and was working on her doctorate, designed the information technology component of the orientation program.

Fatefully, Caire met Howard Fuller, the visionary superintendent who fought to reform the chronically failing Milwaukee Public Schools. Fuller, Caire says, thought he could change the system from within, but the constant battles with the teachers union wore him down to the point his health was threatened.

It was Fuller, Caire says, who told him that the best way to improve minority education was by working outside the educational system. “You’ve got to get out of there!” Howard told me.”

Caire moved his family to Washington, D.C., where Lisa took a job as associate director of the
Educational Opportunity Center at the University of Maryland. Caire became president of Fuller's Black Alliance for Educational Options and commissioned the nation's first study of black high school graduation rates.

He was selected by President George W. Bush to serve on a panel evaluating No Child Left Behind. He worked for Target Corp. as a management trainer and started a charter school association in Washington, D.C. He helped evaluate applications for President Barack Obama’s Race to the Top funds.

The Caire family — now grown to five children — was quite happy in the Washington area, but when the CEO job at the Madison Urban League opened up, Caire couldn't resist the chance to come home and try to make life better for the young people who are still living the way he grew up: poor and black in Madison.

To produce such change, Caire says, requires a radical new way of educating these kids: More discipline. More love. More community. More parental involvement. Fewer distractions.

Those are among the elements provided by highly successful private schools throughout the nation, and among the reasons Caire believes Madison Prep must be non-union.

“For one thing, we want a longer school day. This school would provide a lot of the family structure that some low-income mothers and fathers simply can't. We want a longer school year, too — at least 210 days, instead of the current 180,” Caire explains.

The school would start with 90 students in sixth and seventh grade, then add a grade a year through high school. He hopes to start an all-girls school within two years of opening Madison Prep.

“I was giving a presentation at [Madison] Memorial High School recently, and one of the questions the kids asked was, ‘Why all boys?’” he said.

“I asked them, ‘What’s the number-one distraction for you in school?’ and they all agreed: It’s the opposite sex. We want to remove that ‘X’ factor.”

He adds: “We’re not just developing another school — we’re changing the whole way the school is set up.

“Everybody thinks boys are tough, but they’re not. They’re incredibly fragile. We plan to use teamwork and peer support to make them strong academically. We’re going to capitalize on the competitive nature of young men.”

“And we’re going to have discipline, he adds. “Every time they do something out of line, every time they have a negative thought, it will be corrected — immediately.”

“Education should be structured around the needs of the students, but in most public schools, it’s not,” he says.

“Education is not on the teachers union’s agenda,” Caire says. “Their agenda is protecting the teachers. I understand that. But that doesn’t fit with our agenda in starting Madison Prep.”

And fixing the way young black men are educated is just too important, he says. “We cannot afford to fail again.”

Sunny Schubert is a Monona freelance writer and a former editorial writer for the Wisconsin State Journal.
How Daniels got his budget act together

The lessons from Indiana’s playbook

By Christopher Ruhl

After more than six years in office, Indiana Gov. Mitch Daniels has earned a reputation for smart fiscal discipline. It’s easy to forget the problems he inherited when he took office in early 2005.

The state had an annual public expenditure growth rate of 6% during the previous decade. The state was consistently paying out more than it was collecting in annual revenue, and had been running a negative cash balance for years, with debts exceeding cash balances.

To pay its bills, the state had forcibly borrowed more than $700 million from local governments, schools and public universities. And it raided the teachers’ pension fund as well.

Today, Indiana has an AAA rating from all three credit rating agencies — one of only nine states to enjoy such a privileged status. What turned things around?

Gov. Daniels implemented a four-step plan to restore fiscal health when he took office: Balance the budget, pay back debts, build net worth, and cut taxes.

To balance the budget, the rate of spending growth had to be slowed. This was achieved through a combination of initiatives. We looked for ways to introduce competition into service delivery, consolidate overlapping services, implement health savings accounts and employ hawk-like discipline as we reviewed whether jobs that opened up through retirement and attrition needed to be filled.

As a result, the rate of spending growth slowed from 6% to 2%; indeed, Indiana’s spending between 2004 and 2008 increased at one-third the rate of most other states.

We turned around the budget situation and structurally balanced it four years running as a result of these reforms.

The governor also negotiated a deal that transferred a money-losing toll road to experienced private-sector operators — creating a nearly $4 billion pay-out that eliminated a multibillion-dollar infrastructure backlog without raising taxes or incurring new debt.

Gov. Daniels knew that we had to institutionalize sound budgeting practices. So he created an Office of Management and Budget (OMB) to oversee seven separate financial agencies that were previously uncoordinated.

Within OMB, he created a Government Efficiency Division to measure agency and program performance. Its job is to set clear performance standards and hold agencies accountable. No more business as usual.

Accountability and performance became the cultural imperatives of the entire government.

States can get into deep trouble when they use borrowing to avoid difficult budget decisions. We took multiple debt-issuing authorities and combined them into a single agency (the Indiana Finance Authority), which is housed within OMB. Gov. Daniels made it a priority to increase
oversight and coordination of state borrowing.

Accountability, performance, cost-benefit analysis, consolidation — this kind of discipline enables you to focus on other key priorities such as paying off debt and building reserves. We were able to pay off the $700 million forcibly borrowed from other governmental units in the governor’s first term and reduce total outstanding debt by $1.4 billion.

Indiana has now enjoyed five straight years of positive cash balances, reaching a high point of $1.3 billion in cash reserves and rainy day funds with no debts to other units of government.

We have been able to achieve these results during a debilitating recession because Gov. Daniels began implementing his reforms when it wasn’t popular to do so. Many states are now discovering this kind of discipline out of necessity. Indiana embraced it out of principle.

He created a Government Efficiency Division to measure agency and program performance.

The reforms are critical to making sure taxpayer dollars are spent efficiently and effectively. When this is done, the benefits need to be directed into taxpayer savings that will support productivity and growth.

In the governor’s first term, we passed major business tax cuts, research and development initiatives, and a phase-in for property taxes on purchases of new equipment and machinery.

In 2008, we enacted a significant property tax reform package that was the largest tax cut in state history. It resulted in a net reduction of $600 million in Hoosier taxes in 2010 and capped homeowner taxes at no more than 1% of a home’s value.

Though we haven’t succeeded yet, the governor is trying to further reduce taxes by adding an automatic tax refund for Hoosiers when state reserves exceed 10% of budgeted appropriations.

Such a reform creates a new constituency for government performance. If voters know they get a refund when government is run well and spending is constrained, lawmakers will be less likely to let the spending interests dictate the contours of the budget debate.

Through the Indiana equivalent of impoundment authority, we achieved $2 billion in spending cuts in the 2009-2011 budget cycles, as the recession reset state revenue to levels not seen since the mid-2000s.

We cut most state agencies by 25%, enabling the state to prioritize education and public safety spending by cutting those by lesser amounts. Taxpayer satisfaction with government services is up, and the state is running well.

That’s because our reforms were enacted before the recession began. And doing more, or as much, with less was already in Indiana’s DNA.

The AAA rating was the capstone of our multi-year track record in Indiana. But there are other important results. The number of state employees has been cut to the 1970s level. We have had no tax increases during a time when the majority of states raised taxes to meet their spending obligations. (Our neighbor, Illinois, recently raised income taxes by 66%.)

Finally, even in the wake of a tough, protracted recession, Indiana’s cash reserves are strong. We will have an estimated 5% of our budgeted appropriations in reserves at the end of 2011, with a plan in place to grow those over the next two-year budget cycle.

States have most, if not all, of the tools they need to get their fiscal houses in order and become attractive destinations for investment. Indiana is a story of taking what we know works for families and businesses and applying it to the business of government: Spend within your means, use borrowed money frugally, set aside money in a savings account and, most importantly, keep taxes low.

It takes discipline, leadership and consistency from the state’s CEO. I’m privileged to share these successes on behalf of our CEO, Mitch Daniels, who has instilled these principles since his inauguration in 2005.
That Presidential Look
The 2012 GOP presidential crowd gets a makeover

On Nov. 2, Marco Rubio hadn’t yet been declared the winner of his Florida Senate race before the pundits began speculating on his move up the political ladder.

Some penciled him in as a vice presidential candidate in 2012; others thought he could actually be the GOP’s presidential nominee. The Fox News commentators fumed that it was an injustice that a new coin hadn’t already been released featuring the new senator’s visage. (Coming soon — the 15-cent Rubio.)

What would warrant Rubio’s instantaneous inclusion on a list of presidential candidates?

A look at the GOP’s presumed 2012 challengers gives us a hint. For one, this is one darn good-looking crowd. Close your eyes and think of the 2008 Republican presidential debates. The stage closely resembled the cantina in Star Wars. (“Sen. Greedo, the next question is for you.”)

The Republican stage in 2012 will look a lot better. Supernova Sarah Palin is the best example of the GOP’s aesthetic upgrade. Her folksiness has struck a chord with people who feel they’ve been left out of politics, but she’s also given voice to all those smoking-hot women who, tragically, have been ignored by society. (Thanks to Palin, you’re likely to hear questions like, “Sen. Thune, have you ever wrestled a grizzly bear?”)

Mitt Romney will be back, he of the chin forged of a futuristic titanium alloy. It seems America could send Romney’s chin alone into Afghanistan and it would come back with Osama bin Laden in handcuffs.

And then there are the GOP’s up-and-comers — Thune, Bobby Jindal and Tim Pawlenty. All are under 50, fit and energetic. (Rumor has it Julian Assange was going to post a picture of Pawlenty’s former mullet, but figured it was just too embarrassing for the guy.)

Mike Huckabee will be in the mix, and granted, he’s not going to be named “Sexiest Man Alive” anytime soon. (Or even “Sexiest Ex-Arkansas governor.”) But even Huckabee recognized that he had to lose about 100 pounds — about two Pelosi — to be a plausible candidate in 2008.

Of course, it seems silly to pick our presidents based so heavily on superficial qualities.

Yet as any student of history knows, characteristics unrelated to governing — looks, charisma, erudition — often play important roles in elections.

John Kennedy rode his movie-star looks to the White House. Even before he was elected, Ronald Reagan looked like he should be on Mount Rushmore. And who can forget the molten hot sexuality of Warren G. Harding?

In fact, only two years ago we witnessed what happens when aesthetics trumps qualifications. With only two years’ experience, the handsome Sen. Barack Obama descended from the mount to run for president. He spoke in a buttery baritone that exuded reassurance and seemed worthy, journalists thought, of being inscribed on scrolls made from the pulp of redwood trees.

Yet even with the stern voter rebuke of Obama’s first two years in office last November, the messianic fervor for the president continued unabated.

On Nov. 22, Newsweek portrayed Barack Obama as the six-armed Hindu god Shiva, deeming the president the “God of All Things.” They neglected to show his seventh arm, which would have been in your back pocket stealing all your Rubios.

Unfortunately, somewhere in America there’s a candidate who will never get a chance because he’s too fat, too swarthy or has a bad comb-over. Or maybe she’s a Mama Grizzly who actually resembles a mama grizzly.

Someday, we’ll elect someone cranky and irascible, who has a terrible hairpiece or bulbous nose, but a brilliant vision for America.

Until then, the GOP will have to make do with candidates who could easily be in the “Men and Women of Sound Monetary Policy 2012” calendar. Perhaps for aesthetic reasons alone, it’s best that neither the scrawny Paul Ryan nor the Rubenesque Chris Christie has any intention of running for president.

In the first debate, one can already anticipate Jim Lehrer’s opening questions:

“What is your policy regarding North Korea?”

“What needs to be done to keep Social Security solvent?”

“What is your policy regarding North Korea?”

“What needs to be done to keep Social Security solvent?”

Christian Schneider is a senior fellow at the Wisconsin Policy Research Institute who once did 50 push-ups...in a year.
Did you know that baseball was originally played without gloves?

Ouch.

Visit Wisconsin’s 11 Historic Sites & Museums
GetToKnowWisconsin.org

WISCONSIN HISTORICAL SOCIETY

Investment in early childhood development is an important component of any economic development strategy. Ask for a Celebrate Children License Plate or donate today!

Celebrate Children Foundation
Caring investments. Thriving children.
www.celebrate-children.org

WISPOLITICS.COM
WISBUSINESS.COM

Get accurate, balanced and timely inside information delivered to your desktop and handheld every business day.

Sign up for a FREE 2-week trial subscription, and if you mention this ad you’ll get a special discount subscription price at the end of the trial.

Contact: JEFF MAYERS, President, WisPolitics.com/WisBusiness.com, mayers@wispolitics.com
free markets
personal responsibility
limited government
private initiative

People pay attention to WPRI

“What happens here [at WPRI] is the combination of the big vision, the big idea, but also putting the meat on the bone, to give to not just elected officials but to advocates and others in the community. That plays an incredibly important role.” – Scott Walker

Find Wisconsin’s Laboratory for Innovation Online
At WPRI.org, you’ll find the best in right thinking commentary; well researched and persuasive free-market oriented reports; and, award-winning blogging. WPRI.org continues to improve with new features including multimedia, podcasting, and poll results, all at the click of a button.