2006 COULD PROVE TO BE WATERSHED ELECTION FOR DEMOCRATS

JEFF MAYERS

new year usubrings ally reflection, new hope, and new fears. So it is with politics in Wisconsin after the fierce 2006 elections. The campaigning surrounding Election 2006 was the most negative in memory and set record spending that smashed status quo thinking in Wisconsin, the region ,and the country

Reflection

Looking back

years from now, 2006 might be seen as one of those watershed election years in Wisconsin, the region, and across the country. If Democrats don't mess up the opportunity, it could all lead to the election of a Democratic president in 2008, some analysts say.

Let's recount the record.

Political newcomer Steve Kagen, a wealthy allergist from Appleton, beat Assembly Speaker John Gard to snag the Republican-leaning 8th Congressional District in northeastern Wisconsin, typifying the Democratic trend up and down the ballot. Kagen and Gard spent a combined \$6 million. The previous spending record for congressional candidates in Wisconsin was the \$2.8 million spent in 1994 in competition for southeastern Wisconsin's 1st Congressional District by Democratic Representative Peter Barca and GOP



challenger Mark Neumann.

Meanwhile, Democratic U.S. Senator Herb Kohl easily won reelection to a fourth term with a landslide victory over an opponent most Republicans didn't know or didn't help. Kohl spent \$6.3 million over the past two years in getting reelected with 67 percent of the vote over Robert Gerald Lorge.

Kagen's victory

means that Democrats have a 5-3 edge in the eight-member congressional delegation, plus both U.S. Senate seats (Kohl and U.S. Senator Russ Feingold, who just got reelected to another six-year term in 2004).

In the governor's race, Democratic incumbent Jim Doyle beat Republican Congressman Mark Green of Green Bay by eight percentage points. Doyle preserved his unbeaten record in statewide elections, dating back to 1990 when he first won the attorney general's race, and became the first Democratic governor reelected since Pat Lucey won a second term in 1974. Doyle only won 45 percent of the vote in 2002 when he beat GOP Governor Scott McCallum and Libertarian Ed Thompson. As

Jeff Mayers is the President of WisPolitics.com and WisBusiness.com.

of October 23, Doyle and Green had spent a combined total of \$14.2 million (Doyle's \$8 million to Green's \$6.2 million)—already a record, even though spending totals from the last weeks of the campaign wouldn't be known until early in 2007. According to the Wisconsin Democracy Campaign's accounting of final 2002 campaign totals, McCallum spent \$7.7 million in a losing effort in 2002 while Doyle spent \$5.9 million.

And those figures don't include millions of dollars in spending by a host of Republicanoriented and Democratic-leaning groups.

Democrats swept four competitive Senate seats and took control of that body for the first time since they lost control after the charges against former Senate Majority Leader Chuck Chvala, D-Madison, going into the 2002 elections. This time Republicans lost seats in the Eau Claire, Racine, and Milwaukee areas to fall into minority status. The losers: Dave Zien, R-Eau Claire, lost his seat to Pat Kreitlow; Ron Brown, R-Eau Claire lost his seat to Kathleen Vinehout; Tom Reynolds, R-West Allis, lost his seat to Jim Sullivan; and Republican Bill McReynolds lost his race for an open seat to Representative John Lehman, D-Racine. McReynolds, the Racine County executive, was trying to hold the seat being vacated by Republican incumbent Cathy Stepp.

Republicans, who went from a 19-14 majority to an 18-15 minority, also lost control of committees and a score of Republican staffers lost their jobs.

Democrats elected Judy Robson, a former nurse from Beloit who had been minority leader, to the post of majority leader. Fred Risser, D-Madison, the longest-serving state legislator, got back his coveted Senate president post.

In the Assembly, Democrats came within three seats of capturing the majority, winning eight seats that tossed six incumbents and replaced two retiring Republicans with Democrats. The partisan split going into 2007 was 52 Republican, 47 Democrat. Republicans who were tossed include incumbents Mark Pettis, R-Hertel; Debi Towns, R-Janesville; Gabe Loeffelholz, R-Platteville; Stephen Freese, R-Dodgeville; Judy Krawczyk, R-Green Bay; and Rob Kreibich, R-Eau Claire.

Mike Huebsch, the majority leader under Gard, won the speakership—pushing aside a challenge from former Joint Finance Committee Co-Chairman Dean Kaufert. Analysts were uncertain how Huebsch, R-West Salem, a longtime conservative legislator, would fare in the Democratic-dominated Capitol at a time when Republicans were seen as on the defensive.

On local spending issues, voters around the state approved roughly \$322 million in additional school spending through referendums, while shooting down just \$61.8 million in requests. Voters in 21 districts approved 29 referendums, while 12 referendums in nine districts failed.

And on local war referendums, anti-war voters prevailed, passing "bring our troops home" ballot initiatives in all 10 communities where the referendums appeared on ballots.

Republicans even lost the low-key state treasurer post, when Jack Voight of Appleton got bumped off by little-known Dawn Marie Sass of Milwaukee; evidence to analysts that a national Democratic wave had washed down through the ballot.

In one of the few bright spots for Republicans, J.B. Van Hollen, a former federal and county prosecutor with ties to the old Thompson administration, upset Doyle favorite Kathleen Falk, the Dane County executive, to become the first Republican attorney general since Don Hanaway lost the post in 1990. Doyle beat Hanaway to begin the latest Democratic streak in that important statewide post. Falk, to the consternation of many union members and women, had successfully challenged Peg Lautenschlager, a former lawmaker and prosecutor at the county and federal levels, who had been weakened by a drunken driving arrest and other missteps. Van Hollen was aided by a simple message (translated: I have prosecuted criminals; she hasn't); apparent backlash on Falk for challenging Lautenschlager (she polled behind Doyle in her home county by 11,154 votes—enough tallies for her to have beaten Van Hollen); and millions of dollars worth of negative advertising from Wisconsin Manufacturers and Commerce and allied groups against Falk.

Conservatives also secured passage of a constitutional ban on gay marriage and civil unions despite a multi-million-dollar opposition campaign led by Fair Wisconsin.

But overall, it was a big Democratic year in Wisconsin.

And on the national scene, Democrats won back control of both houses of Congress (barring unforeseen events in the narrowly-divided Senate) and revved up their presidential campaigns in the wake of a divisive Iraq War reassessment on the Republican side. Analysts saw the elections as having some of the feel of a presidential election year, with many casual, independent-minded voters

coming out to voice their displeasure on Iraq and other matters.

Many conservatives declared that the Newt Gingrich-led revolution of 1994 had run its course and glumly concluded that Wisconsin is a Democratic state.

New hopes

Election 2006 spawned new hopes for Democrats going into 2007.

Doyle and Democrats had been on the defensive during the 2005-06 legislative session as Republicans held healthy margins in both the Senate and the Assembly. Doyle steered a centrist course, sometimes co-opting Republican themes and proposals, and often governed through vetoes and end-arounds on the Legislature.

Going into 2007, many Democrats saw an opportunity to do big things that had been shut down by Republicans or shelved by realists. Could election 2006 translate into sweeping Democratic reform in the areas of campaign finance reform, health care, and property taxes?

Some of that post-election enthusiasm dimmed as Doyle came out of the election continuing to send centrist signals—distancing himself from tax increases (except for a possible cigarette tax boost) and from a tax-shifting

> plan that would close sales tax loopholes to generate money for school aids and provide property tax relief.

> Doyle's early re-shaping of his administration also sent signals that term No. 2 for Doyle might not be the last but more of the same in preparation for a possible third term. Doyle appointed low-key Milwaukeean Mike Morgan, the Revenue secretary, to be his Department of

Administration chief, replacing friend Steve Bablitch who had come on before election time in place of Marc Marotta. Susan Goodwin, his loyal chief of staff and top aide for many years, stayed on. Katie Boyce, a former lobbyist who has been the governor's legislative director and then campaign fundraiser, became deputy chief of staff.

At this writing in early December it was unclear exactly what Doyle would do with this mandate—whether he would attempt sweeping change as a way of building his legacy in his second and last term, whether he'd engage in the same kind of middle-of-the-road piecemeal governing that characterized his first term and work toward a possible reelection in

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Doyle's early re-shaping

2010, or some combination of both. He turned 61 on November 23, so he'd be 64 in his next reelection year.

Some Capitol insiders suggested Doyle would be aiming for reelection, or at least hinting that he would run for reelection four years from now. Even if he decided in the end not to run, taking the posture of a reelection run would allow him to avoid lame-duck status and naked politicking by would-be successors. Others suggest what Doyle would really like is for a Democratic president to be elected in 2008; that way he might be tempted by a possible appointment to a federal judgeship.

A Doyle slip of the tongue in a budget town hall meeting in early December may have not been so accidental. "I'm really excited and looking forward to another four terms excuse me, I mean another four years," Doyle said to applause.

In the meantime, Doyle will enjoy a more hospitable legislative environment. The Democratic upswing in the Legislature could engender more compromise than in the first four years of his governorship, when he vetoed prominent Republican agenda items and often was in a war of words with Republican leaders who were seeking to weaken the governor and beat him.

But Democrats aren't always kind to their own, and senators can be notoriously independent—no matter who their governor. So it will be up to the new Senate majority leader, Judy Robson, to unify her caucus in the face of likely monkey wrenching by new Senate Minority Leader Scott Fitzgerald of Juneau. In the Assembly, Kenosha's Jim Kreuser and his Democrats will be the ones trying to monkey wrench the plans of new Assembly Speaker Mike Huebsch.

The first big test of how it all works will be the budget. And some are predicting plenty of 8-8 votes in the newly split Joint Finance Committee (JFC), which will convene in the spring under the leadership of Democratic Senate Co-Chair Russ Decker and Republican Assembly Co-Chair Kitty Rhoades. JFC proceedings will come after Doyle unveils a twoyear spending plan—probably in February. Doyle and his new Department of Administration secretary, Morgan, will have to present a balanced plan that started \$1.6 billion out of whack due to a variety of state agency wish lists.

But Democrats might cull their wish lists if they sensed it would lead to more victories. Doyle's image as a cautious, competent leader is comforting to many in the business community, and if it leads to more victories and a prolonged time in the majority, that could temper Democrats' yearning for big change.

New fears

While Democrats were hopeful Republicans were fearful.

They came out of the election with J.B. Van Hollen, a newly-elected and largely untested attorney general, as their most obvious leader.

Some Republicans fear they could be at the beginning of a trend that will put them in the wilderness for years to come. What if '08 is another Democratic year, and Democrats retake the state Assembly and elect a president, too?

Business community leaders, meanwhile, were fearful of new taxes, fewer tax breaks, and higher fees plus possible retribution from the Doyle administration for their endorsements and activism on behalf of Mark Green.

While Doyle seemed to be signaling Wisconsin's tax climate wouldn't worsen in a second term, some Democrats were signaling that "tax fairness" could lead to corporations paying more taxes. Robson, speaking in early December, talked about "loopholes" that enable some businesses to pay little or no taxes.

I don't think that businesses are trying not to pay their fair share, but somebody was able to find some loopholes.... I think that we need to have a much more transparent tax system.

What's it all mean?

The fallout from election 2006 is still sorting out.

Winter 2007

In early December, the exact impact of that fallout could not be fully assessed. But it was evident that Democrats were rising and Republicans were falling going into a crucial presidential election cycle.

Analysts noted that in the upper Midwest, which not that long ago had featured a phalanx of strong Republican governors, the situation had changed in favor of the Democrats. Republicans held the Minnesota governorship. But Democrats held governorships in Michigan, Wisconsin, and Illinois (despite relative weak incumbents at the beginning of 2006) and won open seats in Ohio and Iowa. Republican Mitch Daniels of Indiana is up for reelection in 2008. The 2006 results mean that Democrats have an extra edge going into the presidential election cycle, controlling the bureaucracy of crucial presidential swing states in the upper Midwest.

Election 2006 may turn out to be a precursor of things to come in 2008. But political parties and their candidates have squandered such opportunity before.

How national and state Democrats act in the first few months of 2007—and how the electorate reacts—will set the tone for 2008.