

GOVERNOR SCOTT McCALLUM?

Eight Post-Election Scenarios At The Statehouse

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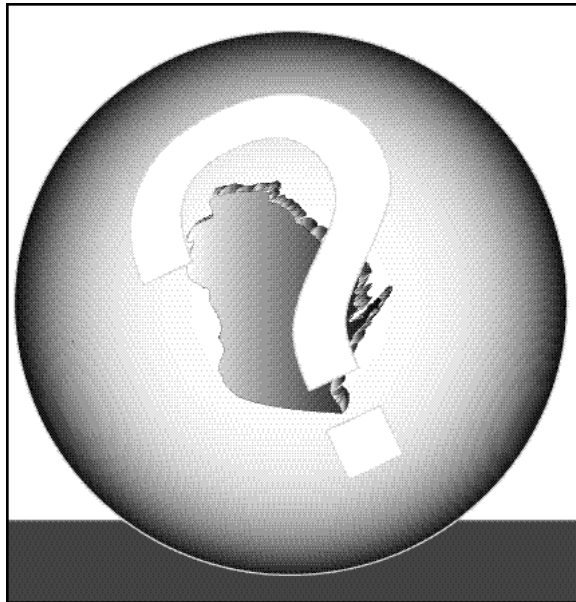
It's late January 2001, and Governor Tommy Thompson gives a farewell State of the State address, symbolically handing the baton to Lt. Governor Scott McCallum

After 14 dominating years as governor, Thompson is finally exiting the Wisconsin stage, going to Washington, D.C. to become the new U.S. trade representative in President George W. Bush's cabinet.

Days after McCallum becomes governor, he shocks the political establishment by throwing out the Thompson budget and its 10 percent spending increase. McCallum declares that he'll ask the Legislature for an inflationary spending cap, a 25 percent across-the-board reduction in the state income tax rate, and a freeze on the state's two-thirds commitment to public school funding.

Assembly Speaker Scott Jensen, McCallum's major rival in the 2002 GOP gubernatorial primary, is forced to publicly endorse McCallum's move even though he's furious at McCallum for stealing his trademark issue. And he starts thinking about dropping out of the race.

Senate Majority Leader Chuck Chvala, with a slightly enhanced majority, joins Democratic gubernatorial front-runner James Doyle, the attorney general, in fighting the McCallum budget.



They say McCallum's plan will bankrupt public education, kill scores of programs helping cities and counties, and set the stage for a huge property tax increase and big state tax increases.

But another big economic spurt, fueled by a dramatic drop in interest rates and the prospect of GOP-sponsored tax cuts, provides Governor McCallum and top aide James Klauser with assurance that state coffers will

be full enough to give him budget wiggle room.

Meanwhile, McCallum's election campaign is gathering steam. State Senator Alberta Darling, R-River Hills, already has been tabbed as the lieutenant governor candidate. And one of a trio of young Republican strategists — GOP consultant Brian Christianson, Senate Republican Caucus Director Brian Fraley and Darling aide Jim Villa — are being considered for the campaign manager's job.

Democrats, surprised by McCallum's initial surge, start talking about pulling behind a single candidate and avoiding a divisive primary. But

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there are already too many active Democrats for Doyle to cinch the nomination before 2002.

Fanciful speculation? Perhaps — especially that part about the return of Wisconsin Energy executive Klauser to head the Department of Administration or another official state post. But Capitol observers are spinning lots of speculative scenarios as a possible shake-up in the state government power structure looms. Fueling the speculation is the upcoming insider power game of reapportionment — the once-every-decade re-mapping of legislative and congressional districts that excites few except incumbent politicians vying to protect their seats and careers. With Wisconsin likely to lose a Democratic congressional seat, political strategists and the national parties are eyeing the upcoming Wisconsin elections as key to deciding election results for years to come. Most strategists see the matter going to court once again, betting that a divided statehouse will again prevail after November.

That politically divided statehouse, fed in part by personality conflicts between Thompson, Chvala, and Jensen, led to a dysfunctional budget process and a highly charged partisan atmosphere in advance of the reapportionment election. Few bills in the 1999-2000 session escaped the tinge of partisanship, and some issues — such as aid to seniors who rely on prescription drugs — stopped short of closure despite general agreement on a solution.

Less partisanship and more bipartisan results in the 2001-02 session? Don't bet on it, considering the reapportionment battle and the likely hangover from a high-spending and bitter election campaign.

More intriguing for politicians, however, continues to be the possible change at the top. Thompson himself has raised the possibility that he could exit office early, leaving McCallum to finish off the last two years of his term. Thompson's campaign machine is idling. And many long-time top aides have left over the past couple of years in anticipation that Thompson will at least stick to his initial plan to make this his last term as governor.

Thompson appears to be looking for new challenges, yet he's keeping his options open. This year he has raised the possibility of going back on his last-term promise and running yet again — stretching his record run as Wisconsin's chief executive. Confidantes say the possibility of Thompson running again has risen — but still remains very unlikely.

But if George W. Bush loses his bid for office, Thompson may decide that remaining governor is the only launching pad to realize the only political dream that has eluded him — a real shot at the presidency in 2004.

Republican strategists say Thompson could fire up his campaign in a minute, raise enough money to force out all but the strongest challengers, and secure the governorship once again — if he really wants to.

Only Thompson knows for sure what he wants to do with the rest of his life. A lot is certainly in the hands of voters across the country — if Bush loses, Thompson's choices suddenly narrow — but that won't prevent us from playing the enduring parlor game of "What If?"

Remember, this is a crystal ball exercise, subject to real votes and real news occurring after September 1, 2000. But enjoy the speculation while you can.

Scenario No. 1.

Nothing much changes. Bush loses, Thompson stays to complete his term and seriously considers running for another term, Jensen stays as Assembly speaker, and Chvala stays as Senate majority leader.

This is perhaps the most likely scenario. Polls show likely voters like the way things are going in Wisconsin and the rest of the country. The "right track" number is as high as it has ever been, meaning incumbents are in a great position going into the November election.

Al Gore, as vice president, is an incumbent banking on voters' desire to keep the good times rolling. It's not his only theme, but it's a central one, and voters don't usually embrace "it's time for a change" campaigns when things are going well for them.

So in many ways, it could be a low-turnout status quo election with all but the most damaged incumbents getting re-elected. Strategists say an incumbent would have to make a serious mistake or refuse to run a substantial campaign to get thrown out of office.

This kind of incumbent advantage is especially important in legislative races. Most voters pay only scant attention to these offices, and will vote for the name they know best as they do when they pick a certain brand off the grocery store shelves.

The consensus opinion in Madison hasn't changed in months: a change in legislative control appears unlikely.

Senate Majority Leader Chuck Chvala and Assembly Speaker Scott Jensen are both skilled in the election game and take little for granted. They know how to raise money and run campaigns. Democrats control the Senate with 17 votes and were talking confidently before the September primary about returning in January with at least 18 votes. Republicans control the Assembly and were talking in late summer of at least holding the line on their five-seat edge.

Chvala got a big break when Brian Rude, a longtime GOP Senate force who got passed over in a leadership election to find a successor to Senator Michael Ellis, quit his public job for a private utility job. That meant minority Republicans, under the new leadership of Senator Mary Panzer, R-West Bend, had to defend a swing seat that wouldn't have been in play if Rude were running again. With the well-known and well-liked Mark Meyer, a Democratic state Assemblyman from La Crosse, facing a group of GOP unknowns, Democrats gained confidence. Republicans in late summer still were trying to convince the

inside money crowd that they could upset Chvala and the Democrats by holding the Rude seat, defeating Senator Alice Clausung in western Wisconsin's 10th District, fending off a challenge to Senator Gary Drzewiecki in the Green Bay-area's 30th District, and even by knocking off the man Republicans love to hate — Chvala — in what has been a secure Democratic seat, the 16th Senate District in Madison. Republicans are concentrating their resources on a handful of seats, giving most Democratic incumbents a free ride. The pre-primary analysis gave the edge to Senate Democrats with Republicans coming on strong.

On the Assembly side, Jensen and the Republicans are facing a hungry bunch of Democrats who are more organized than they have been in years. But most insiders see a five-seat spread as too big of a gap to jump in this incumbents' year, despite the spirited spinning of Assembly Minority Leader Shirley Krug.

Krug's team unexpectedly won a special election in the north-central Wisconsin district

that takes in Merrill and Antigo, a Republican seat for years. And Democrats predict there's more to come. In the Assembly, it'll come down to how the parties do in handful of key open seats — the 1st in northeastern Wisconsin (where Representative Hutchison, R-Dyckesville, is leaving), the 88th in Green Bay (where Representative Carol Kelso, R-Green Bay, is leaving), the 70th in central Wisconsin (where Representative Hasenohrl, D-Pittsville, is leaving), and the 34th in northern Wisconsin (where Representative Joseph Handrick, R-Minocqua, is leaving). But even if Democrats held the 70th and swept the other GOP open swing seats, they'd still come up short. So they need to do that and catch some breaks, too,

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and defeat Republican incumbents. Most strategists think it's a tall order for a single election.

Scenario No. 2.

A slight variation on Number 1. The only change — Thompson decides definitively that this will be his last term, setting off a furious rush of bottled-up political ambition.

Some predict Thompson will play Hamlet until the very end. But if this scenario occurs, the 2002 governor's race — already underway for months — will become much, much more competitive and could overshadow Thompson's big budget plans for a new way to fund local governments.

On the Democratic side, Attorney General James Doyle and Milwaukee Senator Gary George — the most up-front about their ambitions — will take their campaigns to the next level. They could be joined by U.S. Representative Tom Barrett, a Milwaukee Democrat and former state lawmaker who could run for governor instead of fighting another Democrat for a redistricted seat resulting from a census that lowered Wisconsin's nine-seat congressional delegation by one. But so far, Doyle has done the most in terms of fund-raising and handshaking on the rubber-chicken circuit.

Dane County Executive Kathleen Falk, up for re-election in the spring of 2001, also could decide to run, giving her the advantage of being the only woman in the Democratic primary. Her initial image as a Dane County liberal has been modified to one of moderate achiever because of the former state public intervenor's problem-solving record on issues that include highway building, courthouse planning and land preservation. But GOP strategists caution that her "extremist" public intervenor past would be an opposition researcher's gold mine.

Falk is one of several female politicians that gave Dane County the nickname "Dame County." The power of the female vote — especially in a Democratic primary — shouldn't be underestimated. But her 2001 re-election bid

and the necessary avoidance of stating statewide ambitions until later could give her male opponents a big head start.

Waiting in the wings and watching carefully are two proven statewide vote-getters — U.S. Senators Herb Kohl and Russ Feingold.

On the Republican side, the two most active candidates are McCallum and Jensen, followed far behind by Waukesha County Executive Dan Finley. Mike Ellis, the former GOP Senate leader from Neenah, has a decent warchest and the image of a John McCain-styled straight talker; but he's increasingly seen as an unlikely candidate. Republican insiders also whisper that 1998 Senate candidate Mark Neumann could jump into the race.

Thompson's dominance at the top has pushed a lot of talent to the edge of the stage. For years, state politicians have cooled their heels, like understudies waiting for the stage star to falter or retire. His exit — no matter when it comes — will mean a lot of naked politicking.

Scenario No. 3.

Bush wins, Thompson gets a federal appointment, McCallum becomes the governor in early 2001, and Jensen and Chvala remain the major legislative leaders.

Up and out for Thompson?

To some Wisconsin Democrats, a Bush victory wouldn't be all that bad if they'd get a Democratic U.S. House and see the long-desired exit of Thompson.

Thompson would be hard-pressed to turn down a decent cabinet offer following his acceptance of the thankless platform-management job at the Republican National Convention. In some circles, the entire episode is seen as Bush's way of testing Thompson on matters of loyalty, national attention and temperament. Thompson has the capacity to pop off and speak his mind, even when his honest analysis pricks the Washington big-timers. Thompson complained openly about the vice presidential selection process under Bob Dole and Dole's '96 campaign, and he's had to do a

lot of repair work since. Most observers think Thompson's fealty to the far-less-experienced Governor George W. Bush (which must have been tough considering Thompson's more familiar and comfortable relationship with former President Bush) gives him a solid chance of getting a decent federal job offer. It would also help if Thompson wins Wisconsin for Bush, which would be the first Republican presidential victory here since 1984.

On the negative side is the fact that Thompson was late to jump on the Bush bandwagon and early on publicly blurted questions about Bush the younger's preparation for the highest office in the land. Other Republican governors might be first in line.

Scenario No. 4.

Bush wins, Thompson refuses a federal appointment, and Jensen and Chvala remain the major legislative leaders.

Would Thompson pass up a Washington appointment or a nice ambassadorship like the one that his one-time rival Tom Loftus had in Oslo?

Don't rule it out, say some Thompson-watchers.

Thompson is a new grandfather whose hearing loss has made him slightly vulnerable at the age of 58. On top of that, Thompson often has been irritated by the salaries and compensation of some ex-governors who have become political rainmakers at big law firms. In fact, Thompson gets irritated every time he sees the stories that show that being governor is far from the highest-paid state job. Heck, even the UW-Madison chancellor gets paid more, something that's hard for the workaholic Thompson to understand.

Thompson himself volunteered in the recent WisPolitics.com interview that he's heard from a couple of law firms about a posi-

tion once he leaves office. And the prospect of working a regular 9-to-5 for tons more money than he gets now must have a certain appeal, venture the Thompson-watchers.

But others dismiss the notion that Thompson's ready to cash in and "retire" from politics. They think he likes the stage too much to slip behind the curtain.

Scenario No. 5.

Bush loses, Thompson stays, and Republicans win control of both houses, providing a repeat of the 1995-97 session and providing the GOP a grand opportunity to secure control for years to come through the redistricting process.

This could be the Wisconsin Democrats' worst-case scenario. Fueling much of the fierce fundraising and politicking in the state this year is reapportionment. Republicans, with the governor's office secure through 2002, would like nothing better than to be able to jam through a GOP map.

Democrats and their allied groups really have one primary mission this election year: don't lose

the state Senate, the remaining Democratic power center in Madison.

A Republican take-over of the Senate and a maintenance of a strong Republican majority in the Assembly would give the GOP a lot of opportunities to shape state budgets and politics for many years to come. In 1995, Thompson and the Republican Legislature enhanced the governor's power by neutering the agriculture and natural resources boards and eliminating the public intervenor's office, as well as establishing the current property tax framework — two-thirds funding of schools and school revenue controls.

Democrats and their allied groups really have one primary mission this election year: don't lose the state Senate.

Scenario No. 6.

Bush wins, Thompson takes a federal appointment, McCallum becomes the governor in early 2001, and Republicans control both houses.

This would seem to be the best-case scenario for McCallum, denigrated as the “lite-gov” because of his little-noticed but long-held understudy role to the dominant Thompson.

Does McCallum have the skills to maximize a political gift when he gets one? Many observers — even some McCallum allies among them — aren’t sure.

But McCallum has one thing going for him — low expectations. With the right group of advisers, and the right mix of policy shifts from the Thompson era, McCallum could finally win respect — and the edge in the 2002 governor’s race.

The unknown factor here is how Jensen and Panzer would interact with a Governor McCallum. In many ways, Jensen and Panzer have been bigger players in shaping state policy over the years (Jensen as speaker and Panzer as a longtime Finance Committee member), and they may not be eager to help McCallum become the next GOP star.

Jensen’s gubernatorial ambitions are well known, but Panzer’s name has been floated by the “Great Mentioner,” too. And like Falk, wouldn’t a moderate Republican woman have a certain advantage in 2002? There most certainly would be a lot of maneuvering and plotting in the halls of the Capitol. McCallum would have to score a lot of public points quickly to quell such internal drains on a governor’s power and perform better than “acting governor” Martin Schreiber did when Pat Lucey left office to become ambassador to Mexico in the 1970s.

A lackluster two-year stint for Governor McCallum could lead to one heck of an endorsement battle at the state GOP convention in 2002 as right-wingers and the moderate’s battle for the heart-and-soul of the GOP. These forces have been kept in check by Thompson, but they’re still there. And without

a dominant governor, they would be free to go at it. McCallum’s best hope here is that the fanciful rumors of a coup against Jensen would come true. But why would the rank-and-file overthrow a leader if he held a solid majority? That simply doesn’t make sense.

Scenario No. 7.

Bush loses, Thompson stays, and Democrats control both houses, bringing Thompson and state politics full circle to the early days of the Thompson administration.

The prospect of doing battle again with the Democratic Legislature (it’s they who spend all the money, not me!) and running against Doyle at the same time might invigorate Thompson enough to spur another run for governor, disappointing the two Scotts.

But would Thompson risk the chance of losing to the up-and-coming Democrats this time around? Could Democrats somehow pierce Teflon Tommy and set up the possibility of a Thompson loss at the ballot box to archrival Doyle? Thompson, of course, would never run if he thought he might lose, but that won’t stop Democrats from dreaming a little.

Scenario No. 8.

Bush wins, Thompson goes, McCallum becomes governor and has to contend with a Democratic-run Legislature.

Again the question for many Republicans is whether McCallum could handle the task — even with primary foe Jensen unseated. He would be compared constantly to Thompson, and what Republican could stand up under that scrutiny — especially if Thompson’s biggest asset, the long economic expansion, finally starts to slide?

This is why one of the most attractive GOP gubernatorial candidates — the third Scott (Klug) — is planning to sit out 2002.

Klug, the former 2nd District congressman turned publisher, seems to be betting that the next governor will be a one-termer. All those high-spending Thompson programs could come crashing down if a recession hits. And

Democrats could say that after 16 years it's really time for a change.

And then if the Democratic governor can't right the ship, there would be another battle royal in 2006.

This crystal ball is spinning so fast; it's getting cloudy. Maybe in November, the future will become more clear.