



Who Will be Indiana's 50th Governor?

Gregg: 'We Are Part of the Solution'

In late June, John Gregg (former Indiana Speaker of the House in addition to a variety of other business and education roles) and running mate Vi Simpson (Indiana state senator since 1984 and Democrat caucus leader the last four years) sat down together for a BizVoice® interview that focused on a variety of topics.

Twenty years ago, Democrat tactician James Carville was credited with crafting the original version of what became popularly known as “It’s the economy, stupid.” Bill Clinton used that phrase and strategy on the road to upsetting incumbent president George Bush.

In 2012, Democrat John Gregg didn’t invoke those same words. But it was a similarly simple mantra. When asked what the people of Sandborn (his Knox County hometown of 415 people according to the 2010 Census) and other small communities around the state are telling he and running mate Vi Simpson, he replies, “Jobs. That’s it. It’s just jobs. Whether they’re young, old, in between, urban or rural, employed or unemployed, it’s not social issues; it’s jobs.”

Gregg says people want to work, but they have to be reminded that education is a lifelong process. He also cites the importance of accessible and affordable higher education.

At the end of the day, though, he declares, “The problem is we don’t have those good-paying advanced manufacturing jobs. We’ve seen growth in life sciences, but we’ve got to grow the economy and those workers will get those skills and training.”

Simpson emphasizes that in addition to the retraining required for some people, there are far too many lacking basic skills. “People need to know how to fill out a resumé, to get to the job on time and how to be a contributing employee. There are folks who have fallen through the cracks who would like to work, but don’t have some very basic skills. We need to get them those basic skills. Then employers will take a risk on them and teach them how to do the job.”

Creative companies

Having workers trained and prepared is one part of the equation. Establishing an atmosphere that encourages entrepreneurs and assists those wanting to grow their businesses is critically important. Gregg offers that there are several missing pieces, while Simpson adds that one state initiative needs to return to its roots.

“We’ve always had a good pro-business climate in Indiana, but I don’t think you can stay stagnant. The biggest problem, when I’m talking to current business people and people who want to start a business, is they have trouble getting the capital right now,” Gregg states. “Banks are sitting on a lot of money; they’re not willing to invest. We need to do what we can. We could

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By Tom Schuman

No Simple Decision for Simpson

Vi Simpson was actively campaigning in the 2004 gubernatorial race until then Lieutenant Gov. Joe Kernan (after the death of Gov. Frank O'Bannon) reversed his earlier decision to not seek the top office. She has been mentioned as a potential executive office candidate on several other occasions.

How easy was it to decide to team with John Gregg in 2012?

"It was not an easy decision because I've been in the Senate a long time. I know my work in the Senate, and I'm a good senator. It was a tough decision for me. I had some questions for John about what type of team this would be," she shares. "When he explained to me his vision for how we would work together and what he wanted to accomplish, it made it a little bit easier. But what really sold me on John Gregg, I've known John Gregg for 28 years so he didn't have to tell me who he was; he told me he wanted people at the table who didn't agree with him on everything.

"He wanted people to challenge him, take an idea of his and run with it or say, 'John's that's not such a good idea. I don't think we should do that.' I thought that really spoke to the kind of person he is, spoke to me about what kind of governor he would be. We don't always agree on things, but we agree on where we want to take Indiana. In the end, it became an easy decision for me to partner with him and to join his team."

Simpson has legislative experience in a wide variety of areas, including the state budget – she jokes that she understands school funding, which "not everybody can claim in the state nor would anybody want to" – and would expect the lieutenant governor role to evolve.

Gregg and Simpson have decidedly different views on some social issues, but Gregg claims, "I've never known anybody to get a job because of a discussion on a social issue."

He cites the difference between his team and its Republican counterparts.

"Congressman Pence has been a friend of mine. I like him. I just don't like his extreme views and they're very extreme, and he has someone who is a carbon copy of him. I think we represent more of mainstream Indiana.

"The toughest question I had to ask," he continues, "is if I die, I have to pick somebody who can govern. It happened less than 10 years ago. You have to have somebody who can pick up and not miss a beat. That is the single most important criteria. All the experience she brings is just extra icing on the cake."



Vi Simpson and John Gregg both went back to school after their initial college days to earn their law degrees.

John Gregg

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easily have the next (Eli Lilly (and Company) here in Indiana, and we need to help nurture that for the next generation."

It's not just those looking for financing who are being shortchanged, he continues. "The state brags, universities brag about all these groups that will help write a business plan, to counsel and advise these people. Even though we supposedly have all this out there, that word is not getting out. I run into that all the time in my private practice."

Simpson reverts back to dollars and cents. "The lack of venture capital is really huge in Indiana. People have to go to Boston or they go to California. The 21st Century Fund used to be a partnership between our research universities and the private sector, and it worked very well.

"It's been funded (in recent years), but it's been funded at lower amounts. It was really providing that little lift that you give to somebody with a good idea but they just can't get the financing through the regular sources. Plus, it created a partnership between the research universities and the private sector and that is vital."

Table talk

Two major challenges facing Indiana are continuing to improve educational opportunities for young people and paying for infrastructure projects (roads, bridges, water resource plans, broadband expansion) that keep the economy running. The Gregg-Simpson team believes the solutions start with extensive discussions.

"There are issues in public education, but we've got to be a little more inclusive," Gregg insists. "That means giving everybody a seat to discuss it. It's so much better when you have a dialogue. For government to be successful, for businesses to be successful, there has to be a dialogue. But we've lost that or we're losing that."

Simpson, a passionate critic on the Senate floor of education reforms that passed the Indiana General Assembly in 2011, contends, "If you talk about education reform and do it without the classroom teacher at the table, it seems like you're missing a very important piece. We also have to have adequate funding for our public schools.

"You can't raise the expectations for what public schools are going to do performance-wise and then cut their heads off in terms of the budget. We've got to prioritize, and along with reforms and accountability we have to

have adequate funding. Indiana is looking at a serious teacher shortage. We've got a big hole to fill there. We've got to attract the best and brightest into the teaching profession, and we've got to get serious about how we do that."

Listing various road and bridge projects that require either completion or needed maintenance, Gregg shares, "We have to remind Hoosiers that money in our infrastructure is an investment. We've got to have good roads if we're going to take advantage of logistics. We've got to have that debate, figure out how we're going to fund it. We've got to try and get more federal money. I think that's always a possibility. This is not a slap at the governor (referring to two recent Department of Revenue mistakes), but we don't know how much money is there. I keep hoping we'll find another half billion dollars here or there and that will be enough to take care of some of those issues."

Simpson: "We've got to bring Hoosiers around the table and have an honest conversation. Infrastructure is not cheap and we've got to figure out not only what our priorities are but how we're going to pay for it. Because the way we're doing it now is not going to work. Major Moves money is spent; it's gone."

Protecting coal

Don't expect Gregg to fall in line with national leaders, widely viewed as placing coal "under attack" via extensive and dubious regulations.

"I disagree with our president on coal, and as governor I would express that vehemently to him and the EPA (Environmental Protection Agency) and our congressional delegation," he reveals. "I'm an advocate of the coal industry. It has good jobs and energy self-sufficiency means a safer America."

The Democrat team emphasizes two goals in the Indiana



Gregg discusses his early childhood education plan outside an Indianapolis school.

Chamber-led *Indiana Vision 2025* plan: utilizing a diversified energy mix and positioning Indiana as a net energy exporter.

Gregg: "We've got such good opportunities in methane, natural gas. Wind power is real. Why are we not making all those components in Indiana?" Simpson: "We've got to keep improving the grid so we

can capture some of the possibilities for alternative energy sources. There's no reason why we can't become an exporter."

Indiana Vision 2025 is a long-term economic development plan. State government typically operates on a very short-term basis. It doesn't have to be that way, according to Simpson.

"I really appreciate the fact that the Chamber is stepping up and doing these long-term plans. One of the things that has always driven me crazy about state government, as much as I love it, is that it isn't set up to do long-range thinking," she admits. "We need to do more about that, think in 10-year, 20-year segments instead of two-year, four-year terms. It makes a huge difference."

"If we want to be competitive, we've got to be thinking about what we want Indiana to look like 20 years down the road opposed to 'what's going to get me re-elected in the next term.' It's a different way of thinking, but it's a passion we share. John mentioned the conversation we want to start about infrastructure and there are other areas where some of those conversations have to begin."

'Right' or wrong

No Indiana political conversation in 2012 is complete without a mention of right-to-work. It was signed into law on February 1 after a bitter fight in the General Assembly. Gregg drew some fire from within shortly after when he claimed it was time to move on, but he is clear now in his feelings on the issue.

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Shaking hands and wooing potential supporters – part of the job for all candidates.

John Gregg

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"I'm convinced it's not going to bring these jobs (supporters are) talking about. I think it will have the adverse effect. It will lower the incomes of people rather than raise it. I want everybody to work; and I realize if you're not working, a 10- or 12-dollar-an-hour job is good, but that doesn't sustain, strengthen or expand the middle class. I want us to expand the jobs in life sciences, advanced manufacturing.

"I think it was a mistake, but it was something that obviously the business community, part of the business community, not all of it, wanted." Asked whether he would strive to repeal the law, Gregg says, "The decision to repeal or not is, of course, up to the Legislature. I wish it wasn't law, but the reality is that the Legislature is going to stay overwhelmingly Republican."

The Democrat adds, "We can disagree on this issue but that still doesn't mean you're not pro-business. It doesn't take away, in my case, that I've worked for two Fortune 500 companies. I myself have had a business. When I was speaker (of the House) and Vi was in the (Senate), we did away with the inventory tax. That was the most dreaded thing at the time."

Discussing his past experiences, Gregg notes there are many that have positioned him for this ultimate role in state government. His father was a small businessman in Linton (in Green County) for 50 years, including running a union construction shop for 30 years. Gregg himself bought a business (a soda shop) at the age of 15. He (like Simpson) earned his law degree by going back to school at night while juggling other responsibilities. Gregg also served as interim president at Vincennes University (VU).

"I've had corporate experience. As an attorney, I've been involved in running the business. I know how to make a payroll. That's a huge distinction between me and my career politician opponent," he asserts. "When in the Legislature, I learned real quickly you've got to collaborate. This woman (pointing to Simpson), a Democrat in an overwhelmingly Republican Senate who has

got a lot of stuff done, definitely knows what bipartisan cooperation means. At VU, we had almost 900 employees, a \$90 million budget and 6,000 students.

"I feel I'm prepared. I've spent my whole life here in Indiana. I've spent the last 17 months traveling around the state, over 80,000 miles. I'm in Indiana, I'm from Indiana, I know Indiana. I'm not a career politician, but I understand state government. That's a huge distinction."

Bringing people together

How will Gregg and Simpson attack the partisanship that is plaguing government at all levels?

Gregg: "We can do it. We've done it before. Her (Simpson) in 28 years in the Senate; me as the speaker of a divided House. We are part of the solution. I'm running against the original flamethrower. We have to work with the business community and the (Indiana) Chamber is, by and large, the representative of the business community. There's going to be people reading this and not like some of the comments I make, particularly on right-to-work. We've got more that we agree on than disagree on. If you want somebody that brings people together and collaborates, we're your team."

Simpson: "There used to be a time in the Legislature where people of different viewpoints got around a table and figured out solutions. There are folks in the Legislature who just don't want to do that anymore, where compromise is a bad thing, negotiation is a weakness. That's not how legislatures work. It's going to take people like John and me to reach across the aisle and get things done. You don't do it by standing in concrete and saying, 'My way or the highway.' "

INFORMATION LINK

Resource: www.greggforgovernor.com