

BEFORE AND AFTER

HOW SEPTEMBER 11 CHANGED WISCONSIN POLITICS

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In the political world, September 11 has become a benchmark.

Before September 11, Governor Scott McCallum, regularly criticized for ignoring the GOP's conservative fiscal base, appeared destined to have a primary challenge. After September 11, even while criticisms continued, his most likely primary challenger all but dropped out. Senator Bob Welch was discouraged in part by a war-time leadership halo granted — at least temporarily — to most executive incumbents, including McCallum.

Before September 11, Congressman Ron Kind, a western Wisconsin Democrat, considered a run for governor. After September 11, Kind said the terrorist attacks dictated he should stay in Congress. He'll run for re-election to his 3rd District seat in 2002 — leaving the Democratic field for governor at four.

Before September 11, the Madison School Board governed in relative obscurity. After September 11, some conservatives across the nation derided them as communists. And conservative-leaning Madisonians launched an unsuccessful recall effort to bounce a board member who led what they labeled an effort to



ban the pledge of allegiance.

Before September 11, most politicians rarely talked about the flag or used patriotic gestures. After September 11, wrapping yourself in the flag was common practice for politicians on the stump. Bucking the trend was U.S. Senator Russ Feingold, D-WI, whose nascent 2004 presidential bid was launched on college campuses as he

boosted his maverick identity by crafting the lone no vote against a high-profile anti-terrorism bill and raising questions about domestic law enforcement tactics.

Before September 11, gubernatorial and other political fundraisers were working the usual tools to build up their war chests. After September 11, campaigns paused or cut back their fundraising operations for some six weeks, then returned with different, softer, and patriotic appeals.

Before September 11, the state budget looked fairly manageable, given the state's slowing economy. There was enough money to keep up two-thirds funding of schools, expand

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the small-class funding program (SAGE), preserve 4-year-old kindergarten, and start an expensive new program to help Wisconsin seniors pay for their prescription drugs. After September 11, the economy got worse, agency operations cuts were announced, and a budget crisis of such magnitude loomed that politicians contemplated how to avoid real cuts to what has become the third-rail of Wisconsin politics — education funding. In addition, McCallum introduced “terrorist economy” into the Wisconsin political lexicon in an apparent attempt to blame the terrorists for the budget deficit and any cuts to come.

Those are a few of the apparent political changes wrought in Wisconsin by the terrorist attacks of September 11, as of the 60th anniversary of Pearl Harbor Day. Both September 11 and December 7 will live in infamy. But it remains to be seen whether September 11, 2001, will have the same kind of sweeping historical impact of December 7, 1941.

America was at war in January 2002, the time this piece was written. But legions of young men from the farm belt weren't volunteering or being drafted into service for a world war as they were sixty years ago. This was a different kind of war — especially in the Midwest, which as of early January had escaped the kind of direct hits that left folks in the media and government power centers of New York and Washington, D.C. jumpy and afraid to open the mail. With the war going well in Afghanistan, most folks in Wisconsin went about their holiday routines only occasionally thinking about the dangers of terrorism. Chances are the thousands of newly unemployed and their friends and families thought about something else — the slumping economy.

September 11 had a jarring nationwide impact, for sure. But many in the Wisconsin political world saw the effect waning and predicted things would be close to “normal” by November 2002 — barring another terrorist attack within the United States. Evidence to this way of thinking came in November and December, when politicians began to focus

more on economic and budget matters. “I don't think it changed how we do things; it changed what we say and how we say it,” said one Democratic adviser. “First, it was all about public safety. That's what people wanted to hear. That has changed into concern about the economy.” And while the politically split Legislature reconvened amid a shower of patriotism in October, its members quickly returned to their partisan ways and worries about the budget and a budding ethics scandal.

Of course, a killer terrorist attack in say, Chicago, could send the country reeling again and bring the threat “home” to Wisconsin. It's hanging out there enough to make potential voters yearn for security — either personal security or economic security, or both. That's why politicians say McCallum and his chief Democratic challenger, Attorney General Jim Doyle, appeared to benefit from a “leadership bounce” in the fall of 2002. As governor and the state's top cop, McCallum and Doyle, respectively, were the best situated of all the gubernatorial wannabes to benefit from the ripple effects of September 11.

A WisPolitics/Wood Communications poll of likely state voters in October showed that McCallum would beat all Democratic opponents if the election were held in the fall of 2001. But McCallum's numbers, while showing an upward trend, didn't show enough strength to pull the unelected governor from the “vulnerable incumbent” category. Doyle, meanwhile, was shown to be the clear front-runner on the Democratic side — running ahead of Congressman Tom Barrett, Dane County Executive Kathleen Falk and Milwaukee state Senator Gary George — by virtue of his broad, largely positive statewide name recognition.

Both McCallum and Doyle took advantage of the situation, coming close to but not crossing the line into opportunism. Both wrestled — but never in the mud — over who would be the top security blanket for Wisconsin citizens. McCallum, by virtue of his office, got most of the security-related attention. Doyle ran a decent second. The rest of their potential and

declared challengers tried to elbow in when they could but concentrated a lot on organizing, fundraising, and endorsements.

Doyle proposed state security legislation that included additional wiretapping provisions, stirring discomfort with some in his own party. He did press conferences and editorial visits around the state. And he convened a series of statewide conferences with law enforcement.

McCallum, with the help of the state Republican Party, recorded radio ads in which he came close to boasting that he had protected all of us from harm — either in our homes or at the gas pumps. Later, he recorded a TV public service ad with James Blaney, the adjutant general. He formed a security task force but left Doyle off of it.

While McCallum and Doyle were jousting, Barrett set himself up for likely general election criticism by joining Feingold in voting against the anti-terrorism bill. Feingold had prepared the electorate for weeks and isn't up for re-election until 2004. Barrett didn't do that kind of preparation, but his vote got lost in the shuffle of the war and a help-local-governments-cope strategy. Democrats, however, feared Republicans would use that anti-terrorism vote to paint Barrett as a liberal if he made it through the September primary.

Meanwhile, McCallum caught a break. The events of September 11 squelched mean public criticism — at least for a while — and gave McCallum a chance to catch his breath and act gubernatorial. Opponents say September 11 helped prop up a weak governor still pedaling with training wheels.

McCallum supporters say the timing of it all helped McCallum make the transition from soft soccer-mom issues like education and the

environment to hard, GOP-base issues like spending and taxes. The hard issues will be used to try to solidify a wavering GOP base.

All of the spin is based on what has happened. It's the unknowns that have strategists working overtime. Certainly, nobody wants another attack to happen, but election-watchers probably wouldn't be surprised. After fourteen years of stability brought by a popular governor and an economic boom, change is the operative mode in Madison.

In February 2001, Wisconsin got a new governor, one whom the electorate still is getting to know.

In February 2001, McCallum proposed a new two-year budget that included: pulling back on a state commitment to expand SAGE; no funding for a prescription drug plan; and a plan to sell off the state tobacco settlement for an immediate \$1.2 billion.

In the midst of legislative review, the slumping economy resulted in lower-than-expected revenue estimates. The Legislature was forced to fill a \$750

million revenue gap and retreated from criticism of the tobacco securitization program. Lawmakers looked to one-time tobacco dollars to fund politically necessary budget items.

In the summer, with the budget compromise still cooking, an ethics scandal began to pick up steam as district attorneys in Madison and Milwaukee looked into legislative campaigning and fundraising. McCallum, for a time, toyed with vetoing money for the legislative caucuses, then decided against it to allow the Legislature to negotiate a settlement that led to elimination of the caucuses.

In August, McCallum signed his first budget, hailing the ability to fund important education, senior, and environmental programs in

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the smallest-percentage increase budget in a generation. The budget contained no general tax boosts, but it did contain other tax and fee increases, including an 18-cent-a-pack cigarette tax boost. Those new taxes and \$450 million from the sell-off of the tobacco settlement helped balance the budget in the short-term but did little about the big “structural deficit” that would burden future budget-makers.

Then September 11 happened.

In November, with the economy heading further south, McCallum ordered a state hiring freeze and said the budget he just signed would be out of whack by as much as \$1.3 billion — over and above the structural deficit.

In December, shortly after his ex-teachers' union education consultant convened a controversial closed-door meeting to contemplate drastic changes in education funding, shared revenue, and property tax relief, McCallum announced a second round of agency operations cuts designed to save \$60 million by mid-2003. But much more will have to be done, and it won't be pretty. His budget-makers contemplated big and risky plans to balance the budget, and lawmakers braced for a special session.

McCallum summed it up this way:

On August 30, two weeks before the terrorist attack, I signed into law a state budget with the lowest spending increase in over 30 years — a budget that reduced the overall tax burden on citizens and funded my highest priorities — our children's education and prescription drug care for our senior citizens.

All of this was accomplished without raising taxes.

On September 11, we now realize, our economic landscape was plunged into a “terrorist economy.” As a result, Wisconsin tax collections are lagging behind projections, and we are facing a serious budget shortfall over the next 18 months.

His chief rival, Doyle, had a different view:

While the terrorist attacks certainly made things worse, they cannot be used as an

excuse for 15 years of fiscal mismanagement. Prior to the attacks of September 11, there was ample evidence that Wisconsin's fiscal situation was already in dire straits. . . .

Now is a time for leadership. It is time to talk straight with the citizens of Wisconsin about our fiscal crisis, its true origins, and what the state must do to return our fiscal house to order.

In Governor McCallum's first executive budget speech, he promised the people of Wisconsin he would “not shift the state's financial shortfall to other units of government . . . not raise taxes . . . not rely on accounting tricks to balance the books,” and that he would “make sure Wisconsin's financial house is built on a solid foundation.”

Governor McCallum now has a second chance to live up to that promise.

On top of all of that . . .

- The expanding ethics scandal appeared to threaten the Legislature's leaders.
- Early 2002 electioneering already dominated legislative thinking.
- And the once-every-decade process of redistricting moved more quickly. By December, the Senate's Democratic majority and the Assembly's Republican majority received a congressional redistricting plan and began to work in earnest on their own maps.

“What else could happen?” said one top lobbyist, the Wisconsin Realtors Association's Mike Theo, with a chuckle.

Does anybody care about this or that legislative bill? There's no single (non-budget) bill that rises to that level.

The political scene in Wisconsin is as complex and touchy as I've ever seen. It's very hard to navigate.

Theo, whose group tilts to McCallum, said the events of September 11 helped justify the governor's issue-emphasis transformation. McCallum's early play for moderate, non-committed voters could now be switched back to base appeals and look “more logical, less political.”

“He handled (the September 11 aftermath) well. Even if he wouldn't have handled it well, it would have been a plus,” Theo said.

McCallum still had not forged a clear identity with voters by the December holidays, and the budget crisis was shaping up as his defining moment. Some Republican strategists said the key to November 2002 would be who would define McCallum first — McCallum and the GOP or his opponents. Interestingly, the governor's race is the only statewide race this November — the first time that has happened since 1990, when Tommy Thompson won his second term by beating Democrat Tom Loftus. It all suggests that early, sustained TV advertising may be part of the recipe to winning in November.

McCallum's campaign in the post-September 11 political world appeared to be toying with another consideration — whether to run against the Legislature. One of the big X factors in November 2002 is the brewing legislative scandal. Will it become a statewide story involving top lawakers, as some in Madison's legal community suggested in December?

“Becoming the reform candidate would be an easy position to take, even from the East Wing,” said one top Republican strategist, dismissing objections that McCallum had hurt this strategy by failing to eliminate the caucuses via veto and blocking Doyle from suing to stop legislative reimbursement of legal fees.

The other X factor: how long with the leadership halo last?

Or put another way by the GOP strategist: “Come November 2002, what will the world look like? At the least, there would seem to be a heightened sense of insecurity.”

The economy, more and more, seemed paramount in early January, contributing to the insecurity. “The economy was bad before (September 11), but it was not showing up in the polls,” the Republican strategist said. Economic concerns bubbled up in surveys after September 11.

There's also a values shift, on the order of the stock market crash of 1929 and December 7, 1941. “So far, it has favored incumbents,” the strategist said. “There's a new degree of trust in elected officials. But if it's perceived votes were for sale in the Capitol, the level of cynicism would rise. Otherwise, it's an incumbents' year.”

A top Democratic strategist also said the changes wrought by September 11 were lifting so that by November 2002, “you probably won't see any discernable difference”— barring another terrorist attack.

“The tenor of political dialogue changed temporarily. The sharp edge came off. But we seem to be creeping back toward the old standards of discourse,” the Democratic

strategist said, arguing for a more subtle shift than first thought.

“It may have changed people's perceptions of what is important in choosing an executive. The voters may be looking for someone who is experienced and courageous enough to make hard decisions and tough enough to make them stick,” said the Democratic strategist, alluding to what critics see as McCallum's “wait-and-see” leadership style that has him responding to things, not leading.

“And they will look for someone who fights those fights for the right reasons, for the public good. Character trumps charisma. Hence, Rudy Giuliani's surge.”

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So, if it's McCallum and Doyle in the finals — no sure thing, mind you, with Doyle being chased by appealing candidates — the calculus suggests a very close election.

They're both incumbents. They've both made moves to separate themselves from the

Legislature. Neither is seen as an especially charismatic figure. And both established a post-September 11 security record. So who will be seen as the one to best lift up the economy? That's where the events of 2002 come in.