

RIPON FORUM

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Putting The Enterprise Back In OMBE

WASHINGTON, D.C. — A little noticed but very promising development in the last two months is a thorough reorientation of the Office of Minority Business Enterprise. This agency, created in March 1969 and given new powers in October 1971 by Executive Order 11625, had fallen victim to bureaucratic in-fighting, management chaos, and intellectual arteriosclerosis.

Taylor Branch, in a February 1973 *Washington Monthly* article on the maladies of governmental bureaucracy, mentioned "the Short Public Responsibility Theory (SPURT) which holds that the maturing process of a bureaucracy involves movement away from service to publicly stated goals toward service to the organization itself." Branch commented that SPURT "happened in record time to the Office of Minority Business Enterprise."

In the last two months, a number of steps have been taken within OMBE to eliminate the stagnation and political bickering that have been so prominent during the last year. The prime mover in the office's restructuring has been the agency's new director, Alex Armendaris, a 42-year-old Mexican American with extensive business and political campaign experience.

Armendaris has a political background beginning in conservative Young Republican politics. In recent years, he has been recognized as one of the best campaign managers within the Republican Party. He has run campaigns for conservative Republicans Donald "Buz" Lukens of Ohio and Jack Kemp of New York, and for liberal Republican Jack Nevius, now chairman of the D.C. City Council. In 1972, Armendaris headed the Spanish Speaking Voters Division of the Nixon re-election campaign. In a campaign rent by backbiting, high-

level amateurism and criminality, this division enjoyed a high reputation for professionalism and integrity. Operating on a very modest budget, Armendaris's organizational efforts helped produce dramatic Republican presidential gains among Spanish Speaking American voters (from 10 percent in 1968 to 35 percent in 1972).

Ironically, Armendaris's political experience has been most useful to him in efforts to depoliticize the OMBE program and to institute viable management techniques.

The preceding OMBE director, John Jenkins, was a black attorney from Tennessee. While earnest in his intentions, he lacked both political savvy and management experience. Accordingly, he was unprepared to resist political pressures emanating from minority contractors, Capitol Hill, and the Administration. Lacking a management background, he was unable to develop either useful criteria for contract and grant determination or an effective system for evaluating applications. Grants, more often than not, went to those groups which, regardless of the merit of their proposals, could generate the greatest political pressure.

In the fierce struggle early this year over a successor to Jenkins, the outgoing director fought hard in Administration circles to retain his post. Among the candidates to succeed him were two black Californians: Norman Hodges, an engineer who headed the Green Power Corporation, a black southern California development group and Norman B. Houston, deputy assistant secretary for administration of the Department of Health, Education and Welfare. Armendaris was chosen, in the final analysis, because the Administration wanted a proven manager for the post.

According to various observers of

the minority business scene, Armendaris seems to have secured a mandate from the Administration to overhaul the program in whatever ways will make it effective in producing results, i.e., successful minority businesses. At Armendaris's request, a Department of Commerce Management Task Force has for the last month been examining the entire internal organizational structure of the contract management system of OMBE. OMBE staffers seem to be expecting a thorough overhaul in management. Already OMBE has instituted a Contract Review Session before issuance or reissuance of every contract.

The orientation of much of the minority enterprise program had been quite heavily toward input rather than output. OMBE's record in terms of dollars expended, funded organizations created or expanded, and clients served has been fairly impressive. Yet under strong pressure from the Office of Management and Budget, the minority enterprise program has become more concerned with the product of its program, i.e., the number, size, and total profits of businesses created.

OMBE was slated in late 1971 to be operating by this time at an annual level of around 100 million dollars. About six months ago, however, OMB pared back OMBE's fiscal 1973 budget by 17 million dollars. Aside from the general tightening of funding for domestic agencies, OMB's justification rested on OMBE's difficulties in profitably investing technical assistance and staff organization monies. The fiscal 1974 OMBE budget request is now for \$91.3 million dollars, but this includes over 38 million dollars for the community development program soon to be transferred from OEO.

Despite its problems, the minority business enterprise program has scored

some decided successes. Governmental procurement from minority firms has risen dramatically in the last four years. The 8(a) procurement programs, which provides for a noncompetitive bid, negotiated contracting with minority firms, has risen from a level of about six million dollars in 1969 to almost 200 million dollars today. The Minority Small Business Investment Company program and various financial institution practices have made more financing available to minority businesses.

In many localities, debt financing is available to the minority entrepreneur on about the same basis as it is to a non-minority entrepreneur with equivalent experience. Equity financing, however, is much more elusive. Lacking equity, many minority firms have started under the burden of heavy debt service charges. S.1415, a bill introduced this year by Sen. James Buckley with the co-sponsorship of senators ranging from Sen. Jacob Javits to Sen. Strom Thurmond, would provide for a 70 percent guarantee of equity investments in covered businesses own-

ed by socially or economically disadvantaged persons. This bill should, if enacted, unleash many millions in equity capital for minority business development.

OMBE has already begun to shift its emphasis to larger scale minority businesses offering a higher return on investment. Recognizing that the success of the program will be measured in terms of the long term viability and profitability of minority businesses, OMBE is placing a greater emphasis on pre-locational market analysis, development of venture capital sources, and location of high leverage opportunities. In this way, OMBE proposes to shift the profile of minority business from that of largely marginal retail operations to a much wider business spectrum.

Some of the new OMBE direction was foreshadowed in the 1971 Report of the President's Advisory Council on Minority Business Enterprises (*Minority Enterprise and Expanded Ownership: Blueprint for the 70's*). This report, prepared under the direction of Council Executive Director Alan

Steelman, now a Dallas congressman, proposed a comprehensive, long term, national minority business development effort. The Council's report included a number of recommendations to eliminate duplication and improve coordination of federal minority economic development efforts. Until recently, most of these organizational recommendations were ignored. However, the new OMBE director worked for the Council during part of 1971 surveying the effectiveness of various local business development efforts in addressing the needs of Hispanic Americans. Accordingly, Armendaris seems determined to press for a much more rational local delivery structure.

Already there are some indications that OMBE, once it has resolved its own organizational deficiencies, may become the nucleus for all federal minority economic development efforts. The proposed move of the community development corporations from OEO to OMBE may well portend other Administration initiatives. The new look within OMBE seems likely to accelerate this process. ■

DULY NOTED: POLITICS

● **"Agnew Appearance Here Plain Dullsville,"** by David Nordan. *The Atlanta Journal and Constitution*, May 20, 1973. "If (Vice President Spiro) Agnew's remarks to the Georgia Chamber of Commerce here last week were an indication of how far (the 'lower profile') project has gone, it appears that someone would have to tone the Vice President back up a little to get him out of bed in the morning," writes Nordan. "Agnew delivered what must have been one of the driest speeches ever heard by the chamber membership, and that takes in a lot of territory. The only ripples in the tedium came when he apologized for the dullness of his speech and obliquely declined 'to say something nice about John Connally.'"

● **"Mathias Raised the Fundamental Point — Loyalty to the Constitution,"** by James Reston. *New York Times*, March 31, 1973. "Every once in a while somebody gets up in the House or Senate of the United States usually when nobody is listening, and raises a fundamental question about the integrity of American political life," writes Reston. "In the last few days, Senator Charles Mathias of Maryland has done precisely that. He has raised the question of 'what is loyalty?' Is the primary loyalty of a public servant to the people who finance his campaign, to the constituency or party he represents, or is it to the Constitution of the United States? Senator Mathias is raising a fundamental question: should they not get their 'conflict of loyalties' straight?" In his speech, Mathias suggested that the loyalty of public servants belongs not to men, but to the Constitution.

● **"Conservative Chic; The evolving style of the New Republican Majority,"** by Kevin Phillips. *Harper's Magazine*, June, 1973. "Over the next four years, White House attempts to solidify the New Majority are likely to shake up the establishment — or, as C. Wright Mills would say, the 'power elite' — in a way that the first Nixon term — scarcely hinted at," writes conservative ideologist Kevin Phillips. Detailing the heroes of the counter-culture named the New Majority, Phillips lists the University of Southern California, John Wayne, Herman Kahn, bowling, *Reader's Digest* and Pepsi-Cola. Phillips admits that the bonds that unite the New Majority are largely negative: "there are a lot of things that people

just don't want done any longer." Some people will be happy (and others unhappy) to know that the New Majority is not against wealth — just against certain kinds of wealth such as liberal wealth in the "knowledge industry." Isn't that discriminatory?

● **"Brock Predicts Gains for the GOP in Senate Despite Watergate,"** by Tim Wyngaard. *The (Memphis) Press-Scimitar*, May 18, 1973. Sen. Bill Brock, chairman of the Republican Senatorial Campaign Committee, is predicting a 1974 Republican gain of three to four seats in the Senate. Brock admitted, however, that it would be harder for incumbents of both parties to hold their seats next year. "Brock's comments clash with the private assessments of some Republican Senate Campaign workers, who have said privately the GOP will be lucky to hold its own in the Senate next year, in the wake of Watergate," writes Wyngaard.

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POLITICS: PEOPLE

● Prominent among the sparse crowd at the primary victory party of U.S. Rep. **Charles Sandman** was the Rev. **Carl McIntyre**, who warmly embraced the winner. The Rev. McIntyre's small New Jersey college had recently lost its accreditation under the administration of moderate Gov. **William Cahill**, who was resoundingly defeated by the conservative Sandman. Other than the defeat of Cahill, who had organization support through most of the state but was hurt badly by charges of corruption among his close associates, organization candidates did well. Organization-line candidates triumphed regardless of ideological bent. Sandman will now face former judge, **Brendan T. Byrne**, who easily won the Democratic primary. Byrne's campaign was run, ironically, by an old RNC operative, **John Marttila**.

● Sen. **Sam J. Ervin** already has one announced opponent in 1974; **Henry Hall Wilson** has resigned as president of the Chicago Board of Trade to return to his native state and make the race. Also reported considering a run is Republican State Sen. **Michael P. Mullins**, a 32-year-old lawyer from Charlotte. Among the bills introduced by Mullins in his freshman year was a resolution calling for a constitutional convention to prohibit busing for integration purposes.

● A Democratic New Hampshire legislator, State Rep. **Nelson Pryor**, has submitted a bill to the legislature which would require prospective criminals to furnish prospective victims with notification of their rights: the right to call a policeman, the right to have an attorney present while the crime is committed, and the right to free legal counsel if the victim cannot afford to hire his own lawyer. Violation of the provisions of the law would be a felony.

● **Hal Suit**, Georgia's 1970 GOP gubernatorial nominee, has revealed that he obtained information about a primary opponent from messages overheard on the opponent's car radio-telephone. Suit's 1970 opponent, an erstwhile Democrat named **Jimmy Bentley**, did not find the revelation amusing and said that Suit, "instead of bragging about it, ought to apologize to every Republican in Georgia." Suit thought the tactic made good campaign sense, saying, "a candidate is a fool if he doesn't know what his opposition is doing." The monitoring was not done by Suit's campaign staff; a friendly radio repairman stayed tuned to the Bentley frequency. Suit is considered a likely gubernatorial candidate next year.

● Washington Gov. **Daniel J. Evans**, recently elected chairman of the National Governors' Conference, is still talked about as a possible presidential candidate in his home state. Asked about the possibility, Evans has cited the opposition of his wife and said, "I don't know of any divorced person ever being elected."

● The battle of the Kansas State House parking lot has apparently been won by Gov. **Robert Docking**. The Democratic Governor and the Republican-controlled legislature disputed over who controlled parking space allocation. The legislature passed a law granting

control to the Legislative Coordinating Council. The Governor vetoed the bill. The legislature overrode the veto. The Democratic attorney general threw out the law, but the Legislative Coordinating Council has refused to accept the ruling. A compromise between the two branches is expected.

● Republican National Chairman **George Bush** is not the only prominent Texas Republican being floated as a possible 1974 gubernatorial candidate. Rumors emanating from the vicinity of Sen. **John Tower** indicate that he too may be interested, as implausible as that may seem. Meanwhile, State Sen. **O.H. "Ike" Harris** (D) has been elected president *pro tempore* of the State Senate, improving his status for a possible run for the important Texas office of lieutenant governor. However, Lieutenant Gov. **Bill Hobby** does not look interested in vacating his seat.

● **John K. Tabor**, 1969 unsuccessful liberal Republican candidate for mayor of Pittsburgh, has been appointed undersecretary of commerce. Tabor, who has recently been practicing corporate law in Pittsburgh and was Nixon coordinator for southwestern Pennsylvania in 1972, was secretary of labor and industry under former Pennsylvania Gov. **Raymond P. Shafer** and secretary of commerce under former Gov. **William Scranton**.

● The Campaign Fund, established in 1969 to raise money for liberal Democratic senators, is already beating the Watergate drum for 1974. "Every decent American is sickened and dismayed at the evidence of an official crime wave involving systematic corruption of our most cherished political legal process by many of the highest officers of our government," wrote Senators **Philip A. Hart** and **Lee Metcalf** in their solicitation letter. Although the connection between Watergate repulsion and Campaign Fund giving is rather tenuous, "... it is essential that you aid in the election of candidates of personal integrity who are committed to protecting and perfecting the democratic process." Democratic National Committee Chairman **Robert S. Strauss** is not wasting any words either in his mail fund appeals. The reason to give to the Democrats, he says, is, "Watergate ... and continuing efforts by the Nixon Administration to suppress the truth."

● Former Vermont Gov. **Deane C. Davis** received a small rebuff recently in elections for the Republican State Committee in Washington County (which includes Montpelier). State GOP Chairman **Stewart Smith** had decided that each county should have a finance chairman who would also serve on the state GOP committee. By the time the Washington County committee met, Chairwoman **Faith A. Perry** had made it clear that she objected to the "appointment" of a finance chairman and would insist on an "election" over Smith's opposition. Davis was nominated unopposed, but a 13-5-2 vote in his favor embarrassed him and he declined the honor. County committee members were allegedly annoyed at state committee operations and took out their vengeance on Davis, who nevertheless was probably the best possible fundraiser for the post. At a later meeting, a recent transplant from Massachusetts was elected to the post, and Davis and former Attorney General **James M. Jeffords** were elected honorary co-chairmen.

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POLITICS: REPORTS

CALIFORNIA

SACRAMENTO — Gov. Ronald Reagan has opened up Phase I of his 1976 gubernatorial campaign with an ambitious proposal to lower the income tax burden of California voters.

Reagan's plan, which he hopes to have adopted in a November initiative referendum later this year, would be the keystone to his gubernatorial reign and the touchstone for speeches on the fried chicken circuit in the post-gubernatorial period.

The implications of Reagan's tax plan, like those of Gov. Nelson Rockefeller's drug crackdown in New York, are as much national- as state-oriented.

Basically, the Reagan plan assumes that taxes take too large a chunk from citizen income. He therefore proposes (in a plan primarily devised by Claremont Men's College economist Dr. Craig Stubblebine) that the state progressively lower over the next 15 years the percentage of personal income that the state can collect in taxes. The constitutional amendment would limit the total tax take for any year and provide a rebate in 1973-74 income taxes.

(The Reagan plan would reduce the state's share of personal income from a present level of 8.75 percent to about 7 percent in 15 years.)

Reagan has attempted to get his amendment passed by the California legislature, but Democratic leaders who control the State Assembly are not impressed by the Reagan plan. So the Governor is leading a petition drive for a referendum — and has even gone door-to-door himself for signatures. In a letter to potential signature recruiters, Reagan concluded, "If you break a leg before you get all 18 signatures, be sure to send your petition back to me anyway."

Legislative leaders have sought ways to block the vote this fall, predictably raising Gov. Reagan's ire. "It is an arrogant denial of the democratic process for a few legislators to say the people must not even be allowed to vote on something as fundamental as their right to their own earnings," he says.

Reagan's economists claim state, local and federal governments take 44 percent of California personal income. Like many of the Governor's figures, the 44 percent citation is challenged by a state legislative analyst who claims that the Reagan plan would result in a 20 percent cut back in state services over the next five years. Reagan asserts that his proposal will allow the state to allocate \$41.5 billion for *new* programs in the next 15 years. He also claims that his plan will save a family of four \$17,000 in taxes over the same period.

The Governor's plan — whose complexity is considerably more intricate than the above explanation — has undeniable political sex appeal.

The plan has been criticized, however, for favoring the rich more than the poor. Democrats would prefer a delay in additional sales taxes to a rebate in income taxes. To this Gov. Reagan responds, "An equally spurious and somewhat demagogic objection is that our proposal benefits the rich at the expense of the poor. Our legislative leader cites the case of an individual who would only get a \$2.50 rebate from the surplus while another would be \$250. Well, possibly there would be such cases. But the man who would get \$2.50 only had a \$12.50 tax bill to begin with. The one getting \$250 owed \$1,250 and after his rebate he will still owe \$1,000 while



Ronald Reagan

the other individual will owe only \$10." Reagan also points out that families with less than \$8,000 in income will get a full rebate and be exempted from future income taxes.

Critics also attack the timing and the cost of the referendum. Reagan says he wants the referendum as soon as possible so that the tax savings would begin as soon as possible. Apparently, the Governor would also like to start his pre-presidential campaign as soon as possible.

Another criticism of the Reagan plan is that it would unduly shackle the legislature's ability to attack social problems. In a copyrighted story in the May 11 *Los Angeles Times*, former Gov. Edmund G. Brown (D) told Sacramento Bureau Chief Tom Goff, "Reagan is just smoking opium. It just can't be done. I think, furthermore, that it's a completely political ploy on his part to use in his campaign for the Presidency."

In a speech to the California Federation of Women's Clubs on May 22, Gov. Reagan said that, "The truth about the nitpicking and carping criticism is that many of those who are talking the loudest in the legislative chambers do not even believe their own words. They have admitted to us that while they will continue to block the people's right to vote on this they really cannot find anything wrong with our proposal, anything wrong, that is, except that philosophically they believe government should take even more of the people's earnings because only government has the wisdom to spend that money properly for the people's own good."

The wisdom of the Governor's proposal — and the strength of his presidential ambitions — will presumably be tested in November. ■

KENTUCKY

LEXINGTON — Two political newcomers will face each other in November for mayor of Louisville. Democrats in Kentucky's largest city nominated Dr. Harvey Sloane, an ambitious and wealthy young doctor, in the May 29 primary. Republicans chose C. J. Hyde, the 56-year-old former chief of police in Louisville.

Sloane defeated the candidate of the

Welsh, had campaigned hard last fall on a promise of property tax relief. Both parties had also issued the same pledge.

Carried into office by the Nixon landslide in Indiana, Gov. Bowen began working immediately on a tax bill which would redeem his campaign promise. Early in the new year, even before the General Assembly had convened, the Governor announced his "package" which had been developed, some said, in semi-secret with minimum consultation among the leaders of the heavily Republican General Assembly.

The package contained four principles: First, all state property taxes were to be lowered at least 20 percent next year. Second, the state sales tax would be doubled from 2 percent to 4 percent. Third, certain business taxes were to be raised by small percentages. And fourth, each county would be allowed to enact an income tax of up to 1 percent.

Critics of the package complained first of all that the sales tax was regressive and would hurt the poor. Then they claimed that the package was tilted too heavily in favor of business which would generally be paying a smaller percentage of the total increases and receiving a larger share of the benefits than individual taxpayers. And finally, many political leaders protested that the total tax bill paid by most of the state's taxpayers would go up, at least initially, rather than down.

Some observers also suggested that the Governor had committed a major political blunder by his failure to take more people into his confidence when the package was being drawn up — especially the powerful Senate Majority Leader Phillip E. Gutman of Fort Wayne, who had been Dr. Bowen's opponent for the Republican gubernatorial nomination last year.

Both houses of the legislature — each with topheavy Republican majorities — received the package in late January, and the House of Representatives responded by passing the bills as submitted in early February.

But the more conservative State Senate approved a different version of the package in mid-March only after four tie-breaking votes by its presiding officer, Lieutenant Gov. Robert D. Orr. Casting votes almost *en bloc* against

the tax bills were the Republicans in the Indianapolis-Marion County Senate delegation, said to be greatly influenced against the Governor's proposals by the implacable opposition of the Indianapolis newspapers, both owned by conservative Eugene S. Pulliam.

The tax package then went to a Conference Committee where it foundered in disagreement among the Committee members as the statutory deadline for ending the 1973 legislative session approached.

It looked as if the Republican Governor would not be able to muster enough Republican support among his party's majority in the Senate to push through the major campaign promise he and the Republican Party had made the previous fall.

However, through personal lobbying by the Governor, additional compromises in the form of sales tax exemptions and higher business taxes, and considerable pressure on some Democratic members of the Senate, the revised package passed the Senate in mid-April, with two Democratic votes and another tie-breaker by Lieutenant Gov. Orr.

As finally passed and signed by Gov. Bowen the tax package included a 4 percent state sales tax (with food exempted); a 20 percent credit for all property taxpayers in the state; a net increase in corporate tax rates and income tax deductions for renters up to \$500 in 1973 and up to \$1,000 in 1974; permission for counties to enact a local income tax of $\frac{1}{2}$, $\frac{3}{4}$, or 1 percent, with part of the proceeds to be mandated for further property tax relief; and finally a freezing of the property tax levies for those counties adopting the new income tax, and a freezing of the rates of those counties rejecting the local option.

The counties had until June 1 to decide whether or not to exercise the option, with the tax to take effect July 1, and to remain in effect for four years. Of Indiana's 92 counties, 31 adopted the local income tax at one rate or another, while 61 turned it down. Only one of the state's 10 most populous counties adopted the tax. Many of those opting for the tax were the smaller, rural counties where the farmer-property owners have been most indignant over high property tax rates.

Counties may now adopt the tax

until July 1 to take effect January 1, 1974, or indeed up to any succeeding July 1 to take effect the following January.

The main objective of the tax restructuring plan was to transfer the tax burden away from property taxes. Counties which want additional property tax relief (or need additional revenue beyond that provided by the state sales and corporate income tax distributions) may obtain it by adopting the local income tax option.

Indiana Republicans are nervous now over the political effect of the Governor's tax legislation. For many Hoosiers it will not mean a reduced total tax bill, although it certainly will mean initially lower property taxes.

One important advantage for the future of the Republican Party in the state was the real triumph of Gov. Bowen in achieving passage of his tax program. By his personal political leadership he was able to redeem his major campaign pledge and show his strength as the leader of the state party. Moreover, in a series of speeches this spring, the Governor has preached the doctrine of party unity with apparently some success.

Other current political speculation in the state focuses on whom the Republicans will run against Sen. Birch Bayh in the 1974 elections. There are few candidates who want to tangle with the popular and politically astute Democratic incumbent.

Among those most often mentioned as opponents to Bayh (who has just opened his 1974 campaign by taking a "non-political" tour around the state talking to dozens of women's groups) are Mayor Richard Lugar of Indianapolis and William D. Ruckelshaus, the acting director of the FBI. Mayor Lugar has indicated extreme reluctance to take on the Senator, and Ruckelshaus seems to have removed himself from consideration by statements which he made at the time the President asked him to accept the FBI job. He had run unsuccessfully against Sen. Bayh in 1968. Two others mentioned, but without much enthusiasm, are Lieutenant Gov. Orr and State Sen. Phillip Gutman. But at the moment, no one seems an obvious choice to defeat Sen. Bayh. Ambitious Republicans may prefer to tackle the more lackluster Sen. Vance Hartke (D) in 1976. ■

Democratic city hall administration, Dr. Carroll Witten, president of the Board of Aldermen, in a unique contest between two physicians. Sloane is a candidate in the McGovern "new breed" style, while Witten is most comfortable with the old guard political leaders of Louisville's Democratic administration and organization.

Sloane's November opponent is also a new political face, having resigned from the police force in 1971 after a dispute with Democratic Mayor Frank Burke. Hyde, who had been a police officer for 31 years, three of those as chief, switched to the Republican Party in 1972, and announced early for the mayoralty race this year. The impatient Jefferson County GOP organization was unable to come up with a creditable candidate to oppose Hyde, so the conservative convert swept aside token opposition in the primary to become the new leader of the local Republican Party. Hyde, who has been campaigning for almost a year, has stressed mass transit and crime, announcing his intent to open four more police precinct stations and hire an additional 300 police officers.

In the county races, incumbent Democratic Judge (county administrator) Todd Hollenbach will face Republican Edwin Schroering, the Commonwealth's attorney for the Jefferson County district. Schroering, who has been C.A. for ten years, may prove to be a dangerous competitor for Hollenbach, an ambitious young man with a talent for obfuscation and fence sitting. Hollenbach's administration of the county has been generally uneventful, but marked by some hot disputes within his own party and administration. The GOP probably has a better chance to win the county's top spot than they do in the city hall race.

Lexington's primary was concerned mainly with nominations for the 15 seats on the new Council of the Lexington-Fayette County metropolitan government, which will go into effect on January 1, 1974. Lexington Mayor Foster Pettit will face Police Court Judge James Amato in November for the office of metro mayor. Elections in the new government are nonpartisan, but candidates associated with Pettit did well in the primary for the three at-large Council seats. Pettit and Amato are both nominally Democrats,

but the Mayor is fairly independent of the old-line party organization, whereas Amato has most of the old "courthouse crowd" on his side. Pettit, according to media surveys, is heavily favored to win in November.

Kentuckians will also elect the General Assembly in November. Republicans as usual are contesting barely half of the House and Senate seats, and are expected to scarcely improve their minority position in the House and Senate. If Republican candidates run well in Fayette and Jefferson Counties, representation in the House may increase slightly from the present nadir of 27 out of 100 seats, and Senate representation could climb somewhat from the present minority position of 11 seats out of 38. Democratic Gov. Wendell Ford, however, is expected not to have much trouble with the 1974 session of the legislature, especially in view of the weak Republican leadership and the lack of a concerted statewide campaign by the Republican organization to win more General Assembly seats. ■

CONNECTICUT

NEW HAVEN — Connecticut's conservative Republican governor, Thomas Meskill, has found a way to remove a nagging thorn from his side. After two years of bickering with Lieutenant Gov. T. Clark Hull, a liberal Republican from Danbury, Meskill decided to "promote" Hull to a judgeship on the state Superior Court. Faced with the certainty of being dropped from the Meskill re-election ticket in 1974, Hull accepted and was immediately confirmed by the State Senate for his new post.

Hull had been an outspoken (and hence, embarrassing) critic of several of Meskill's pet proposals and beliefs, including abortion and fiscal policy. Most recently, Hull had announced that, in his capacity as president of the State Senate, he would vote against the Governor's bill to restore the death penalty for drug traffickers should the vote be tied. (The measure, incidentally, passed by the narrow margin of 19-17.)

Meskill has roughly one year to select a running mate for his all-but-

announced re-election bid in 1974; some observers predict he will pick first-term Bridgeport Mayor Nicholas Panuzio, a moderate Republican. Newspaper polls show, however, that Meskill's popularity is lagging, due in large part to his handling of the recently-concluded 100-day-long bus strike in cities across the state, and to his budget cuts in the fields of social services and community development. Speculation as to the Democratic candidate has centered on U.S. Rep. Ella Grasso, State Attorney General Robert Killian, and former University of Connecticut president Homer Babbidge.

Hull's successor as lieutenant governor, albeit reluctantly, is Senate President Pro-Tempore Peter L. Cashman. There had been speculation that Cashman might resign as president pro tempore in order to avoid becoming lieutenant governor, a post which is not considered the state's choicest political plum.

However, Gov. Meskill reportedly put pressure on Cashman to accept the "promotion." The new lieutenant governor would like to run for U.S. Rep. Robert H. Steele's (R) congressional seat if Steele decides to challenge Sen. Abraham Ribicoff (D) in 1974.

Gov. Meskill has apparently rescued his new lieutenant governor from political anonymity. Cashman was quickly appointed chairman of the new Council on Human Services, charged with coordinating and expediting the work of nine key state agencies. The ceremonial functions of Cashman's new post had excited him no more than they had Hull.

The election to succeed Cashman in the Senate was being viewed, meanwhile, as a possible reflection on the Governor's own rating with state voters. ■

INDIANA

MUNCIE, INDIANA — For a time this spring it looked as if Indiana politics were being played to a scenario from "The Perils of Pauline." And newly-inaugurated Republican Gov. Otis Bowen was acting the title role.

Both Gov. Bowen and his Democratic opponent, former Gov. Matthew