Democracy North Carolina

1821 Green St., Durham, NC 27705 • 919-286-6000 or 489-1931 • democracy-nc.org

For Release: July 30, 2003

Contact: Bob Hall, 919-489-1931 or Adam Sotak at 704-277-8340

What Does A N.C. Campaign Contributor Look Like? White, Male, and Apparently Wealthy

John Edwards' major donors in Presidential run are 96% white, 2 in 3 are men. Charlotte Mayor McCrory's '01 campaign has 80 major donors: 96% white and 94% male.

If money is the mother's milk of politics, as many experts claim, then most of the mothers in Charlotte, Greenville, and the rest of North Carolina are white men. That's one of the conclusions of an extensive new study of Tar Heel donors to recent campaigns for mayor, governor, and president. The study found that major campaign donors are 97% white and nearly 3 in 4 are men, even though the current North Carolina voter registration rolls show that more than one in five N.C. voters (22%) are people of color – primarily African-American – and 55% of registered voters are women.

The study is a comprehensive look at gender and race trends among major campaign contributors in North Carolina. The exhaustive public records search was conducted on nearly 1,000 major N.C. campaign contributors in races at the municipal, gubernatorial, and Presidential level. These contributors often approve or squash candidates in a "wealth primary" long before voters ever have a say on Election Day.

The non-partisan and non-profit watchdog group Democracy North Carolina conducted the study, called "The Color of Money in North Carolina." It covered seven candidates in four races: Don Parrott's successful run for mayor of Greenville in 2001, Pat McCrory, Susan Burgess, and Ella Scarborough's campaigns for Charlotte Mayor in 2001, Governor Easley and Richard Vinroot's 1999 campaign reports in the 2000 gubernatorial election, and John Edwards first and second campaign reports in his current bid for President. Donors' gender and race were identified through a public records search of voter registration listings, which includes race and gender identification.

"The numbers in this study just don't add up in a true democracy. One in five registered voters in North Carolina is a person of color. More than half of registered voters are women," says Peter Walz, who helped coordinate the study. "If campaign contributions are simply an expression of free speech, then it's clear whose voices are being silenced in our elections."

Democracy North Carolina studied 944 major contributions and positively identified the race and gender of 97% of those donors. Major donors were determined to be contributors of \$100 or more in Greenville's mayoral race, \$1000 or more in Charlotte's mayoral race, more than \$2000 in the Governor's race, and \$1500 or more in the Presidential race. Only donors from North Carolina were studied.

The study's research team included college students working with Democracy North Carolina in an annual program called "Democracy Summer." These North Carolina students, based in Charlotte and Greenville, helped compile the data and research major donors in North Carolina.

"As a young person, I was appalled to find that the political process is overwhelmingly dominated by an elite circle of donors. But I'm excited to try to change the system and be a part of a massive democracy movement to put the power of our elections in the hands of voters and out of the pocketbooks of wealthy donors," says Michele Jackson, a Johnson C. Smith Univ. student and a Democracy Summer participant.

Democracy North Carolina

1821 Green St., Durham, NC 27705 • 919-286-6000 or 489-1931 • democracy-nc.org

The Color of Money in North Carolina:

A comprehensive study on the role of race and gender in North Carolina's big-money political campaigns

As the years have passed over the short history of America, diverse groups of people have demanded and won the right to vote and have a seat at the table of political power. Low-income citizens, women, and people of color have ever so slowly, and often at high prices, won political victories that have brought about sweeping reform in the political make-up of this country's electorate. Among our most important democratic advances has been the enfranchisement of women in 1920, after decades of political pressure from the women's suffrage movement, and the Voting Rights Act of 1965, passed in the midst of the 1960s Civil Rights Movement.

These broad social movements created a much more diverse electorate, which should have created diverse public bodies and elected officials. However, while gains have been made at many levels, white men continue to dominate elected bodies and politically powerful positions across the country and in North Carolina. While the right to vote has been granted to most everyone, the ability to run for office is now often in the hands of an elite circle of big-money campaign contributors. These donors often approve or squash candidates in a "wealth primary" long before voters ever have a say on Election Day. Citizens may have the right to vote but big-money donors are deciding whom they get to vote for.

The Color of Money in North Carolina is a comprehensive look at gender and race trends among major campaign contributors in North Carolina and returns some troubling results: major campaign contributors in North Carolina are overwhelmingly white and male. The study found that major campaign donors are 97% white and 73% male, even though the current North Carolina voter registration records show that more than one in five N.C. voters are people of color - primarily African-American - and more than 55% of registered voters are women.

The exhaustive public records search was conducted on nearly 1,000 major North Carolina campaign contributors in races at the municipal, gubernatorial, and Presidential level. The Color of Money study was conducted by the non-profit and non-partisan Democracy North Carolina, based in Carrboro. Six college studentsⁱ based in Greenville and Charlotte, who are participating in the organization's annual Democracy Summer program, were a part of the research team who conducted the study.

The Color of Money in North Carolina studied seven candidates in four races: Don Parrott's successful run for mayor of Greenville in 2001; Pat McCrory, Susan Burgess, and Ella Scarborough's campaigns' for Charlotte Mayor in 2001; Governor Easley and Richard Vinroot's 1999 campaign reports in the 2000 gubernatorial election; and John Edwards first and second campaign reports in his current bid for President. Donors' gender and race were identified through a search of voter registration public records.

Democracy North Carolina studied 944 major donations and positively identified 97% of those campaign contributors by both race and gender. Major donors were determined to be contributors of \$100 or more in Greenville's mayoral race, \$1000 or more in Charlotte's mayoral race, \$2001 or more in the Governor's race, and \$1500 or more in the Presidential race. Only donors from North Carolina were studied.

Diversity strong among NC Voters:

In order to put the results of this study into the correct context, it is important to review the current breakdown of registered votersⁱⁱ in North Carolina:

UMBERS	PERCENT
053,838	100%
769,098	55%
276,897	45%
945,956	78%
972,820	19%
090,691	22%
434,401	100%
432,857	59%
835,652	34%
896,843	37%
647,149	27%
737,459	100%
885,205	51%
43,408	2%
69,169	4%
814,437	47%
	053,838 769,098 276,897 945,956 972,820 090,691 434,401 432,857 835,652 896,843 647,149 737,459 885,205 43,408 69,169

Study of Major Campaign Donors in North Carolina:

Who exactly is giving all that money in political campaigns and what do they look like? According to the results from *The Color of Money in North Carolina*, major campaign contributors in North Carolina are 97% white (chart 4) and nearly 3 in 4 are men. These major donors accounted for the majority of North Carolina money raised by the candidates in this study.

The numbers are especially troubling when put in the context of today's demographics of registered voters in North Carolina. North Carolina voter registration records show that more than one in five N.C. voters are people of color - primarily African-American - and 55% of registered voters are women.

The 944 major donations studied in this report come from 889 individuals. They represent 0.02% (2 out of 10,000) of registered voters in North Carolina yet they were responsible for 53% of the \$4.2 million raised by the candidates from individual donors in North Carolina.

52 of the 889 individuals who were identified as major donors gave to more than one campaign studied in this report. These *super-donors* are the elite among an already elite crowd, giving sometimes to candidates of different political parties and often have spouses and family members who are also major contributors. All of these *super-donors* were white and more than 4 in 5 were men.

Total donors studied among seven campaigns: 944 Donors who gave to multiple campaigns: 52 Total individual donors studied: 889 Unable to fully identify: 22 White donors: 842 (97%) African-American: 11 (1.3%) Other: 11 (1.3%) Native American: 3 (0.3%) Total People of Color: 25 (3%) Male: 648 (73%) Female: 236 (27%) Major donors accounted for 53% of individual donations in NC: (\$2,241,179 out of a possible \$4,205,465)

John Edwards' major donors in 2004 Presidential campaign:

As John Edwards embarks on the road to the White House, he is fueling up on campaign cash from North Carolina. This money comes primarily from an elite circle of campaign contributors who give large amounts and frequently give more than once. According to voter registration records, these donors are also overwhelmingly white men. (Chart 5)

Edwards has raised over \$1.2 million from individuals in North Carolina in his first two presidential campaign reports. Three of every five dollars raised in North Carolina by Edwards has come from just 381 major campaign contributors. For the purpose of this study, major donors were defined as anyone giving between \$1500-\$2000 to Edwards' presidential campaign.

These donors are 96% white and 66% male, a far cry from the diversity of registered voters in North Carolina. People of color make up more than 1 in 5 voters in North Carolina, the vast majority being listed as African-American. Only six African-Americans were located among Edwards' major donors – accounting for a paltry 1.6% of his major campaign contributors. Women make up 55% of registered voters in North Carolina yet were only 1 in 3 of the major donors in Edwards' campaign.

The data is even more troubling when taken in context of registered Democrats in North Carolina. Women make up nearly 60% of registered Democrats in North Carolina. People of color, mostly African-Americans, account for more than 1 in every 3 registered Democrats in the Tar Heel state.

Total Major Donors: 381 White donors: 356 (96%) African-American: 6 (1.6%) Other/Native American: 8 Total People of Color: 14 (4%) Male: 249 (66%) Female: 129 Unable to fully identify: 11 Donors account for: \$735,610 (60%) Total from Donors in NC: \$1,227,621

Mike Easley's major donors in 1999 campaign reports for Governor:

In 1999, several candidates in North Carolina began raising money in order to mount campaigns to be elected the next Governor of North Carolina. The November 2000 election was more than a year away but the money began to flow to the campaigns of candidates such as then Attorney General Mike Easley. These early donors, and in particular big donors, were pivotal in creating a viable campaign for Easley, a Democrat who eventually won the election. Individual donors from North Carolina accounted for nearly \$1.6 million in Easley's campaign reports in 1999. However, the 237 major donors who gave to Easley in 1999 accounted for nearly \$870,000 of that total, more than half (54%) raised from individuals in North Carolina that year.

These major donors, giving more than \$2000, were overwhelmingly white and male. In fact, 98.7% of these donors were white and more than 2 in 3 were men. According to voter registration records, Mike Easley's 1999 campaign reports contained three major donors who identified themselves as a race other than white. One donor is listed as "Native American" and two donors are listed as "Other." No African-American major donors were identified in Easley's 1999 reports, even though African-Americans make up more than 1 in 3 registered Democrats in North Carolina. In fact, Easley received more major donor campaign money from registered Republicans in the period studied than he did from people of color. Easley's major donors were also 67.5% male, even though women are currently 59% of all registered Democrats in North Carolina.

Total Major Donors: 237 White donors: 231 African-American: 0 Other: 2 Native American: 1 Total People of Color: 3 Male: 160 Female: 77 Unable to fully identify: 3 Donors account for: \$869,302 (54%) Total itemized from donors in NC in 1999: \$1,599,214

Richard Vinroot's major donors in 1999 campaign reports for Governor:

If the Republican Party is trying to shake the image that it is an organization dominated by white men, it's going to need to work a lot harder. An analysis of major donors to Richard Vinroot's unsuccessful campaign for governor has shown that the party continues to be overwhelmingly homogeneous. Vinroot raised over \$1.1 million in 1999 from donors in North Carolina. In fact, 45% of that campaign cash came from just 150 major donors giving more than \$2000. According to searches of voter registration records, these major donors were all white. Currently there are over 69,000 people of color who are registered Republicans in North Carolina. They make up about 4% of all Republicans in the state. Men made up more than 81% of Vinroot's major donors even though women are 51% of registered Republicans in North Carolina.

Total Major Donors: 150 White donors: 145 African-American: 0 Other/Native American: 0 Total People of Color: 0 Male: 122 Female: 28 Unable to fully identify: 5 Donors account for: \$501,970 (45%) Total itemized from Donors in NC in 1999: \$1,115,351

Don Parrott's major donors in 2001 Greenville mayoral campaign:

The 80 major campaign donors who gave \$100 or more in the 2001 Greenville mayoral race contributed \$28,551 to Don Parrott's 2001 mayoral campaign. These big donors accounted for 96.5% of the total raised (\$29,576) by Don Parrott in his successful bid for mayor. In fact, only seven people were responsible for one in every three dollars in his campaign and the top 26 donors accounted for more than two-thirds of all the money Parrott raised.

Parrott's major donors were all white and, perhaps even more astonishingly, only 3 of the 80 donors were women. Both of these numbers fly in the face of the basic statistics for Parrott's Democratic party:

nearly 60% of all Democrats in North Carolina are women and more than one in three Democrats in North Carolina are African-American or a person of color. In Pitt County, people of color, primarily African-Americans, make up more than 30% of registered voters while women account for 56% of registered voters.

Total Major Donors: 80 White: 80 Men: 77 Women: 3 People of color total: 0 Unable to fully identify: 0 Major donors account for: \$28,551 (96.5%) Total from Donors in NC: \$29,576

Charlotte 2001 mayoral race summary:

The report focused on major contributions of \$1000 or more to three Charlotte mayoral candidates in 2001. The study identified 96 major donors who gave at least \$1000 to one of the three mayoral candidates. Republican Mayor Pat McCrory received 80 of the 96 major contributions for a total of \$86,187.50. Of McCrory's donors, 96% were white and none were identified as African American. Also, 94% of McCrory's major donors were men. In addition, even though two of the three candidates analyzed were women, over 90% of all the major donations to the three campaigns came from men

McCrory's general election opponent, Democratic candidate Ella Scarborough collected a total of \$13,500 from 10 major donors. Scarborough, the only African American in the study, collected 4 major donations from African-American contributors. However, her fundraising totals were less than one-sixth of McCrory's total, mirroring national and state trends in which minorities have a much harder time raising campaign funds than their white counterparts. For example, Democracy North Carolina has found that African American candidates for the state legislature raise, on average, about 40% as much as their white counterparts. Burgess, who lost to Scarborough in the Democratic primary, received more individual donations from out-of-state donors (\$20,700) than in-state donors (\$20,454). These contributions were mostly received from family members.

Total Major Donors: 96 White donors: 84 African-American: 5 Other/Native American: 3 Total People of Color: 8 Male: 85 Female: 9 Unable to fully identify: 4 Donors account for: \$105,746 Total from Donors in NC: \$233,703

Pat McCrory's major donors in 2001 Charlotte mayoral race:

Total Major Donors: 80 White donors: 76 African-American: 0 Other/Native American: 3 Total People of Color: 3 Male: 75 Female: 5 Unable to fully identify: 2 Donors account for: \$86,187.50 (47%) Total from Donors in NC: \$183,543

Ella Scarborough major donors in 2001 Charlotte mayoral race:

Total Major Donors: 10 White donors: 4 African-American: 4 Other/Native American: 0 Total People of Color: 4 Male: 5 Female: 3 Unable to fully identify: 2 Donors account for: \$13,500^{iv} Total from Donors in NC: \$29,705.50 *excludes fourth quarter report

Susan Burgess major donors in 2001 Charlotte mayoral race:

Total Major Donors: 6 White donors: 5 African-American: 1 Other/Native American: 0 Total People of Color: 1 Male: 5 Female: 1 Unable to fully identify: 0 Donors account for: \$6,058.30 Total from Donors in NC: \$20,454* *Burgess received more money from out-of-state donors than in-state donors, virtually unheard of for local government races. She received \$20,700 from out of state donors, many of them family members.

Conclusion of Study:

Winning the right to vote was a long and arduous struggle for many segments of our population. Today, the new struggle may be for regular citizens to run for public office in today's ever escalating money race. As a result, big-money donors have increasingly become an accepted hurdle one must face in order to run for public office.

Big-money contributions to candidates can guarantee access to public officials and the legislative process, a guarantee that most voters cannot afford. *The Color of Money in North Carolina* demonstrates that the groups that have traditionally been shut out of the political process (women, low-income citizens, and people of color) continue to be at the back of the bus when it comes to being heard in our elections.

We also know that women and people of color have a much harder time raising money in order to get elected to public office. A previous Democracy North Carolina study found that African-American candidates for the state legislature raise about 40% of what white candidates raise for the same office.

A system of public financing for candidates who accept strict spending and fundraising limits would create a level playing field for candidates, voters, and contributors. The public financing of elections is the only guarantee that citizens will not be shut out of our political process simply because they lack access to big-money campaign donors. Otherwise, we will continue to have what is essentially a private system of financing elections – and that system serves private interests rather than the public good.

ⁱ Students currently attend East Carolina University, Johnson C. Smith University, and UNC-Chapel Hill.

ⁱⁱ As of February 2003, according to voter registration records with the N.C. Board of Elections

ⁱⁱⁱ For the purposes of this study, "people of color" represent all registered voters who are not registered as white. This includes voters registered as African-American, Native American, Asian, multi-racial, and "other."

^{iv} No final report could be located at the Mecklenburg Board of Elections. Repeated attempts to locate this report (or verify that a final report was indeed filed) with the MBOE and the Scarborough campaign treasurer were unsuccessful.

The Color of Money in North Carolina:

A comprehensive study on the role of race and gender in North Carolina's big-money political campaigns









