

Democracy North Carolina

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

For Release Friday, Nov. 5, 2004

Contact: Bob Hall, 919-489-1931

SWITCH HITTERS PLAYED IT SAFE IN GOVERNOR'S RACE BY GIVING \$1.1 MILLION TO EASLEY AND BALLANTINE

Large Donors Dominate Gubernatorial Fundraising; \$1000+ Donors Give 85% of Campaigns' Money

While voters made their choices in Tuesday's gubernatorial election, more than two hundred wealthy donors and special-interest groups played it safe: They bet on both candidates by giving each of them thousands of dollars in campaign contributions.

By mid-October, the political action committees of Wachovia Bank, BellSouth, Coca-Cola Consolidated of Charlotte, Nationwide Insurance, the NC Home Builders, NC Realtors Association, Pike Electric, NC Medical Society, NC Manufactured Housing Institute, and the Eastern Band of Cherokees had each given at least \$4,000 to Republican Patrick Ballantine and similar or even larger amounts to incumbent Democratic Governor Mike Easley.

And that's just the beginning of the list, according to an analysis of campaign reports by the watchdog group Democracy North Carolina of Carrboro. Altogether, 238 so-called "switch hitters" donated a total of \$1.1 million to the Easley and Ballantine campaigns, ensuring an insider's connection no matter which man won, said the group's research director Bob Hall.

"Switch hitters want to secure their access to the top decision makers regardless of which political party or individual wins," said Hall. "They're less interested in the candidate's ideology than in gaining an advantage over Joe and Jane Voter."

In addition to four dozen high-powered PACs, the switch hitters include billboard owners, real-estate developers, beer wholesalers, physicians, hog producers, and others with a stake in such hotly contested issues as tax fairness and environmental regulation.

These contributors are also part a larger group of \$1,000-plus donors who collectively gave 85 percent of the nearly \$12 million raised by the Ballantine and Easley campaigns, said Hall.

The list of switch-hitting PACs, wealthy families and individuals includes:

- **Hog Producers** total \$49,850. William H. Prestage of Clinton donated \$500 to Ballantine in June, then \$2,000 to Easley in July, and then \$1,000 to Ballantine in September. Wendell Murphy Jr. and Sr. of Duplin County donated a combined \$4,250 to Easley and \$2,500 to Ballantine. The NC Pork Council PAC and Smithfield Foods PAC also gave to both candidates, as did the Maxwells of Goldsboro, the Coffeys of Wilmington, Jeffrey Turner of Pink Hill and W.N. Waters Jr. of Clinton.

- **Beer Wholesalers** total: \$83,385. Mark Craig, president of Greensboro's R. H. Barringer Distributors, gave \$6,000 to Easley and \$3,000 to Ballantine; his brother Rick, the company's vice president, added \$1,000 for Ballantine. Worth Harris, chief executive of Harris Wholesale in Raleigh, donated \$2,000 to Easley and \$4,000 to Ballantine; his wife Ann added \$1,000 for the Republican. Executives at 13 other distributors from Asheville to Wilmington, perhaps responding to proposals about a tax hike on beer sales, also made substantial contributions to both candidates.

- **Anesthesiologists** total: \$70,400. Critical Health Systems' PAC in Raleigh donated \$4,250 to Easley and \$4,000 to Ballantine. Five more PACs of anesthesiologists in Charlotte, Wilmington, Winston-Salem and Asheville gave \$20,500 to the Governor and \$18,000 to his opponent. Switch-hitting anesthesiologists added another \$9,500 for Easley and \$14,150 for Ballantine.

“Switch hitters, also known as double-givers, hedge their bets by playing both sides, and you can bet they expect something in return for their investment,” said Hall. “The question is, ‘Will the governor pay more attention to their needs than to the interests of the voters?’”

Hall pointed out that neither gubernatorial candidate tried to attract a broad base of support from small donors and neither imitated the successful Internet donor solicitation of presidential candidates in 2004. He said the 238 switch hitters gave nearly five times as much as all the donors who contributed from \$1 to \$100 to either candidate.

“Both these campaigns got the bulk of their financial support from a very tiny group of very wealthy individuals and special interests,” he said.

According to Democracy North Carolina's analysis of the candidate's disclosure reports:

- Patrick Ballantine and Mike Easley raised about \$12 million by mid-October and less than \$230,000 -- or just two cents of each dollar raised -- came from donors who gave \$100 or less (1.0% of Easley's contributions, 3.8% for Ballantine).
- By contrast, the two candidates collected 85 percent of their money from 3,800 donors who each gave \$1,000 or more (89% for Easley, 77% for Ballantine).
- Fewer than 1,000 donors who each gave \$4,000 account for 44 cents of each dollar raised (48% for Easley, 37% for Ballantine).
- The \$4.9 million raised from the exclusive circle of \$4,000-and-up donors is 22 times as much as was given by all the small donors combined.

The list of \$4,000-plus donors includes many individuals who gave to both major-party candidates or who gave to one side while a spouse or family member covered the other side. The list, with their giving to the two candidates, includes:

In **Charlotte**, Charles & Ed Shelton (developers, \$11,000); Belk family (Belk Stores, \$20,000); Weisiger family (Carolina Tractor, \$20,000); Bank of America PAC (\$10,000); Frank Harrison III (Coca-Cola, \$8,000); R.M. Allen family (developer, \$10,000); Landon Wyatt (real estate, \$8,500).

In **Raleigh/Cary**, Glenn and Joy Futrell (developer, \$19,500); Ruby McKinnie (Sirchie Corp., \$8,000); Glaxo PAC (\$10,500); Sprint PAC (\$6,000); Anne & J.P. Gavaghan (Keystone, \$13,000).

In **Wilmington**, Bobby Harrelson (developer, \$7,000); Lanny Wilson family (lawyer/developer, \$21,500); the MacRae family (Oleander Co., \$12,890); the McNeills (Liberty Healthcare, \$18,000); and in Ocean Isle Beach, the Sloane family (real estate, \$11,000) and Cookes (real estate, \$8,500).

In **Greensboro**, Jane and William Armfield IV (investments, \$9,500); Frank Auman (real estate, \$5,000); and in Sanford, the Swartz family (Static Control Components, \$10,500).

In **Winston-Salem**, Paul Fulton (furniture, \$13,798); A. T. Williams and family (Wilco Hess, \$21,000); and, in Mount Airy, the Richard Vaughn family (construction, \$21,000).

“These examples illustrate why critics view the private campaign financing as a ‘pay-to-play’ racket,” said Hall. “The candidate and donor put the squeeze on each other and the legitimate merits of their cause get lost in the hustle. It's an unhealthy system for them, the taxpayer and the voter. It's why reformers say everyone would benefit by creating a voter-authorized, public financing option for candidates who reject large, special-interest donations and show broad support among voters.”