



The White Donor Class and City Policy in Chicago

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When Americans discuss campaign finance, an increasingly popular topic is the divide between big donors and small donors – and the particular power of big donors. The racial composition of donors is rarely mentioned, largely because data limitations have so far meant that race and other demographic information was not reliably gathered in studies of donors and their behavior. Further, while the influence of donors at the federal and even state level has been subject to intense scrutiny, there is very little research examining the influence of donors at the city level. Working with leading political scientists, I explore the donor class in Chicago, and find deep race, class and gender disparities which could have impacts on city elections and the public policies that politicians prioritize.

How Big Donors are Different

Because donations under \$150 aren't disclosed, we can't examine them. However, in Chicago's most recent elections – featuring the 2015 mayoral race between Rahm Emanuel and Jesus "Chuy" Garcia, along with elections for city council members and aldermen – nearly 98% of donations were raised in amounts over \$150. These donors of over \$150 are not nearly representative of Chicago's population. A few key facts:

- Though whites make up 39% of the population of Chicago, they make up 88% of donors giving more than \$1,000. While only 6% of Emanuel's donors were people of color, 39% of Garcia's donors were.
- Only 15% of Chicagoans make more than \$100,000, but 65% of mayoral donors and 58% of city council donors did.
- Two-thirds of mayoral donors were men, as were 78% of city council donors.

The Mid-Sized and Large Donor Pools

Though data limitations made it impossible to explore the small donor pool (those giving less than \$150), it is possible to explore differences between the medium (giving between \$150 and \$999) and large donor (giving more than \$1,000) pools.

- While only 15% of Chicagoans make more than \$100,000 a year, 42% of medium donors and 69% of large donors do.
- Latinos make up one fifth of Chicago residents and 15% of the medium-sized donor pool, but only 6% of the large-donor pool. African-Americans make up 39 % of the Chicago population, but 8% of mid-level donors and a mere 4% of large donors.
- Women make up 34% of medium-sized donors, but 27% of large donors.

The Geography of Big-Dollar Donations

In Chicago, as with many large cities, geography is inextricably tied to race. As with previous studies of federal donations, I find that donors are heavily concentrated geographically in very white wards.

- Only five overwhelmingly white wards accounted for 13% of Chicago's population, but included 42% of donors to the Chicago mayoral and aldermanic races.

- In wards with high shares of people of color, donors tended to be whiter than the general population. In the half of wards that accounted for the lowest share of donations, 15% of residents were white but 27% of donors from these wards were white.
- While 65% of council donors live in the city, only 48% of mayoral donors do. The candidates differed dramatically in the share of their donors living outside of Chicago.

The Attitudes of Donors

Previous studies have shown that donors tend to have policy positions that are more extreme than the general population. Other work has suggested that the wealthy may have divergent preferences from the general public, particularly on issues of redistribution. For example, according to data from the Cooperative Congressional Election Studies, only one-third of non-donors who live in Chicago support the Bowles-Simpson plan to cut expenditures on Social Security, Medicare, Medicaid and defense spending to reduce the debt – while nearly two-thirds of Chicago donors support the austerity plan.

Conclusion

Our current system of campaign finance introduces inequities at the federal, state and local level. Donors aren't representative of the population, and don't share their views on key issues. There is evidence that these powerful donors thereby get an unequal voice in the policymaking process. In Chicago, for instance, press reports suggest that Emanuel – who won his race after raising \$24 million to his opponent's \$7 million, raising more than five times the amount from big donors than Garcia did from that group – is in daily contact with one of his biggest donors, Michael Sacks. How does such a relationship affect Emanuel's policy decisions, and his responsiveness to constituents who cannot contribute large sums to candidate?

One solution is to implement a system of public financing, which would encourage politicians to raise money from a more diverse set of small donors and free them from endless fundraising. With less time spent courting big donors, women and men who run for office could spend a greater portion of their time meeting with constituents, crafting informed policy plans, and spreading their message to all voters. Public financing could reduce the influence of big money donors, creating a more equitable democracy – and potentially ensuring that the policy preferences of average citizens who are more demographically representative of the city are not crowded out by richer, whiter individuals.

Read more in Sean McElwee, “How Chicago's White Donor Class Distorts City Policy,” Demos, April 2016.